



MR. KIERON TESTART  
MLA, KAM LAKE

MAR 20 2017

### **Oral Question 317-18(2) Investments in Small Business**

This letter is further to my commitment made in the Legislative Assembly on October 14, 2016, regarding Oral Question 317-18(2) Investments in Small Business. During our discussion, I committed to review all capital that is available to current and future small businesses and entrepreneurs in the Northwest Territories (NWT), and to inform the House if there is a need to either lower or raise it.

There are two general categories of capital assistance available through Department of Industry, Tourism and Investment (ITI) programming. These include contributions to assist with everything from the purchase of equipment to the development of business plans, and loans and credit facilities.

#### **Contribution Based Capital**

ITI's flagship programs, in regards to providing contribution based capital assistance, are found in the Support to Entrepreneurs and Economic Development (SEED) Policy. This provides capital assistance for:

- the purchase of assets - vehicles, buildings and land can be secured from the Micro-business, Entrepreneur Support and Sector Support programs; and
- expenditures that further business activity - start-up funds, business plans, marketing and promotion can be secured from the Micro Business, Entrepreneur Support, Sector Support and Business Intelligence and Networking.

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Other sector specific programs offered by ITI include:

- Tourism Product Diversification and Marketing.
- Northern Food Development Program and Growing Forward 2.
- NWT Film Industry Funding Contributions (provided under the SEED Policy).
- Mining Incentive Program.

SEED Policy funds are widely available by region and by type of business, making SEED Policy funding very popular and often oversubscribed. This activity has the full attention of ITI, and ITI's regional offices have been working to relate client feedback to our Policy and Strategic Planning unit in order to improve the SEED Policy both in terms of program delivery and effectiveness.

#### Loan Based Capital

ITI is committed to ensuring that NWT businesses and entrepreneurs have access to loan or credit based capital, and does so via the NWT Business Development and Investment Corporation (BDIC) and through support provided to the Community Futures Development Corporations (CFDC) operating in the NWT.

The BDIC can offer loans up to \$2 million on its own authority; loans greater than \$2 million would require Financial Management Board support. CFDC programming is focused more on smaller loans and can offer loans as high as \$200,000.

Further information regarding ITI's small business programming can be found at <http://www.iti.gov.nt.ca/en/services>, and reporting on ITI programming can be found at <http://www.iti.gov.nt.ca/en/publications>.

In addition to providing capital, ITI provides the Aboriginal Mineral Development Support Program, tourism skills development, workshops in each region to provide support to entrepreneurs across the NWT, as well as support from regional offices and funding for Community Transfer Initiative positions that provide business development support across all sectors.

Review of the different programs and funds offered by ITI to the small businesses and entrepreneurs of the NWT is an ongoing effort and any initiatives emboldened by current review work will be shared with the Standing Committee on Economic Development and Environment and with the House.

Thank you for your interest in this matter. I trust this response addresses your questions.



Wally Schumann  
Minister

c. Mr. Tim Mercer  
Clerk of the Legislative Assembly

Mr. Tom Jensen  
Deputy Minister, ITI

Mr. David Hastings  
Legislative Coordinator