



# Yukon ICT Sector Strategy



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Canada

# What is the ICT Sector ?

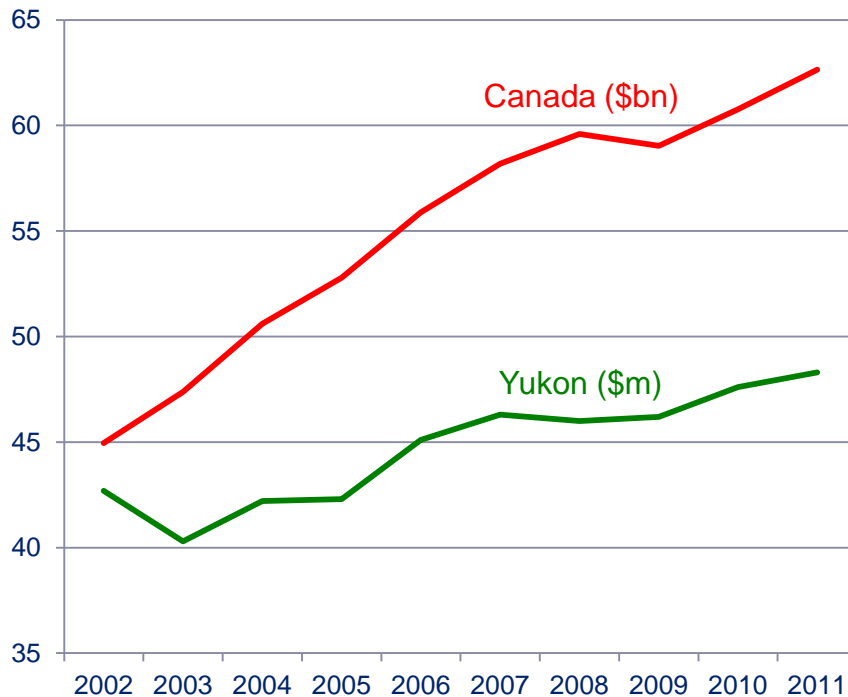
- > ICT manufacturing, services and wholesaling
- > Yukon ICT sector predominantly service-based
  - Telecommunications
  - Software development and support
  - Hosting, data processing
- > Largely micro businesses (< 5 employees)
  - 80+ businesses; 550+ employees
  - Outside telecommunications services average size is < 3 employees per business
  - 8 businesses with revenues > \$1 million; 32 businesses with revenues < \$50,000
- > \$48 million contribution to GDP (2011)

# ICT Sector is Strategically Important

- > Brings high-paying and highly skilled job opportunities to the territory
- > Enables other businesses to improve operations, increase efficiency and create value, increasing Yukon's competitiveness
- > Broadens the reach of technologies to enable greater access to government programs and services, including education and healthcare
- > Enables quality of life for Yukoners
- > Significant stable growth potential in Canada

# Growth of Yukon ICT Sector is Lagging Canada

## ICT Sector GDP (2002 – 2011)



- > Relatively smaller
  - 2.7% vs. 4.9% of GDP
- > Growing at a slower pace
  - See chart

# Sector Strategy Required to Guide Growth

- > Last strategic plan for the Yukon ICT Sector was completed in 2002
  - Local, national and global ICT landscape has changed significantly
- > New direction required to reflect the current state of the Yukon ICT sector and guide the sector toward increased growth and development
- > Needs to explore:
  - What are the key challenges to growth?
  - What resources and capabilities can the Yukon ICT sector leverage for growth?
  - What are the key opportunities and constraints that government and industry can influence to maximize the potential for this industry sector?



# Challenges and Opportunities

# Challenges to Growth

- > Limited telecommunications infrastructure
- > Relatively high cost of existing voice and data services
- > Lack of scale (supply and demand)
- > Reliance on YG as a customer
- > Access to ICT skills and capacity
- > Lack of availability of local education and training resources
- > Remoteness to export markets

# Resources and Capabilities

- > Base of over 550 highly-educated professionals with strong alignment to technologies in use within Yukon
- > Small market provides opportunities for access and communication between government and industry
- > Maturing base of businesses beginning to export services
- > Marketable skills and competitive advantage (small govt, remote telecomms, cold climate)
- > Government commitment and approach which promotes the use of local companies
- > Dedicated organizations, such as YTIC and YITIS





Proposed Direction

# ICT Penetration

- > Set specific targets and standards for broadband speeds and cell phone coverage
- > Encourage the development of additional capacity and redundancy in the telecommunications infrastructure
- > Continue to advocate for more competitive telecommunications pricing through the regulatory framework
- > Leverage organizations such as YTIC to look at ways to increase the digital diversity of the Yukon population
- > Promote sector products and services in domestic and export markets

# Investment in the Sector

- > Create an industry-specific innovation fund to encourage businesses to invest in ICT product and service development
- > Work with ICT service providers and their key clients to develop opportunities for more strategic partnerships
- > Facilitate connection to investment capital, both local and outside Yukon
- > Promote planning and procurement approaches that improve conditions for investment and address capital scarcity
- > Focus R&D investment on solving local problems to develop skills and export opportunities

# Capacity Building

- > Promote the ability to deliver ICT education and training locally
- > Enable clustering of resources and talent
  - Private and public sector
  - Capacity to respond to local needs and pursue export opportunities
  - Mentorship opportunities
  - Professional development and career paths
- > Support acquisition of managerial and marketing skills to grow ICT businesses

# Supply-side Collaboration

- > Establish a focal point within Yukon Government to coordinate, advocate and monitor the implementation of the strategy
- > Strengthen the Yukon Information Technology Industry Society (YITIS)
  - Advocate for industry
  - Foster collaboration and networking
  - Integration of training needs
  - Facilitate access to capital
  - Facilitate resource pooling and mentorship
- > Establish a cross-sector stakeholder advisory group to explore demand for ICT products and services and examine new approaches to addressing that demand



Next Steps

# Next Steps

- > Finalize and publish strategic plan
- > Formalize coordination role for YG
- > Stand up YITIS as a professionally resourced and supported organization
- > Establish cross-sector stakeholder advisory group
- > Plan priority actions for 2013/14



Questions ?