

Economic resilience plan: Building Yukon's COVID-19 economic resiliency

MARCH 2021



SUPPORTING YUKONERS
on our path forward





Message from Minister Ranj Pillai

Since the beginning of the COVID-19 pandemic, Yukon has faced unprecedented challenges. As governments around the world took action to slow the pandemic's spread, businesses and economies were deeply shaken.

Yukon acted swiftly and was one of the first governments in Canada to launch broad-based programs to support individuals and businesses impacted by COVID-19. Our response was a model for other Canadian jurisdictions. While Yukon has much to be proud of, our work is not done.

When we launched our response programs, we promised that we would monitor, adapt and respond; this plan reflects that commitment. We are adapting our response to reflect the evolving nature of the pandemic. Through renewed and extended initiatives, we are making deliberate and thoughtful efforts to respond to the unique challenges faced by different sectors. As the pandemic changes, our responses must change with it.

We are going to face challenges in the days and months ahead, but one thing is certain: we will continue to listen, respond and adjust our supports to meet your needs. We will continue to put Yukoners' health and well-being at the forefront of these efforts.

While we should be proud of our collective efforts to keep case counts low, the threat of COVID-19 remains. Widespread immunization is the best way to protect Yukoners and reduce restrictions over time. Stay informed, get vaccinated, wear a mask and follow the six steps to staying safe so that together, we can continue moving towards our 'new normal.'

A handwritten signature in black ink that reads "Ranj Pillai". The signature is written in a cursive, flowing style.

Ranj Pillai
Minister of Economic Development

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Executive summary

The effects of the COVID-19 pandemic have been felt around the world. Canada, along with other countries, has taken unprecedented steps to slow the spread of the virus. Here in Yukon, travel restrictions and social distancing have affected our families, economy and plans for the future. While these measures helped to keep case counts low, they have resulted in a lasting impact on the livelihoods of many Yukoners.

Initial response

In response to the resulting economic downturn, Yukon was one of the first governments in Canada to launch broad-based programs to support individuals and businesses impacted by COVID-19. The Government of Yukon responded quickly and deployed supports and investments to protect businesses and jobs.

The government put in place a number of supports to buffer the economic impact of the pandemic. We implemented over 40 programs providing direct, indirect, regulatory and infrastructure programs. In total, over \$44.8 million in supports has been announced across Yukon's economic sectors through expanded programming, new initiatives and waived or deferred fees.

These responses were informed by local expertise from industry organizations and the newly formed Business Advisory Council, comprised of experts from multiple sectors including mining, tourism and the restaurant and service sectors. Regular contact and information sharing with municipal and First Nations governments about Yukoners' needs and concerns meant we could collectively respond in real-time.

Yukon's pandemic response programs were coordinated with Government of Canada initiatives to maximize the financial resources available to Yukoners. Communication and coordination with national leaders on initiatives provided a forum for raising Yukon's specific issues, reduced red tape and maximized access to benefits for Yukoners.

Together, these programs allowed us to preserve family well-being and helped businesses survive the initial crisis. Looking ahead, we are building resilience through longer-term supports, such as those to position Yukon's tourism sector for a future rebound in visitation.

More information about Yukon's initial response and relief can be found in Appendix A.



Credit: GBP Creative

The Road Ahead

There is hope on the horizon as Yukon's vaccination strategy rolls out across the territory. However, due to significant COVID-19 activity and variants in our neighbouring jurisdictions, border closures, and travel restrictions, Yukon's tourism and creative and cultural industries will continue to face acute challenges well into the future.

The goal of this plan is to guide 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 socioeconomic commitments. Economic recovery is not a single action, policy or program. It is a range of efforts with varying impacts that come together to achieve this goal. It also requires our partners to be flexible and innovative in their response to changing consumer behaviour.

As the pandemic evolves, so too must our government's response. That is why the Government of Yukon is adapting and responding by renewing and extending targeted programs to support those who need it most. These include:

- **Paid Sick Leave Rebate**, which supports employers who pay workers to stay home if they become sick or are required to self-isolate.
- **Yukon Business Relief Program**, which helps businesses break even by covering the costs of essential expenses for businesses with grants for fixed costs such as rent, utilities, insurance, mortgage interest and property taxes.

- **Tourism Accommodations Sector Supplement**, which provides a supplement of up to \$400 per room each month, up to the point of breaking even.
- **Tourism Non-Accommodation Sector Supplement**, which provides funding relief to Yukon's visitor-dependent, non-accommodation tourism sector of up to \$20,000 per month, to a maximum of \$60,000, up to the point of breaking even.
- **Liquor discounts** for Yukon restaurants and other businesses with a liquor licence that are struggling are eligible to receive a discount of 25 per cent off the retail price of liquor until September 30.

We also launched the **Regional Relief Loan Program** to supports business cash flow in the medium term through loans with preferential terms. Through funding from the Government of Canada, small and medium businesses in Yukon have access to up to \$100,000 in deferred interest, partially forgivable loans with principal payments deferred until December 31, 2022.

As we look to the future our framework will focus on five pillars: **people, jobs, business supports, infrastructure development and economic diversification**. These five pillars will guide our efforts to ensure Yukon's long-term resilience, growth and prosperity.

The Road Ahead is focused on the following outcomes:

- Yukon's economy rebounds with responsiveness and adaptability.
- Yukon communities recover and are resilient and our partnerships with First Nations are strengthened.
- Yukoners, including vulnerable citizens, are safe and healthy.

We recognize the global uncertainty going forward and we will continue to monitor and adapt our supports as needed. As the pandemic progresses, we will focus on meeting immediate needs while planning for the future well-being and prosperity of all Yukoners.



Economic resilience plan

As we move forward, we are strategically aligning our plan with our enduring priorities and long-term strategies. We are focusing on people, jobs, business supports, infrastructure development and economic diversification to build resilience and promote Yukon's long-term recovery and growth.

Government of Yukon's enduring priorities



- Our **people-centred approach** to wellness helps Yukoners thrive
- Our strong government-to-government relationships with First Nations **foster reconciliation**
- Our **strategic investments** build healthy, vibrant sustainable communities
- Our **diverse, growing economy** provides good jobs for Yukoners in an environmentally responsible way

Values

With each step on the road ahead our approach will be:

- **Balanced** by considering health advice alongside Yukoners' social, environmental and economic well-being
- **Inclusive** of First Nations, municipalities and businesses
- **Coordinated** by aligning local programs with national supports
- **Responsive** to the advice and differing needs of various businesses
- **Adaptive** to the changing economic and environmental landscape



Actions

Monitor continuously
Adapt responsively
Respond locally

Key pillars

- **People**
- **Jobs**
- **Business supports**
- **Infrastructure development**
- **Economic diversification**



Economic situation

Along with many other countries, Canada has taken unprecedented steps to slow the spread of COVID-19. Wide-ranging stay-at-home orders, border closures, travel restrictions and school and non-essential business closures have slowed the spread of the virus. However, these same public health measures have caused drops in economic activity, business investment and exports.

Historic declines in the majority of industries were reflected in a record decrease in Canada's Gross Domestic Product (GDP) in March 2020, contributing to the worst quarterly contraction in more than 10 years. Actions to protect public health have also had a dramatic impact on labour markets across the country. By May 2020, employment in Canada dropped by 3.4 million or close to 20%, while hours worked were down 16.6%.

Yukon's economy

Going into the pandemic, Yukon's economic position was strong, with low unemployment and positive growth. The positive labour market of 2019 had continued into early 2020. Yukon's unemployment rate, reported as the country's lowest for the third straight year in 2019, remained the best in Canada entering the pandemic. Yukon's earnings growth outpaced national growth in the first quarter, which supported consumer spending.

Even with a positive economic environment, the pandemic's onset and the necessary steps taken to slow the spread of the virus contributed to an unprecedented reduction in economic activity. This resulted in a loss of over 4,000 jobs between February and June 2020.

As workplaces adapted to public health orders, and governments stepped up with historic support, many of the early pandemic job losses have since been recovered. In addition, earnings continued to grow in 2020. Many of the employment losses were noted in low-paying industries. In addition, much of the income losses were replaced by support measures from various levels of government.

Last year was unlike any other for Yukon's tourism sector. Border restrictions, reductions in the number and frequency of flights, and requirements for visitors to self-isolate for two weeks made travel to the territory unattractive for most.

This has resulted in an unprecedented crisis for Yukon's tourism industry. Industries largely catering to outside visitors, such as tours, restaurants and accommodations, continue to be impacted. Recent statistics show:

- Air arrivals at YXY: Air passenger movements at Erik Nielsen Whitehorse International Airport were down 78% in 2020 compared to 2019.
- International Border crossings: down 94% in 2020 compared to 2019.

Going forward, the outlook for Yukon's tourism sector remains challenging. It is anticipated that international travel demand will continue to be limited. The Government of Canada's decision to extend cruise ship restrictions to February 2022 further restricts international visitors to the territory.

Despite the acute challenges facing the tourism industry, there are encouraging signs of economic rebound. Consumer spending has been resilient, with retail sales in 2020 that were higher than in 2019. Housing activity has also been strong, with average resale prices at all-time highs.

Yukon's construction industry has done well to adapt to COVID-19 operational guidelines. Early in the pandemic, the Government of Yukon deemed the majority of construction-related activities essential, which helped to provide assurances that construction activities could continue. In 2020, Yukon's \$356.2 million investment in building construction easily surpassed the 2019 record of \$295.8 million.

The mining sector remains strong. With the commissioning of Alexco Resource Corp's Keno Hill project in late November 2020, Yukon now has three producing mines for the first time since 2013. The Government of Yukon deemed mining essential, which allowed mines to continue operating and supporting employment in communities. The sector has also benefited from an improved metal price outlook, particularly for gold, silver and copper. This benefits current operators, and sets the stage for potential future exploration and development.

Yukon's GDP is expected to grow in 2021, mainly due to gains in the mining and construction sectors. Even with the reopening of the economy underway, 2021 looks to be a challenging year for some sectors of Yukon's economy. While there are encouraging indicators, the economic impacts of COVID-19 are expected to remain highly variable across sectors and uncertain. As this pandemic changes, so must our response.







The road ahead

Future economic impacts remain uncertain as the pandemic continues to evolve. Public health officials around the world continue to grapple with the COVID-19 variants. Travel restrictions and public health measures that keep individuals safe will continue to affect consumer behaviour, business practices and economic recovery.

As we move forward, we are strategically aligning our plan with our enduring priorities and long-term strategies. We will focus on people, jobs, business supports, infrastructure development and economic diversification to build resilience and promote Yukon's long-term recovery and growth.

Our approach includes renewed and extended programs to support economic recovery, and we will be agile and adaptable to respond to the evolving nature of the pandemic.

Values

We are guided by a set of values that reflect Yukon's needs and priorities:

- **Balanced** by considering health advice alongside Yukoners' social, environmental and economic well-being.
- **Inclusive** of First Nations, municipalities and businesses.
- **Coordinated** by aligning local programs with national supports.
- **Responsive** to the advice and differing needs of various businesses.
- **Adaptive** to the changing economic and environmental landscape.

Building resilience

As we navigate through the pandemic our aim is to minimize COVID-19's economic damage, support Yukoners and Yukon businesses, and establish a foundation for continued growth. Yukon's plan is driven by adaptation and action. Environmental, social and governance-based investment principles are vital to all of our economic interventions.

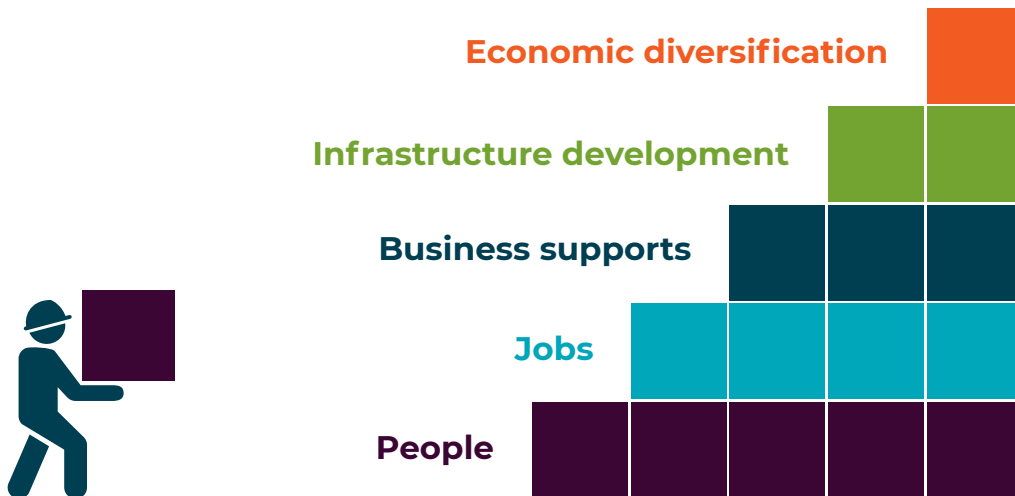
We recognize the uncertain nature of the pandemic and the changing landscape of our economy. It is essential not to have a presumptive "one response fits all, through it all" approach. Businesses and sectors are moving forward at different rates and in different ways.

As a result, the Government of Yukon's approach to pandemic economic response is to:

- **Monitor continuously** – Regular monitoring has been put in place across sectors of Yukon's economy, particularly those hardest hit. The analysis of statistics, lived experiences of Yukon businesses, and economic indicators will inform the status and needs of our economy. The evolution of the pandemic, both locally and globally, will also have impacts.
- **Adapt responsively** – We will use the information gathered to create Yukon-specific supports. This could mean developing new responses or adapting current supports to stay in step with the needs identified across our economy. Flexibility, timeliness and a willingness to adapt are key.
- **Respond locally** – Our response will be guided by the needs of Yukon's economy and our various sectors. We will continue to advocate at a national level to ensure our unique challenges are supported and that there is alignment with national programs.

Our strategy has five pillars that integrate with one another and act as building blocks to support the recovery and resilience of our economy.

- **People:** our success lies with our people
- **Jobs:** jobs support the well-being of families and communities
- **Business supports:** businesses are the backbone of our economy
- **Infrastructure development:** infrastructure is an investment in Yukon's future prosperity
- **Economic diversification:** a diversified economy creates a stable environment for economic activity



Supporting Yukoners

This illustration shows the five key pillars and demonstrates the actions, policy and programs to support Yukoners through the pandemic. This is by no means an exhaustive list, but illustrates how existing plans will be adapted and supported by new programs and approaches in order to build resiliency in Yukon's economy

Business support

- Yukon Business Relief Program
- Regional Relief Loan Program
- Yukon Tourism Relief and Recovery Plan
- Tourism Accommodation Sector Supplement
- Tourism Non-Accommodation Sector Supplement
- Discount on liquor
- Creative and Cultural Industries Strategy
- Aviation support
- Yukon First Nations Procurement Policy



Infrastructure development

- Technological infrastructure
- Five-Year Capital Plan
- Community infrastructure projects
- Transportation infrastructure
- Yukon Resource Gateway project
- Renewable energy investments
- Reduce our dependence on fossil fuels



Government action

Monitor | Adapt | Respond

Jobs

- Working UP, Staffing UP, Building UP programs
- New immigration strategy
- Heavy equipment operator training



Economic diversification

- Innovation plan
- Investments in infrastructure
- Biomass energy
- 10-year Renewable Electricity Plan
- Moving forward with biomass
- Innovative Renewable Energy Initiative
- Arctic Energy Fund
- Independent Power Production Policy
- Economic Development Fund
- Our Clean Future

People

- Paid Sick Leave Rebate Program
- Putting People First
- Universal child care
- Affordable housing
- Safe Restart Agreement



People

Our success lies with our people. We need to have the conditions in place for Yukoners to be able to participate in our economic recovery. By **preserving family well-being** we make it possible for Yukoners to be active and engaged in our economy and can build our strategy and supports outward from this foundation. A key objective in our plan is to ensure families can meet their critical needs as we move forward. These supports will improve health and wellness and position Yukoners to be active participants in our economy.

- Workers should be able to stay home when necessary for public health. That is why we are renewing the **Paid Sick Leave Rebate** program, which pays up to ten days' wages for workers who are sick or self-isolating. Between April 1 and September 30, 2021, workers will have access to an additional ten days of paid sick leave. This program continues to reduce the risk of COVID-19 transmission in our communities and workplaces. This rebate can be combined with the federal sick leave programs offering more coverage for Yukoners during this difficult period.
- The recommendations from the **Putting People First** report maps out a transformation of Yukon's health and social services system that will better meet the needs of Yukoners. This new vision will improve medical travel, disability supports, programs for elders and seniors, child care and primary medical care in rural communities. These initiatives are aimed at eliminating health inequities and improving health outcomes for all Yukoners. As a result, Yukoners' ability to participate in the economy will improve. Combined with investments in infrastructure, workers, business and industries, we are preparing for a future of long-term wellness, growth and prosperity.
- **Families need reliable, affordable child care in order to work.** The Government of Yukon is bringing forward universal affordable child care so people, particularly women who often have primary child care responsibilities, can fully participate in the labour force.
- **Access to affordable housing.** The Yukon Housing Corporation pivoted from the short-term COVID-19 Rent Assist program to offer the **Yukon-Canada Housing Benefit**, which began in November 2020. This program is an income tested rent subsidy that supports affordability and the COVID-19 economic recovery. Public-private partnerships are also being explored to increased supported housing options for Yukon seniors.
- Yukon's participation in the national **Safe Restart Agreement**, as well as other federal funding specific to the territories, will contribute to our economic resilience. Funding will be applied to areas that are critical to safely resume economic activity across the country, as well as preparing for potential future waves of COVID-19. Through this, Yukoners have benefited from further investments in **early learning and child care, personal protective equipment, transit systems and municipal initiatives.**

Jobs

Jobs support the well-being of families and communities. For Yukoners to benefit they need the right skills and access to good jobs. A match between employers and workers helps business stability and growth.

Funding through the **Working UP, Staffing UP** and **Building UP programs** have been repositioned to address COVID-19's effects on employment. These programs help workers develop fundamental skills, assist employers to find and retain personnel, and connect job seekers with employers.

- We are also supporting businesses by developing a **new immigration strategy** to maximize the benefits of immigration to employers and communities. The Yukon Community Program, an innovative stream of the Yukon Nominee Program, helps meet employers' specific needs for part-time and seasonal workers in rural communities. As well, the Yukon Business Nominee Program brings investment dollars and business expertise to the territory.
- The Government of Yukon has partnered with Liard First Nation to provide **heavy equipment operator training**. The partnership delivers on our commitment under the Yukon Resource Gateway Program to provide training opportunities in the community. Through a combination of coursework, simulators and hands-on training, students will learn the skills they need for meaningful employment in a range of maintenance and construction projects, including upcoming improvements to the Nahanni Range Road and the Robert Campbell Highway north of Watson Lake.

Business supports

Businesses are the backbone of our economy. While some sectors have shown signs of recovery, others will need ongoing assistance to continue to adapt to public health guidelines, reduced global travel and changing consumer behaviours. Recovery will vary from business to business and sector to sector. That is why our programs are adaptive to the needs of different businesses and sectors.

Supports for businesses go beyond funding. We are helping business to navigate their path forward and providing support and assistance to help them adapt to the realities of their sector (see Appendix B and C). We will continue to support businesses by adapting programs to meet their needs.

- The **Yukon Business Relief Program** supports businesses that are operating at a deficit on a monthly basis due to COVID-19. Between April 1 and September 30, 2021, businesses can apply for additional support of up to \$30,000 per month, for a maximum of \$60,000. The Northern Business Relief Fund, delivered by the Canadian Northern Economic Development Agency, ends March 31, 2021.



Credit: GBP Creative

- The **Regional Relief Loan Program** supports business cash flow in the medium term through loans with preferential terms. Through funding from the Government of Canada, small and medium businesses in Yukon have access to up to \$100,000 in deferred interest, partially forgivable loans with principal payments deferred until December 31, 2022.
- In response to the unprecedented impacts of the COVID-19 pandemic on Yukon's tourism sector, the Government of Yukon developed a three-year, \$15 million **Tourism Relief and Recovery Plan**. This stems from the Yukon Tourism Development Strategy and is based on research, data, tools and insights. The plan is structured on four themes: providing tourism sector leadership; rebuilding confidence and capabilities for tourism; supporting the recovery of tourism industry operators; and refining our brand and inspiring travelers to visit. It includes support for relief, recovery and rebuilding of the tourism industry in a way that is safe, economically sustainable and will lead to a more resilient sector for the future.
- The **Tourism Accommodation Sector Supplement** provides up to \$400 per room each month, to the point of breaking even. The **Tourism Non-Accommodation Sector Supplement** provides up to \$20,000 per month, to the point of breaking even, to a maximum of \$60,000. Four million dollars has been allocated from the Tourism Relief and Recovery Plan to extend these supplements until September 30, 2021.
- Yukon restaurants and other businesses with a liquor licence who are most in need will continue to receive a 25% **discount on liquor** purchases until September 30, 2021.

Economic resilience plan

- The forthcoming **Creative and Cultural Industries Strategy** will help guide this sector forward. Easier access to funds and a focus on new technologies, export and marketing will support the renewal, transformation and resilience of these industries.
- To support **Yukon's aviation industry**, financial supports are in place to maintain service for travel to and from the territory and within Yukon to remote communities. This support will provide relief to Air North, Alkan Air and other commercial aviation operators.
- The **Yukon First Nations Procurement Policy** is well timed to help build economic resilience. The policy provides tools to reduce barriers for Yukon First Nation businesses to participate in the economy and increase their competitiveness. Incentives are available for partnerships between both non-Yukon First Nations businesses and Yukon First Nations businesses to build capacity, pursue economic opportunities and become more economically self-reliant.

Infrastructure development

Infrastructure is an investment in Yukon's future prosperity. Infrastructure improvements make it easier to access resources and do business in Yukon. Many of the infrastructure projects planned prior to the pandemic align well with efforts to stimulate economic growth and diversification.

- A key piece of **technological infrastructure** is the Dempster fibre line, which will provide the stable internet required to fully participate in the digital economy.
- The **Five-Year Capital Plan** is our blueprint for strategic investments across the territory that support long-term economic recovery and growth and improve the delivery of government services. It is a tool to better respond to Yukoners' needs - be it better transportation, new and improved schools and health facilities, improved community and First Nations infrastructure, land for new housing, or technology that supports better services throughout the territory. It gives a longer planning horizon to all those involved in government procurement, construction and infrastructure projects while remaining flexible to address changing needs and new information.
- **Community infrastructure projects** have the ability to not only enhance our communities, but also support our recovery efforts. Planning discussions will continue to take place with communities with an enhanced focus on infrastructure planning and development and a strategic approach to supporting sustainable growth.
- Businesses also need **transportation infrastructure** options that allow trade and support supply lines. Yukon continues to develop transportation infrastructure within the territory and cultivate relationships supporting access to ports in Alaska.

- The **Yukon Resource Gateway Project** provides up to **\$468 million** in federal, territorial and industry investment to improve access to mineral resources. Agreements have been reached with First Nations for improvements to the Robert Campbell Highway, North Canal Road, Nahanni Range Road, Freegold Road and construction of the Carmacks bypass road and First Nation of Na-Cho Nyäk Dun to upgrade the Silver Trail from the Klondike Highway to Mayo and Keno City.
- Investments in **renewable energy infrastructure** create opportunities for long-term growth and a low carbon, green economy. Prioritizing investments in renewable energy projects contributes directly to sustainable growth in our communities and provides a platform for other clean initiatives across the territory.
- The Government of Yukon will continue to support First Nation and community-led **renewable energy projects** through the Independent Power Production Policy, the Innovative Renewable Energy Initiative and the Arctic Energy Fund.
- Yukon Development Corporation and the departments of Economic Development, Community Services and Energy, Mines and Resources are working with community-led renewable energy project teams to **reduce our dependence on fossil fuels** and to increase our energy security throughout the territory.

Economic diversification

A diversified economy creates a stable environment for economic activity. To diversify Yukon's economy, we are investing in the business ecosystem in ways that support entrepreneurship and the knowledge economy.

- In addition to existing partnerships with Yukon University, NorthLight Innovation and businesses in the technology sector, the Department of Economic Development has engaged with Innovation Sector stakeholders and is working on an **innovation plan** that will provide targeted support to stimulate the growth of the sector and diversify the Yukon economy.
- **Investments in infrastructure** will support economic diversification. The Dempster fibre line will make it easier for businesses to have reliable financial transactions and improve the environment for new businesses to invest and locate in Yukon. Major players in the knowledge economy know the importance of reliable internet in their sector.
- **In partnership** with seven Yukon First Nations and Panache Ventures, we made a significant long-term investment into the future of Yukon's innovation and knowledge economy by increasing access to equity financing and capacity development support for Yukon technology companies. This ongoing investment will serve to boost diversification and support our entrepreneurs.



- **Renewable energy** options offer opportunities for economic diversification. Yukon Energy Corporation is committed to being a leader in sustainable energy by investing in clean, green, renewable energy. This focus will create opportunities for individuals, communities and First Nations.
- By supporting Yukon Energy Corporation to pursue major federal investments into large-scale energy infrastructure as part of a **10-year Renewable Electricity Plan**, we will reduce Yukon's reliance on fossil fuels while creating new jobs and diversifying our economy.
- **Moving forward with biomass** projects will support economic diversification efforts. Investments in renewable energy infrastructure create opportunities for economic resilience and long-term growth and are critical for a green recovery. Investments in biomass heating systems for Government of Yukon buildings will help our local biomass energy industry grow and thrive.
- There is significant interest in the development of smaller renewable energy projects in Yukon with a number of Yukon communities working on solar, wind, biomass or hydro projects. In 2020, over \$1 million was invested in projects across the territory through the **Innovative Renewable Energy Initiative**. By accelerating the development of clean energy projects, new revenue streams will be created for Yukon First Nations, municipalities and community-based organizations.
- By working closely with the federal government, up to \$50 million in federal funding will be invested in community-led renewable electricity projects through the **Arctic Energy Fund**, further increasing our supply of renewable energy and reducing our dependence on diesel.
- To help bring these additional renewable electricity projects online, we will be doubling the limit of the **Standing Offer Program** under the Independent Power Production Policy to 40 gigawatt hours in 2021.
- We will support jobs and opportunities in the green economy related to energy efficient buildings, clean transportation and climate resilience through our actions and commitments in *Our Clean Future*.



How our efforts align

The road ahead builds on existing programs and services that can be revised and adapted to maximize our efforts for recovery. Many of the programs and projects put in place prior to the pandemic put us on a **strategic path** that helps build our collective resilience. Examples of this include targeted economic diversification, community mental wellness hubs, improved procurement, the 5-year capital plan, and renewable energy investments.

It has been recognized that **green actions can spur pandemic economic recovery** and development. According to a recent report by the Boston Consulting Group, governments should engineer their stimulus programs to advance a green, resilient recovery and to support their climate commitments. Now is the time to drive progress on our climate commitments and seize opportunities to transition to a low-carbon economy.

The release of **Our Clean Future: A Yukon strategy for climate change, energy and a green economy** is a milestone achievement in Yukon's commitment to fight climate change and will forge a new path toward a green recovery. The plan also aligns with the principles of ESG (environmental, social and governance) and will stimulate diversification, boost economic recovery and business development.

Economic resilience plan

Our Clean Future lays out a plan to create both immediate and long-term economic benefits for Yukoners. Its **131 actions** will support economic development and create opportunities for Yukoners to participate in the green economy by investing in local renewable energy, infrastructure and building projects. The plan also encourages investment in clean technologies and supports Yukon businesses and workers in developing new skills.

Some examples of the economic benefits are:

- Investment to retrofit and install renewable heating systems in Government of Yukon buildings over the next 10 years is estimated to create or support over 100 jobs each year on average.
- Investment of geothermal energy research will support local drilling and equipment supply companies.
- Rebates for zero emission vehicles, electric vehicle charging stations, and electric bicycles will leverage private sector investment in new green technologies supporting local businesses and tradespeople.

In addition, Cultivating Our Future, Yukon's updated agriculture policy, outlines a variety of actions to expand and enhance agriculture in Yukon. These changes will support the agricultural economy, create and protect agricultural land, promote resilient and sustainable agriculture and foster industry growth and partnership.

All of these efforts will support Yukon's economy going forward. We are on the right path with projects such as these.



Outcomes and indicators

As we move forward, we are focused on the following outcomes:

- **Yukon’s economy rebounds and is responsive and adaptable.** The economy shows marked indications of recovery across a range of sectors, and these signs of return and other feedback mechanisms inform the Government of Yukon’s continued response. The ultimate outcome is a Yukon economy that is strong, adaptive and responsive to the needs of Yukoners. Metrics include: unemployment rate, GDP by industry and wholesale sales.
- **Yukon communities recover and are resilient and our partnerships with First Nations are strengthened.** Throughout the pandemic, the Government of Yukon will continue to work with communities and First Nations governments to respond to the needs of Yukoners by sharing information and supporting health measures. Working in partnership has strengthened these connections and ensured Yukon communities and Yukon First Nations benefit from recovery. Metrics include the population, value of real estate transactions, migration and retail sales.



- **Yukoners, including vulnerable citizens, are safe and healthy.** Throughout the economic recovery, we have followed health guidelines, managed disease transmission and treated those who are ill. Vulnerable populations receive specific supports that reflect their unique needs, such as for those with underlying health conditions or risk factors like precarious housing, substance use, mental health challenges or gender-based violence. Metrics include the Canadian Index of Wellbeing.

We recognize the global uncertainty going forward and we will continue to monitor and adapt our supports as needed. As the pandemic progresses, we will focus on meeting immediate needs while planning for the future well-being and prosperity of all Yukoners.



Measuring success

As we move forward together through COVID-19, it will be important to measure progress toward our desired outcomes. Assessing Yukon's performance requires local data and context. Our plan values adaptability and responsiveness as well as regular review and measurement.

We will revisit our efforts as information becomes available and circumstances change. An initial baseline will be established and updated regularly.

We will continue to examine signs of success across the economy. In this period of change, we want to be dynamic and target success, regaining pre-COVID-19 levels of employment, but also reaching for new levels of economic diversification and ensuring that our citizens' well-being improves along with economic growth.



Conclusion

Yukon's plan is based on our people. More than any individual support or government effort we make, our people are what will carry us through. Yukoners have shown amazing support for our community and our businesses. This continued support will be essential going forward.

By continuing to support our people, we are laying a foundation that all of our support measures will build upon. This will enable the growth and resilience needed to take us through the pandemic and beyond.

While we recognize global uncertainty remains, we will continue to monitor, adapt responsibly and respond locally so Yukon's economy is positioned to rebound and emerge stronger than ever from the COVID-19 pandemic.



Credit: Archbould Photography

IMPORTANT NOTICE



PHYSICAL DISTANCING

Our top priority:
the health and well-being for
our customers and employees.

We have implemented
enhanced **cleaning** and
safety protocols.

Please see an advisor
if you have any questions.

Thank you!

ENTRANCE

PLEASE SANITIZE YOUR HANDS UPON ENTERING

OPEN HOURS:
MONDAY TO SATURDAY
11:00 AM - 6:00 PM
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Appendix A

Initial response and relief

As the pandemic spread to Canada, the Government of Yukon launched rapid support for Yukoners during the initial response period. These swift measures provided reassurance for businesses facing unprecedented financial losses and uncertainty.

Our initial response focused on three key areas:

- **Coordination with national responses**
- **Preserving family well-being**
- **Helping businesses survive the initial crisis**

By focusing on these three key areas, the Government of Yukon was able to deploy supports and programs quickly and provide the reassurance Yukoners needed during the early days of the pandemic. As the pandemic progressed, adaptation and agility became a key element in the government's response.

How we coordinated with national responses

Yukon's COVID-19 initial response was coordinated with Government of Canada initiatives to maximize the support Yukoners received, and was informed by local expertise to direct and manage those supports to their best effect. While countless businesses were affected across all jurisdictions, we recognized that Yukon businesses understand their own models, markets and needs best and must have a voice in our government's response.

In March 2020, the Government of Yukon established the **Business Advisory Council** to provide advice and expertise to mitigate COVID-19 impacts on the local economy. The new **Yukon Tourism Advisory Board** had an immediate focus on COVID-19 impacts on the tourism sector, as well as guiding the implementation of the **Yukon Tourism Development Strategy**. Their contributions complemented existing relationships with long-standing partners, including the Tourism Industry Association of the Yukon, the Yukon Chamber of Commerce, the Whitehorse Chamber of Commerce and the Yukon First Nation Chamber of Commerce.

We launched the **Yukon Business Relief Program** in coordination with CanNor's **Northern Business Relief Fund** to offer maximum support and minimum red tape to local businesses. Businesses applied through a single Yukon government window and expenses not paid by one program were automatically considered for payment by the other. This meant that businesses received the greatest possible support as the programs differed in their eligibility criteria and benefits. We also helped our business clients understand their options for accessing other federal programming. We shared information, answered questions and coordinated with local delivery agencies such as the Business Development Bank of Canada.

Yukon also received an additional \$3 million in federal funding in the 2020-21 budget year under the Workforce Development Agreement. We allocated the additional funding to support Yukon businesses and workers who have been most impacted by the COVID-19 pandemic.

How we preserved family well-being

In response to the impacts of COVID-19, the Government of Yukon acted swiftly to develop a series of programs to support families and keep Yukoners working.

- The **Paid Sick Leave Rebate** program provides up to 10 days' wages for workers who are ill or self-isolating according to health guidelines. As of February 1, 2021, \$448,610 has been paid for 113 employers to assist Yukoners to prioritize their health and reduce the risks of spreading COVID-19.



Paid Sick Leave Rebate
\$1.2 million



Credit: GBP Creative



Yukon Essential Workers Income Support Program **\$4.33 million**

- The **Yukon Essential Workers Income Support Program** provided temporary financial support for lower-income workers for the delivery of essential services during COVID-19. The wage-top-up concluded on February 15, 2021, and paid over \$3 million to workers and more than 110 businesses.
- The **Employment Standards Act** now requires employers to provide 14 days' unpaid leave during a state of emergency.
- The **Staffing UP** labour market program creates critical and essential services summer jobs for graduating and post secondary students by subsidizing wages up to \$20 per hour.
- The **Yukon Nominee Program** permits employers to rehire laid-off nominees without a new application and gives laid-off nominees more time to find new employment.

- **Eviction protection** helped tenants maintain their homes, including by deferring rent until December 31, 2020.
- The **Rent Assist Program** paid partial rent up to \$800 per month so landlords received income and tenants deferring rent owed less.
- **Additional supports** included \$250 per K-12 student, additional payments to Disability Services families, allowing collection of both Social Assistance and the Canada Emergency Response Benefit, and deferring property tax and electricity payments.



How we helped businesses survive the initial crisis

As events were cancelled, travel curtailed and residents practiced physical distancing, many businesses experienced a severe drop in revenue. Our response helped businesses meet their immediate needs by covering essential expenses, major losses and improving cash flow. The first wave of economic response programs were announced only nine days after the cancellation of the Arctic Winter Games.



Temporary Support for Events Funding Program
\$1.8 million

- The **Temporary Support for Events Funding Program** covered losses for businesses and organizations that prepared for events later cancelled due to COVID-19. As of October 30, 2020, the program approved \$1,872,866 in compensation to 43 businesses for 31 cancelled events.

Economic resilience plan

- The **Elevate Tourism Program** is aimed at helping Yukon tourism businesses to rethink, restructure and rebuild as we work towards the recovery of tourism in the territory. Elevate Tourism provides business owners with access to one-on-one professional advice from experts. These experts can help businesses make informed decisions and to identify and invest in new opportunities to best position themselves for recovery when border restrictions lift. Funding is available to modify or enhance existing visitor experiences and services, and to develop new initiatives. Business opportunities may include experience development, websites, and online communications and training.



- The **Culture and Tourism Non-Profit Sector Supplement** provided funding relief to culture and tourism non-profit organizations who have suffered losses related to declines in tourism visitation. Non-profit organizations could apply by February 8, 2021, for up to \$20,000 each. The **PIVOT program** ran from April to September 2020, and helped seasoned businesses and early start-ups find ways to adjust their business practices and engage customers to mitigate the effects of COVID-19 and beyond.

- Supports for the arts and culture sectors were announced, including increases to the **Advanced Artist Award** and the **Arts Fund**. The **On Yukon Time** funding program was also adapted to address impacts from COVID-19.

- The **Yukon Business Relief Program** paid essential expenses for businesses with grants for fixed costs such as rent, utilities, insurance,



mortgage interest and property taxes. As of February 1, 2021, there has been over \$6.33 million in funding paid to almost 500 Yukon businesses.

- The **Yukon Workers' Compensation Health and Safety Board** offered flexibility to employers on premium payments, including deferment and revising estimates based on changed circumstances.

- Expenses related to **liquor service** were reduced for close to 150 bars and restaurants as they worked hard to manage COVID-19 public health measures and keep their staff and customers safe.
- **Procurement prioritization** provided certainty to contractors and their employees that they would continue to have work now and into the future on government projects. From March 1 to September 30, 2020, approximately **\$197.5 million** or **79 percent of all contracts** were awarded to Yukon businesses. Across government, payments to vendors were accelerated to support local businesses during a time of limited cash flow.
- The Government of Yukon waived all **commercial aviation fees** to support Yukon's aviation businesses. Further measures were announced in July 2020, to ensure essential transport links were maintained.
- **Additional supports** included limiting government fees to stimulate business and the tourism industry; adjusting transfer payment agreements for organizations unable to complete projects as planned due to COVID-19; reducing costs and improving access to labour for agricultural producers; and a buy local campaign in partnership with the chambers of commerce.



Yukon Workers' Compensation Health and Safety Board deferrals

\$1.6 million



Liquor Licensees

\$1.8 million





Appendix B

Supports: March 2020 - March 2021

Supports: March 2020 – March 2021

Preserve family wellbeing

- Paid Sick Leave Rebate Program
- 14-day unpaid leave
- Eviction protection
- Child care centre funding
- Property tax deadline extension
- Disability services grants
- K-12 learning relief for families
- Rent Assist Program
- Social assistance / Canada Emergency
- Response Benefit (CERB) coordination
- Phones for vulnerable women
- Essential Workers Income Support Program
- Staffing UP
- Utility payment deferrals

Help businesses survive the initial crisis

- Temporary Support for Events Funding
- Yukon Business Relief Program
- PIVOT business adaptation program
- Liquor licensee discounts
- Liquor licensee refunds
- Liquor wholesale price update delayed
- Explore Your Yukon tourism campaign
- British Columbia tourism campaign
- YWCHSB flexibility for employers
- Northern Business Relief Fund (CanNor)
- Physician compensation
- Aviation fee waiver
- Mineral claim work and assessment relief
- On Yukon Time special funding
- Arts Fund increase
- Advanced Artist Award increase
- Buy Local campaign support

How we continue to support businesses

- Regional Relief Loan Program
- Tourism Accommodation Support Supplement
- Elevate Tourism Development Program
- Yukon Business Investment Tax Credit
- Yukon Community Program restart
- Yukon Mineral Exploration Program increase
- Tourism Cooperative Marketing Fund increase
- Agriculture internship program broadened
- Forest harvest penalty waiver
- Support for fuel abatement treatments
- Support for farmers' markets/ farm labour
- Agriculture incentive programs
- Aviation industry support

Appendix C

The broad-based economic support provided across all sectors of Yukon's economy is illustrated in the program example below.

Yukon Business Relief Program support by business type*

*AS OF JANUARY 29, 2021

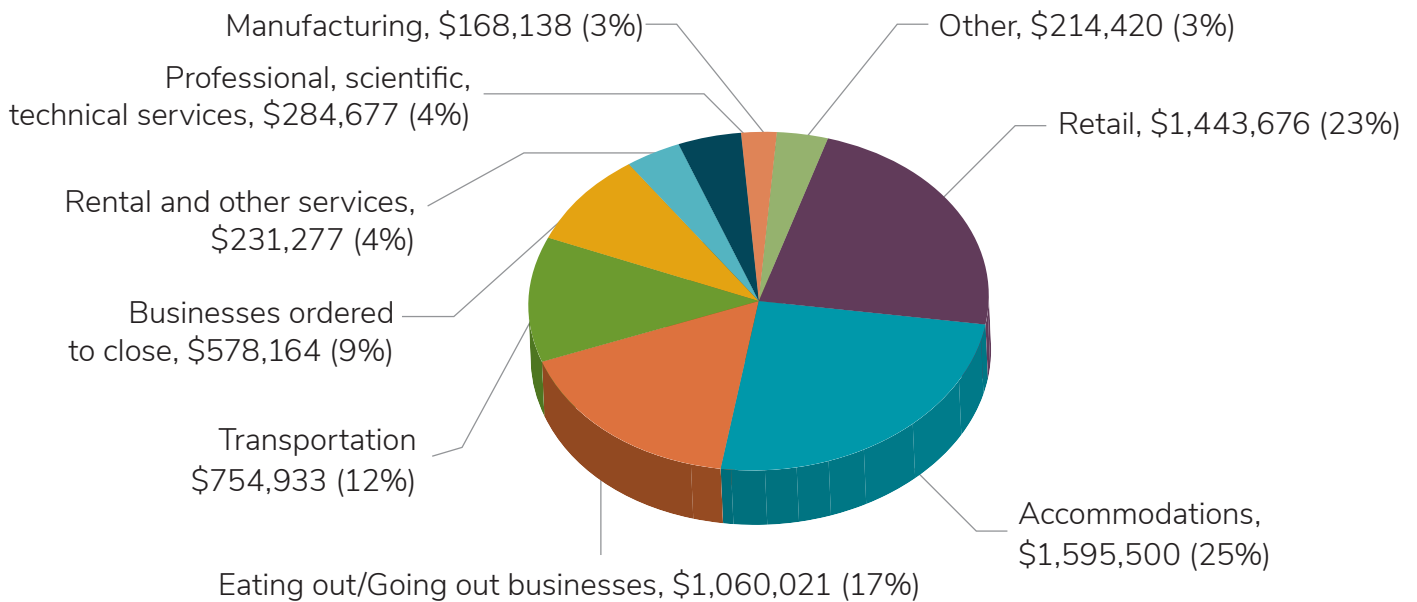


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SUPPORTING YUKONERS
on our path forward