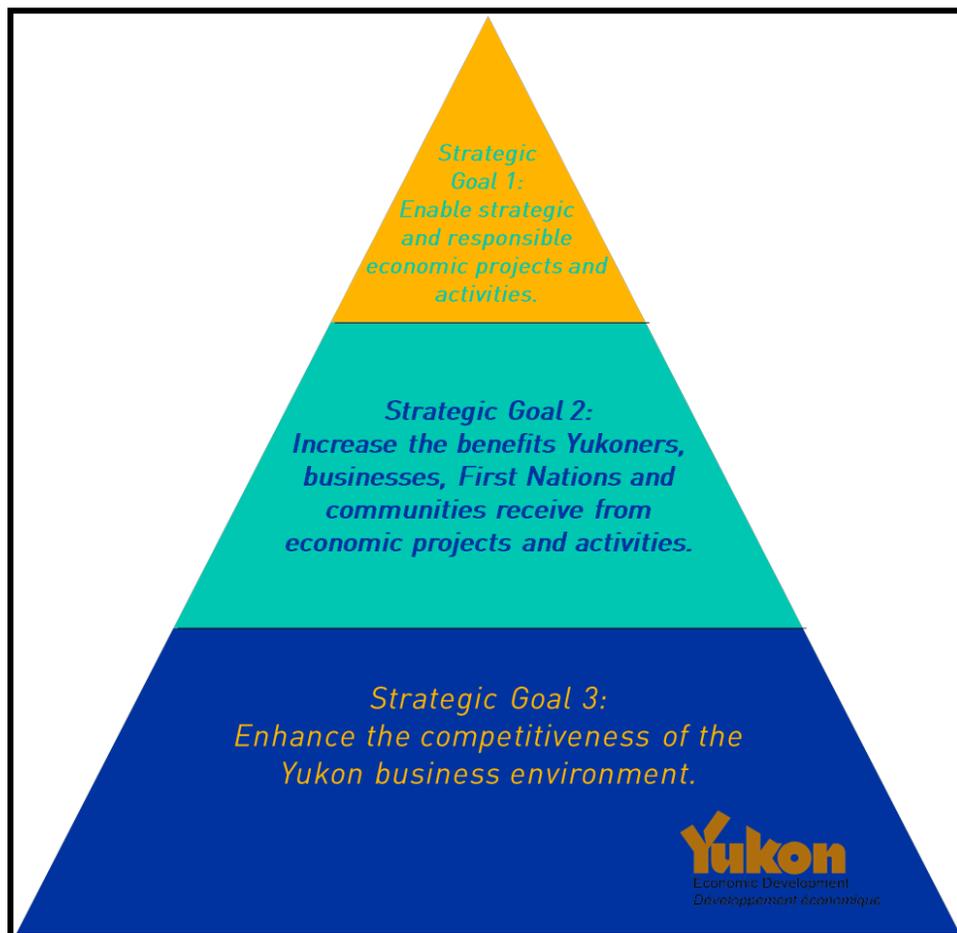

Department of Economic Development Strategic Plan

2012-2017

The quality of life in Yukon is second to none... arising from intense global demand for Yukon resources and manufactured products, natural beauty, high levels of investor confidence, a skilled labour force, rewarding career opportunities, strong First Nations participating in the domestic and global economy, safe communities and a healthy, well-educated populace.



Message from the Minister

Our 2012-2017 Strategic Plan provides a road map for the efforts of the department. It outlines our vision, mission, and values, and provides a description of the context in which we work: both from the department and the broader corporate perspective. This plan explains our strategic goals and what we are doing to achieve them.

Building on the traditional pillars of mining and tourism, the Yukon economy is expanding through the growth of small and medium enterprises. The knowledge sector in Yukon is also expanding, through the development of research centres and the expertise of local entrepreneurs. The economy continues to diversify in such sectors as film and sound, research, and innovation.

Since 2008, the global economy has experienced a significant downturn whose impacts are still being felt in many places worldwide. Nevertheless, the fundamental trends that impact Yukon's economy still apply. As identified in *Pathways to Prosperity*, the global trends of increasing population, economic growth and rising purchasing power in emerging economies are continuing, creating heightened demand for natural resources, new and interesting tourist destinations, innovative products and services, and skilled workers in all sectors.

Yukon is increasingly connected to the global economy. Improvements to infrastructure, including roads, ports and fibre optic connectivity, help to make Yukon more competitive. Modern and streamlined regulations, and targeted programs and activities, attract and foster economic growth. This in turn increases the quality of life for all Yukoners.

Economic development in Yukon, however, is not without its challenges. In order for Yukon businesses to sell their products and services to the world, Yukon will need to invest in economic infrastructure, including transportation, energy and telecommunications. The Department must work closely with all stakeholders, to develop our natural resources, stimulate the growth of an enhanced knowledge sector, support a thriving private sector, and ensure Yukoners have the skills to participate in the global economic markets of the twenty-first century.

Thank you,



Currie Dixon
Minister of Economic Development

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Vision, Mission, Values and Strategic Goals

Where We're Going – Our Vision

The department is a valued partner in the building of a sustainable and diversified economy, focusing on prosperity for all Yukoners while remaining cognizant of social and environmental needs.

What We Do – Our Mission

To assist our partners¹ in building a prosperous Yukon economy by creating and fostering development opportunities.

How We Will Get There – Our Strategic Goals

Department Goals

1. Enable strategic and responsible economic projects.
2. Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.
3. Enhance the competitiveness of the Yukon business environment.

Corporate Goals

4. Attract, develop and engage talented people to continue to provide high quality service to the public.
5. Practice open, accountable and fiscally responsible government.

¹ Our partners include the private sector, First Nations governments, industry associations, non-governmental organizations, other Yukon Government departments and other levels of government.

What Makes Us Different – Foundational Values

Entrepreneurial Spirit

- We value success-driven trailblazers, their next good idea, and staying on the leading edge of what's possible in Yukon's economy.

Economic Success

- We value economic leadership that puts skin in the game, mitigates risk, and allows business to grow.

Future Potential

- We value the future potential of Yukon communities, ripe with ideas and opportunities not yet conceived.

What We Believe – Organizational Values

<p>Focus on the client.</p> <ul style="list-style-type: none"> • Treat clients with respect. • Be responsive, timely and deliver on promises. • Respect client confidentiality. • Obtain stakeholder input in setting goals. 	<p>Have a positive attitude.</p> <ul style="list-style-type: none"> • Focus on solutions, not problems. • Be enthusiastic and passionate in our work.
<p>Communicate openly and effectively.</p> <ul style="list-style-type: none"> • Keep others informed by sharing knowledge and information. • Listen to others and be approachable. • Maintain a transparent decision-making process. 	<p>Achieve results and goals.</p> <ul style="list-style-type: none"> • Set challenging, yet achievable goals. • Prioritize and measure results. • Persevere and overcome obstacles.
<p>Demonstrate teamwork and team-building.</p> <ul style="list-style-type: none"> • Respect diversity. 	<p>Show responsible leadership at all levels.</p> <ul style="list-style-type: none"> • Lead by example.

- | | |
|---|---|
| <ul style="list-style-type: none">• Create positive partnerships and relationships.• Foster an environment of continuous learning.• Respect our employees' needs and ideas. | <ul style="list-style-type: none">• Be accountable for decisions.• Delegate effectively and provide performance feedback.• Empower clients and employees. |
|---|---|

Department Strategic Context

Over the past eight years, the Yukon economy has experienced a prolonged period of economic growth with five of those years exceeding the average national growth rate. The economy has also been experiencing real diversification both between and within industrial sectors. Yukon has seen significant increases in mineral exploration and production, providing significant benefits to local support industries. The economy has expanded into new industries, including a growing film industry and some light manufacturing. Retail spending has also expanded, with Whitehorse serving as a regional center.

The traditional industries of mining and tourism have seen unprecedented intra-sector diversification. In mining, this means a wider range of products, from placer gold to lead-zinc. In tourism, this means a move to eco-tourism and expanding European marketing initiatives. New investments in highways, energy infrastructure, ports and pipelines, all in various stages of planning and development, are bringing global customers closer than ever before.

Yukon's skilled and creative citizens provide the capacity to support this growth. Self-governing First Nations have emerged as key investors in and drivers of business starts and joint ventures. The territory is home to vibrant and well-established traditional, knowledge, and creative-based industries that diversify the economy, generate revenues for citizens, and raise the profile of Yukon to the outside world as a world-class destination in which to live, work and invest.

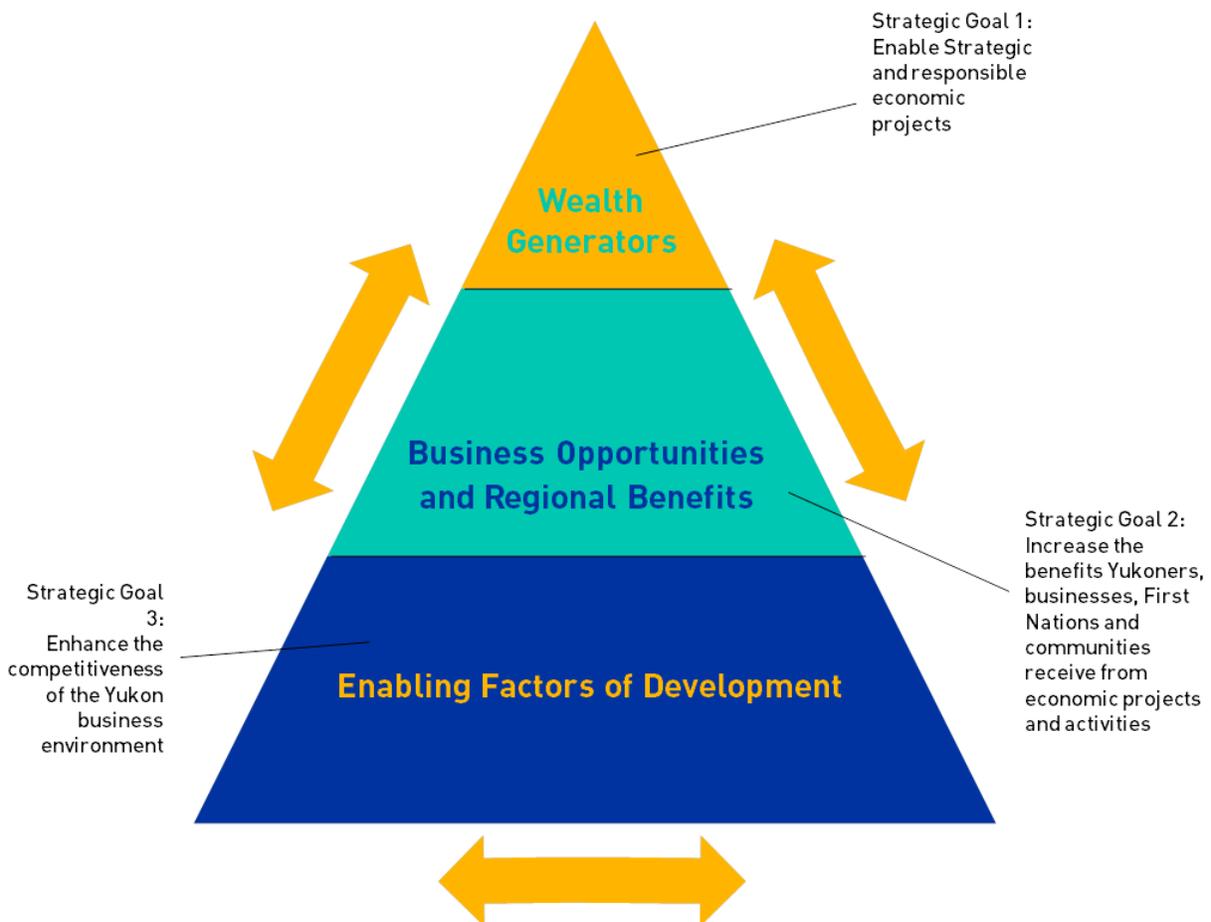
A potential challenge to the positive outlook is ongoing and heightened competition from countries and regions that contain similar resources and competitive industries, which are assisted by increasingly efficient and effective governments. As well, global competition for investment partners requires an ongoing effort to profile Yukon opportunities in both new and existing markets. This new global context requires Yukon

industry and governments to develop our competitive advantages, while addressing our constraints. This strategic planning document emphasizes where the Department of Economic Development will target its efforts in order to achieve our vision of sustainable prosperity and rewarding opportunities for Yukoners.

Our Approach to Economic Development

We believe that the best way to build Yukon's economy is to encourage the development of wealth-generating industries, building on the success of a thriving Yukon private sector. Our role is three-fold:

- Enable strategic and responsible economic projects.
- Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.
- Enhance the competitiveness of the Yukon business environment.



Enable strategic and responsible economic projects.

- Sustainable diversification of the economy will require capturing external wealth, in large part through increasing the numbers of strategic projects and activities. This wealth will come from diverse sources, such as mining; oil and gas; tourism; research, innovation and commercialization; and the film and sound industries.

Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.

- A healthy and thriving Yukon small business sector will identify and capitalize on economic growth opportunities, and will enhance the value of external wealth by circulating those dollars within Yukon.
- First Nation governments, communities and businesses will maximize the benefits from wealth generating strategic projects and activities to improve the quality of life for all Yukoners.
- Collaboration between stakeholders is a key part of successful economic development. The Department will continue to work with the private sector, First Nations, communities and other levels of government in a coordinated approach to development of the Yukon economy.

Enhance the competitiveness of the Yukon business environment.

- A number of enabling factors must be in place for the Yukon economy to thrive: marketing and investment promotion; research and innovation; capacity and workforce development; planning, policy and regulations; and economic infrastructure.
- A culture of research and innovation will facilitate the entry of larger projects to the territory, and support the local economy. Marketing and investment promotion must pursue new avenues and reaffirm existing networks in order to facilitate new investment and expand Yukon's exports. Capacity and workforce development will ensure organizations and citizens are positioned to take advantage of opportunities.
- Physical infrastructure, including transportation, energy and communications networks, will attract and support the growth of the Yukon private sector.
- Modern policies and regulations will play a crucial role in improving the quality of life for all Yukoners, while placing Yukon in the best position possible to seize the opportunities from global trends of increasing wealth, population and purchasing power.

Strategic Goals

This section discusses our strategic goals, outlines the objectives we have identified to realize them, and provides examples of the activities the Department will undertake.

Department Strategic Goals

Strategic Goal 1 – Enable strategic and responsible economic projects.

The Department recognizes that wealth generating industries are the pillars of a thriving, Yukon economy. We will support the growth of the traditional economic drivers of mining and tourism, while facilitating the development of a diversified, knowledge-based economy.

To accomplish this we have identified the following objectives and have provided examples of strategies and actions that aim to accomplish these objectives:

1.1 Facilitate the development of mining and other resource development projects.

- Work with industry and the Department of Energy, Mines and Resources on coordinated efforts.
- Support, facilitate and fund the development of key strategic projects.
- Continue and expand investment attraction and export development initiatives.

1.2 Facilitate the development of tourism projects.

- Work with industry and the Department of Tourism and Culture on coordinated efforts.
- Support, facilitate and fund the development of key strategic projects.
- Develop external investment pathways and markets.

1.3 Facilitate the development and commercialization of research and innovation.

- Work with Yukon College, Cold Climate Innovation and Yukon Information Technology Industry Society and other non-governmental partners on coordinated efforts.
- Support, facilitate and fund the development of key strategic projects.

- Identify and examine opportunities to enhance innovation and commercialization of technology.
- Support the ICT private sector through the identification and promotion of new opportunities for sector growth.

1.4 Facilitate the development of opportunities for filmmakers and other sound recording professionals.

- Work with members of the film and sound industries to target export markets.
- Provide professional development opportunities for filmmakers and sound recording professionals.
- Encourage film productions to film in Yukon and hire Yukon crew.
- Assist Yukon film producers and sound recording professionals to develop projects which have demonstrated commercial potential.
- Support film and sound industry associations on issues of common interest.

Strategic Goal 2 – Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.

A thriving private sector provides the cornerstone of a healthy and growing Yukon economy. The Department will support Yukon businesses to identify and capitalize on opportunities, and will continue to strive to increase Yukon's share of benefits through our partnership with Yukon's businesses, First Nations and communities.

To accomplish this we have identified the following objectives and have provided examples of strategies and actions that aim to accomplish these objectives:

2.1 Support the growth of Yukon's small and medium enterprises.

- Facilitate entrepreneurial development.
- Identify and examine business opportunities.
- Facilitate, advise, and provide support to businesses, First Nation development corporations and start-ups to attract investment or to target internal and external markets.
- Support chambers of commerce and industry associations on issues of common interest.

2.2 Increase Yukon's share of benefits generated from proposed large industry developments.

- Identify, assess and communicate economic benefit and business opportunities stemming from industry development projects.
- Work with businesses, communities and stakeholders with economic development related mandates to ensure that communities have the tools necessary to secure local benefits.
- Provide support to non-governmental organizations to address challenges and to take advantage of opportunities.

2.3 Support First Nations' economic development.

- Work with First Nations and First Nation development corporations to enhance their organizational capacity for economic development.
- Facilitate access to capital and financing for First Nations in their economic development ventures.
- Support the development of regional, First Nation and community economic development plans.

2.4 Create and enhance economic and community opportunities.

- Work with communities, First Nation governments, municipalities and others to create economic opportunities and strengthen social and community networks by funding projects through the Regional Economic Development Fund and the Community Development Fund with sustainable social or economic benefits.
- Through the Community Development Fund, work to improve the standard of living, social capacity, cooperation and community involvement in Yukon communities, with the aim of benefiting communities' long-term well-being.

Strategic Goal 3 – Enhance the competitiveness of the Yukon business environment.

Yukon opportunities, supported by a stable and competitive regulatory environment, provide many advantages to businesses, workers and investors. The department will continually strive to improve the business environment while promoting Yukon as a place to live, work and invest. Developing the enabling factors of an economy has the potential to increase investment in Yukon, increase exports and create opportunities for all Yukoners.

To accomplish this we have identified the following objectives and have provided examples of strategies and actions that aim to accomplish these objectives:

3.1 Support the development of strategic infrastructure required for economic development.

- Work closely with stakeholders in industry and in government to establish common priorities and plans for growth and expansion in key infrastructure areas including roads, ports, innovation, information and communications technology, transportation and energy.
- Work with other departments and potential funding partners to assess the options for financing major infrastructure requirements.

3.2 Market Yukon as a place to live, work and invest.

- Promote Yukon's strategic and competitive advantages for business and industry investment.
- Develop, implement, evaluate, and refine investment and marketing initiatives and programs.

3.3 Advance Yukon's economic development interests through intergovernmental forums.

- Work with Canada, provinces and territories to advance open trade relationships within the federation that recognize Yukon's economic development requirements.
- Enhance relationships with trading partners through participation in common initiatives.
- Advocate on behalf of industries to ensure Yukon funding requirements are included in national funding programs.

3.4 Develop policies and strategies to guide the Yukon government's economic development activities.

- Monitor, evaluate and report on business and economic trends, issues and opportunities affecting Yukon.
- Collaborate with other departments on initiatives that have implications for economic development activities.
- Support the Government of Canada's negotiation of international trade agreements with Yukon's key markets.

3.5 Support capacity and workforce development.

- Work to increase opportunities available for Yukoners through support for training.
- Support Yukon businesses by working with our partners on employee recruitment and retention initiatives.

Corporate Goals

In order to achieve our strategic vision for economic development in Yukon, the department must emphasize long-term organizational and corporate sustainability. This means becoming an employer of choice, providing high quality financial and technical support throughout the department and working closely with our partners across Government of Yukon.

To this end, there are three strategic corporate goals the department has identified.

Goal 4 – Attract, develop and engage talented people to continue to provide high quality service to the public.

To accomplish this we will:

- Attract and retain knowledgeable, motivated and productive staff.
- Promote a safe and healthy working environment.
- Foster a working environment of continuous learning and development.
- Support corporate diversity initiatives.

Goal 5 – Practice open, accountable and fiscally responsible government.

To accomplish this we will:

- Exercise sound financial and information management and planning in the delivery of service to Yukoners.
- Provide timely, straight forward information to employees, stakeholders and citizens.
- Enable Cabinet and Cabinet Committees to make timely and well-informed decisions.
- Continually improve the Department's policies and programs to ensure they remain effective and relevant in meeting the needs of Yukon's developing economy.

Performance Measures for Yukon Economic Development

Measured on an annual basis, these indicators will inform our planning process for 2015/16. The performance of these indicators and identification of these trends will indicate to the department if the strategic context has changed, requiring adjustment in goals or objectives for the next year. These are chosen based on the two foundational aims of the department: the creation of wealth and jobs.

Wealth and Jobs Trends to inform 15/16

Goal 1- Enable strategic and responsible economic projects.

In examining the creation of wealth in the economy, the review could include the following indicators:

- GDP, income based
- Sector-specific growth rate
- Value of mineral exploration, development and production expenditures
- PPI (public/private intentions)
- Savings rates (SNA)
- Median income (available through census)
- Disposable income

Goal 2- Increase the benefits Yukoners, businesses, First Nations and communities receive from economic projects and activities.

In examining the creation of jobs in the economy, the review could include the following indicators:

- Yukon Labour Force Survey
- Survey of Employment, Payroll and Hours
- Value of building permits
- Value of retail sales
- Value of wholesale sales

Goal 3 - Enhance the competitiveness of the Yukon business environment.

In examining the overall health of the economy, the review could include the following indicators:

- Annual average inflation
- Review of portion of building permits attributable to infrastructure investment
- Commercial building permits
- Population growth rate
- Real-estate transactions (number and value)

Enterprise Risk Management for the Department of Economic Development

Enterprise risk management is relatively new for the Government of Yukon. Its intent is to proactively identify risks and address them in strategic plans. For 2014/15, the department has identified a number of risks and mitigations.

Some high-level examples are listed here:

Identified High-Level Risks and Mitigations	
Risks	Mitigations
Reduced coordination and collaboration across areas of departmental responsibility.	<p>Continue to discuss cross-branch collaboration at senior management team meetings.</p> <p>Continue the relationship and teamwork building activities such as department-wide meetings and activities.</p> <p>Encourage more cross-branch projects.</p> <p>Continue to put forth requests to Management Board for co-location of all department staff.</p>
Lack of transportation, technology and energy infrastructure impedes economic project development across Yukon.	The department works with stakeholders and within government to establish common priorities and plans for growth and expansion in key infrastructure areas including roads, ports, innovation, information and communications technology, transportation and energy.
Instability in the global economy poses some uncertainty to the economic growth in Yukon.	<p>Continue to market Yukon as a stable, attractive market for investment.</p> <p>Continue to examine new markets.</p> <p>Look for opportunities to diversify the Yukon economy.</p> <p>Encourage other partners/ stakeholders to help promote and support the diversification of the Yukon economy. Stakeholders include business chambers, municipalities and First Nations among others.</p>
Retirement and employee turnover will result in a loss of corporate knowledge and may impact departmental achievements.	<p>Encourage the development of staff through career development plans as part of the personal development plan process.</p> <p>Increase knowledge transfer by mentoring</p>

	<p>others prior to approaching retirement.</p> <p>Work with the Public Service Commission to implement the Corporate HR Strategy. Ensure the retention of corporate knowledge through good records management.</p>
<p>Increasing volumes of electronic and paper records results in challenges to the efficient use of departmental information.</p>	<p>Efforts to improve efficiency are ongoing across the department.</p>
<p>Uptake on funding programs is dependent upon stakeholder interest</p>	<p>Ensure maximum awareness of opportunities afforded by programming through proactive stakeholder engagement.</p>