

Klondike Development Organization

Project Background

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Rankin MacSween

President, New Dawn Enterprises Ltd

"One of the lessons New Dawn has learned, from living with a despair that creeps from the past and the frustration of a future that can't seem to be born is that to indulge in the memories of what was or to indulge in the anticipation of what could be leads to corruption of the mind and the spirit. To dwell on the features of a yesterday that should not have been or to concentrate the mind on the tomorrow that is always beyond reach is to direct the mind to destinations of consternation, confusion and cynicism."

ECONOMIC DEVELOPMENT

WHY?



Central Business District

One December Friday, 9.30 am



Demographic Shift

Dawson City Population by Age

	0-14	14-24	24-54	Over 54	Total
1996	437	219	1162	208	2026
2002	331	222	1030	270	1853
2006	291	203	952	335	1781
2002-2006	-12.1%	-8.6%	-7.6%	24.1%	-3.9%
2010	262	200	966	463	1891
2006-2010	-10.0%	-1.5%	1.5%	38.2%	6.2%

1996-2010	-40.0%	-8.7%	-16.9%	122.6%	-6.7%
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2002-2010	-20.8%	-9.9%	-6.2%	71.5%	2.1%
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- School enrolment lowest on record (-30% since 1999)
- Pre-school population 2nd lowest ever after 2008

Demographic Shift

Population by Age 2002-2010

	0-14	14-24	24-54	Over 54	Total
Whitehorse	-2.6%	16.4%	9.0%	64.0%	16.1%
Carmacks	-2.7%	41.5%	20.9%	41.8%	20.5%
Yukon	-6.6%	15.4%	8.6%	66.6%	15.6%
Teslin	-11.0%	1.9%	3.6%	50.0%	9.2%
Faro	-15.1%	-35.9%	2.2%	89.4%	7.6%
Haines Junc.	-15.9%	16.3%	0.8%	50.3%	9.3%
Dawson City	-20.8%	-9.9%	-6.2%	71.5%	2.1%
Watson Lake	-30.0%	21.6%	-9.6%	49.6%	-0.6%
Mayo	-40.4%	8.5%	4.0%	53.1%	4.1%

Business Needs Priorities

2007 Dawson Chamber Business Survey:

- 57% of businesses consider labour shortages highest priority
- 88% of businesses rank labour shortages in top 3 priorities

Source: Strengthening Our Voice: The Chamber Goes Prospecting (DCCC, 2007)

- Skilled workers
- Business succession (restricts investment)
- Land and Buildings

Jobs, Jobs, Jobs.....?

UNEMPLOYMENT RATE

	Summer	Winter
2000	3.3	11.1
2001	2.8	11.9
2002	3.5	12.9
2003	3.7	13.1
2004	2.9	12.2
2005	2.9	12.9
2006	2.9	11.1
2007	2.8	13.0
2008	3.4	13.9
2009	3.3	14.4
2010	2.7	

Regular EI beneficiaries as percentage of 15-64 population

Labour Participation Rate = **83.9%** (Yukon = 78.1%) *Statistics Canada, 2006 Census*

Demographic Shift

Natural Retiree Replacement Ratio

Age	50-59/10-19
Whitehorse	1.4
Carmacks	1.0
Yukon	1.4
Carcross	1.5
Haines Junc.	1.6
Dawson City	
Watson Lake	1.4
Mayo	1.5

Demographic Shift

Natural Retiree Replacement Ratio

Age	50-59/10-19
Whitehorse	1.4
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Yukon	1.4
Carcross	1.5
Haines Junc.	1.6
Dawson City	2.3
Watson Lake	1.4
Mayo	1.5

So Why Economic Development?

Lasting impact and benefit through **Demographic
Renewal**

THINK LONG-TERM

ECONOMIC DEVELOPMENT

OR

BUSINESS DEVELOPMENT ?

OR

COMMUNITY ECONOMIC DEVELOPMENT

?

DEFINITIONS

Economic Development

Economic development refers to the deliberate effort to create economic wealth in a specific geographic area. It is concerned with the entire big picture of industries, businesses and residents in the area.

Business Development

Business development refers to efforts to grow individual businesses, a specific and limited strategy that should be seen as only one component of successful economic development.

Community Economic Development

Business cannot thrive just anywhere - the *COMMUNITY CONDITION* must be amenable.

CED APPROACH

From CED Network website:

"Community Economic Development (CED) is an approach that recognizes that economic, environmental and social challenges are interdependent, complex and ever changing.

To be effective, solutions must be rooted in local knowledge and led by community members. CED promotes holistic approaches, addressing individual, community and regional levels, recognizing that these levels are interconnected."

CED APPROACH

“Jobs and income are critical to a town or neighbourhood's way of life; so are education, safety, housing, a healthy environment, and a vibrant social and cultural life. People used to think if businesses brought jobs and income, the rest would in time follow.

But there is a better way.

Community economic development (CED) is the process by which people build organizations and partnerships that interconnect profitable business with other interests and values - like quality jobs, marketable skills, good health, affordable housing, equal opportunity, and ecological responsibility. Businesses become an integral part of a far greater agenda - a local movement to build (or rebuild) a community that is creative, inclusive, and sustainable in the near and distant future.

CED is one of the most challenging things your town, constituency, or organization may ever undertake.”

(Source: Canadian Centre for Community Renewal)

City of Dawson Community Economic Development Report (2007)

Gaps in 2 key economic components:

- Promotion and Networking
- Equity - A Local Investment Capital Pool

Recommended the formation of an arms-length economic development corporation to deliver and enhance economic development services in the community

Regional Economic Development Plan (2007-9)

DAWSON HAS INADEQUATE

- 1) Population size
- 2) Geographic access to market
- 3) Community infrastructure

THEREFORE

- Cannot attract Outside business interests except in mining and niche tourism
- Initiative for development must emerge *out of Dawson* rather than Outside investment

Regional Economic Development Plan (2007-9)

- **To expand and diversify the economy, need to:**
 - Expand the tourist base by rebranding & new products
 - Establish a knowledge economy
 - Manage mining and oil and gas exploration/development
- Address and overcome barriers to economic development

Require active investment by locals and depend on the extent that the **economic development capacity** of Tr'ondek Hwech'in and other levels of government in Dawson can **work effectively together**

Regional Economic Development Plan (2007-9)

Barriers to Economic Development

- Access to capital and small business support
- Leadership and cooperation (not enough amongst all levels of government)
- Limited awareness of investment opportunities
- Housing and accommodation
- Infrastructure, land, local taxes and service delivery
- **LABOUR MARKET SUPPLY**

“As a resource for economic expansion, the current population is not likely to fill the need”

Source: Regional Economic Development Plan Part 1, 2008

LABOUR FORCE AND DEMOGRAPHIC BARRIER

“People prefer to work in Whitehorse because there are many more services and facilities - and it is only two hours away from Vancouver. In addition, there are better services across the board and everything is cheaper”

“Problems now getting people to work; can't hire professional people because there's no pool to draw from and there's no workforce to draw from so if you don't have people to work who's going to open a business?”

2008-09 SCOPING STUDY

By late 2008, City of Dawson recognizes:

- 1) Multiple uncoordinated and sporadic initiatives in community and economic development sphere
- 2) SOVA and others need enhanced community marketing for success
- 3) Advocacy for increased direct investment in local entrepreneurs

CITY OF DAWSON INITIATES SCOPING STUDY TO ASSESS DEVELOPMENT CORPORATION FEASIBILITY TO BUILD CAPACITY IN PARTNERSHIP WITH COMMUNITY STAKEHOLDERS

KLONDIKE SUFFERS FROM?

- 1) Lack of the critical mass of year round population base
- 2) Small tax base to finance infrastructure and services
- 3) High cost of living and business in an extreme climate remote from supplies and market.
- 4) A population that consumes more than it produces
- 5) Structural imbalances in an economy dominated by government
- 6) Housing, labour and skills shortages.
- 7) An inadequate investment capital pool
- 8) An extreme seasonal cycle.

2008-09 SCOPING STUDY

Subsequent to a full-day workshop to explore current service deliveries and partnerships City of Dawson, Dawson City Chamber of Commerce, Klondike Visitors Association and Dawson City Arts Society adopted the study recommendation and founded KDO with the following purposes:

- 1) To build economic development capacity
- 2) To support existing enterprise
- 3) To attract a local investment capital pool
- 4) To stimulate and invest in new local enterprise
- 5) To attract compatible new enterprise

2009-10 CAPACITY BUILDING

- 1) **Needs Assessment** - Outlining the strategic objectives
- 2) **Training**
- 3) **Strategic Planning**
- 4) **Funding Proposal** - Proposal for a 4-year funding agreement
- 5) **Housing Sector Opportunity Research** - Research of options to cross barriers to limiting factor in population growth

Klondike Development Organization

Partnership of:

City of Dawson

Dawson City Chamber of Commerce

Klondike Visitors Association

Dawson City Arts Society

Tr'ondëk Hwëch'in/Chief Isaac Inc. are interested stakeholders currently considering membership

Federally incorporated not-for-profit society with 2 directors appointed by each partner

KDO Vision and Mission

VISION

A resilient Klondike where highly engaged citizens, networks and organizations collaborate to build a sustainable economy

MISSION

KDO focuses multi-stakeholder collaboration on diversifying and strengthening the local economic base through:

- Pro-active strategies and services aimed at retaining and growing a healthy business base
- Increasing access to equity investment capital
- Strengthening economic and social sectors critical to the future of the Klondike
- Addressing strategic gaps in services

Population Growth Goal

THE ECONOMIC PIVOT POINT

Priority Labour Force and Demographic Barrier

The resilience of the Klondike is defined in terms of an optimal population level that would support a wider range of local goods and services and take Dawson to the 'next level'.

The goal is to grow the Klondike population through community revitalization by focusing on strategies that will have the maximum impact on population growth, particularly the young.

Capture the Benefits...?



Capture the Benefits....? ...Capture the People!

It's ALWAYS about people

Q: What do the people want?

A: Quality of life

- Housing
- Land
- Employment (decreased seasonality)
- Services (private and public)

Existing Plans – just a few of them at least....

- Official Community Plan (1990)
- Integrated Community Sustainability Plan (2007)
- Regional Economic Development Plan - Ch.22 (In-Progress)
- Dawson Community Economic Development Report (2007)
- Dawson Climate Change Adaptation Plan (2010)
- Land Asset Identification and Analysis - Tourism (2009)
- Nodal Framework and Gap Identification - Tourism (2009)
- Klondike Regional Marketing Strategy – Tourism (2005)
- Dawson City Chamber of Commerce Strategic Plan (2008)
- Dawson City Heritage Management Plan (2008)
- Dawson Regional Land Use Plan (In-Progress)
- Dawson Forest Resources Management Plan (In-Progress)
- And.....And.....And.....

SO WHAT WILL KDO DO
ABOUT IT?

NEXT:

KDO Strategic Plan 2011-2015