

ECONOMIC DEVELOPMENT AND TOURISM

**BUSINESS DEVELOPMENT FUND
ANNUAL REPORT**

April 1, 1992 - March 31, 1993



Prepared By
Business Services Division
Economic Development & Tourism

N.W.T.
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Yellowknife, N.W.T.

Tanmar Business Services Ltd.	Travel to Yakutia, Russia to secure a contract	Christine Tanner	\$6,665.00
Tapiriit Developments Ltd.	Travel to discuss purchase of Inuit Art business	Bernadette Makpah, President	\$2,450.00
Tetlit Gwich'in Council	Advertise the Midway Lake Music Festival	Darlene Koe, Administration	\$7,200.00
The Land Store (1991) Ltd.	Restore working capital	Davik Simailak	\$12,922.00
Toonoonik Sagoonik Co-op Ltd.	Market floe edge tour	David Qamaniq, President	\$8,277.00
Treeline Trappings Ltd.	Attend a Christmas Arts & Crafts Fair	NWT Arts & Crafts Society	\$6,150.00
Treeline Trappings Ltd.	Produce & distribute arts & crafts catalogue	NWT Arts & Crafts Society	\$1,186.00
Trout Lake Band Council	Establish a pilot project greenhouse operation	Ruby Jumbo, Band Manager	\$9,850.00
Trout Lake Lodge Ltd.	Purchase a modular home	Trout Lake Dene Band	\$22,500.00
True North Safaris Ltd.	1992-1993 marketing plan	Gary Jaeb	\$10,000.00
True North Trading Company	Establish a mail order arts & crafts business	Andrea Zubko/Gary Williams	\$100,000.00
Tulita Development Ltd.	Appoint manager	Ft. Norman Metis Association Ft. Norman Dene Band	\$25,000.00
Tybring, Kim	Purchase equipment to expand business	Kim Tybring	\$5,000.00
Uluadluak, Bernie	Purchase canoe and outboard motors	Bernie Uluadluak	\$4,400.00
Umayot Corporation	Market products	Bernard Perlman, President	\$10,000.00
Umayot Corporation	Attend Canadian Sewing and Needlecraft Trade Show	Bernard Perlman, President	\$3,380.00
Valley Hardware & Bldg. Supplies Ltd.	Cover costs of professional financial study	Gary Allen	\$22,201.00
Veronica's Boutique	Establish business	Veronica Dewar	\$20,000.00
Voisey Research Ltd.	Purchase commercial fishing vessel	Lewis Voisey	\$100,000.00
Western Arctic Craft Society	Promote craft festival	Sandra McLeod, President	\$8,000.00
Whiponic Wellputer Ltd.	Attend Prospects North '92	Kevin Diebold	\$2,070.00
Whitewolf Adventure Expeditions	Marketing program for 1993	Barry Beales	\$10,000.00
Y & C Enterprises Ltd.	Expand operation	Yvo Airut	\$30,328.00
Yellowknife Arts & Crafts Festival Soc.	To promote arts & crafts festival	Norma French-Heslep, President	\$10,000.00
Yellowknife Dene Band Corp. Ltd.	Computer purchase and training	Yellowknives Dene Band	\$14,270.00
Yellowknife Dene Band Corp. Ltd.	Board of Directors training	Yellowknives Dene Band	\$3,305.00
Yellowknife Dene Band Corp. Ltd.	Prepare financials	Yellowknives Dene Band	\$5,395.00
Yellowknife Films Ltd.	Sell 2 film productions on video to the educational market	Alan Booth	\$5,669.00
Yellowknife Inn	Direct mail campaign	Jack Walker	\$10,000.00

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INTRODUCTION

The Business Development Fund (the Fund) was established in 1991 as one of several initiatives undertaken by the Department of Economic Development and Tourism in response to the SCONE Report and the Government's Economic Strategy.

The intent was to consolidate various business related policies into one policy comprised of five programs designed to support business from concept to wind down.

PRIORITIES

During the first year the Department concentrated on developing client understanding of the programs, criteria and application procedures.

This past year focused on improving processing time through delegation of authority for some program components and ensuring consistent interpretation of the policy.

During the coming year amendments have been made to the policy to make it more responsive to client needs. Further administrative changes will result in improvement to the response times through further decentralized decision making and contribution processing.

PURPOSE

The Business Development Fund was created to promote economic growth throughout the Northwest Territories through diversification of the economy and the development of small business. It is designed to acknowledge the differences in investment opportunity and capacity between the communities with access to larger markets and the smaller, more traditional communities.

PRINCIPLES

The Fund is intended to fill the gaps in programs and services offered by other agencies. Even though it was designed as a last resort source of assistance, there are several underlying principles which govern the decision making process.

Qimmiq Adventures	Market dog sled trips	Paul Jones	\$1,155.00
Qimmiq Adventures	Buy equipment	Paul Jones	\$1,000.00
Rabesca's Resources Ltd.	Product testing	Joyce Rabesca/Moise Rabesca	\$20,317.00
Rabesca's Resources Ltd.	Complete expansion	Joyce Rabesca/Moise Rabesca	\$22,629.00
Rabesca's Resources Ltd.	Set up an outfitting/hunting camp	Joyce Rabesca/Moise Rabesca	\$25,000.00
Rae Edzo Dene Band Dev. Corp.	Hire a managing vice-president	Charlie Charlo, President	\$20,000.00
Rae Edzo Dene Band Dev. Corp. Ltd.	Expand Nishi-khon Center	Charlie Charlo, President	\$5,525.00
Raven Enterprises (Inuvik) Ltd.	Produce and distribute brochure	Moira Grant	\$3,209.00
Richard's Outfitting	Purchase 22 foot yawl and two motors	John Pudnak	\$14,350.00
Roberts CMA, Audrey	Set up accounting & bookkeeping service	Audrey Roberts	\$3,372.00
Robertson's Taxidermy	Marketing campaign	Greg Robertson	\$2,315.00
Rosie's Crafts	Pilot project to produce fur parkas	Archie Rosie	\$31,000.00
Ross, Donald	Expand winter fishery operation	Don Ross	\$2,500.00
S & J Fashions	Manufacture and sale of traditional clothing	Susan Toolooktook	\$4,500.00
Sanniit Cooperative Ltd.	Attend trade show in Winnipeg	Caroline Toonlook, Acting President	\$5,304.00
Saunatuk Fishing Lodge Ltd.	Print brochures	James Gruben	\$3,236.00
Senga Services	Establish a television cable system	Ivan Simons	\$25,000.00
Senga Services	Expand the TV cable system	Ivan Simons	\$3,512.00
Shannon Interiors	Establish a drywall & interior finishing business	Lawrence Shannon	\$2,612.00
Shoapik, Allen	Purchase power longline hauler	Allen Shoapik	\$1,600.00
Sila Lodge Ltd.	Purchase 2 boats, motors & related equipment	Louis Pilakapski	\$28,000.00
Sila Lodge Ltd.	Familiarization tours of travel writers	Louis Pilakapski	\$15,000.00
Sila Lodge Ltd.	Short term operational requirements	Louis Pilakapski	\$20,000.00
Simpson Air (1981) Ltd.	Cover costs of Browning Smith, Inc. study	E.J. Grant	\$18,534.00
Siro Bookkeeping Services	Promote bookkeeping services	Silvie Gadbois	\$1,000.00
Snowflakes	Train in accounting	Lisa Taylor	\$500.00
Spence Bay Cable (Aqsaqniq Ltd.)	Install and operate a cable TV system	Charlie Lyall	\$23,566.00
Storr, Ron o/a Ron's Trucking	Pay outstanding accounts	Ronald Storr, Sr.	\$4,000.00
Subarctic Wilderness Adventures Ltd.	Marketing for the 1993 year	Jacques Van Pelt	\$1,978.00
Suvagu Interpreting	Establish an interpreting & translating service	Emily Beardsall	\$2,400.00
Taiga Sport Fishing Ltd.	Marketing plan	Mike Freeland	\$6,670.00
Tanmar Business Services Ltd.	Attend Prospects North '92	Christine Tanner	\$2,052.00

Nakashuk, Limee	Purchase motorized longline hauler	Limee Nakushak	\$1,600.00
Nakashuk, Mosesee	Purchase motorized longline hauler	Mosesee Nakashuk	\$1,600.00
Nakoolak, Johnny	Purchase parts for boat motor	Johnny Nakoolak	\$1,754.00
Nauyak Outfitters	Purchase promotional material	Allan Kooneeluisie	\$1,560.00
Nauyak, Davidee	Purchase insulated tub power & longline hauler	Davidee Nauyak	\$2,000.00
Nauyak, Pauloosie	Purchase power lonline hauler	Pauloosie Nauyak	\$1,500.00
Navigator Venture Capital Corp.	Construct conference centre	Peter Balt, President	\$150,000.00
Neevee's Coffee Shop	Complete construction on coffee shop	Thomas Suluk	\$7,538.00
Nigiyok, Louie	Hold trade show at Aurora Art Gallery	Louie Nigiyok	\$2,300.00
Niglasuk Company Ltd.	Produce promotional brochure of package tours and distribute	Qaumayuk Oyukuluk	\$6,016.00
Norn, Les	Purchase bob cat and trailer	Les Norn	\$10,000.00
North Port Construction Ltd.	Pilot project to manufacture electrical inverters	Richard Porter	\$25,045.00
North Port Construction Ltd.	Marketing costs	Richard Porter	\$9,820.00
North Winds Arctic Adventures	Purchase outfitting and office equipment	Matty McNair/Paul Landry	\$16,031.00
North Winds Arctic Adventures	Three year marketing plan	Matty McNair/Paul Landry	\$13,725.00
Northcott Tour Planning & Consulting	Purchase a computerized accounting pkg. and on-going training support	Joan E. Cotton	\$2,000.00
Northern Addiction Services	Promote Conference '93 "Working Towards Native Self-Reliance in the Prevention of Drug Abuse"	William Zarchikoff, Conference Manager	\$4,395.00
Northland Adventures	Advertise jet boat outfitting operation	Archie Lennie	\$3,850.00
Nowdlak, Stephen	Purchase power longline hauler	Stephen Nowdlak	\$1,600.00
Nunatext Publishing Corporation	Colour brochure production	Michael Roberts, President	\$6,675.00
Nunavut Pile Driving Ltd.(tbi)	Establish pile driving business	Yvo Airut/Rick Strickland	\$30,000.00
Okoktok Enterprises	Purchase and renovate ATCO trailers	Pierre Okoktok	\$7,000.00
P & L Services Ltd.	Bookkeeping and accounting services	Loasie Anilniliak/Peter Kanayuk	\$2,538.00
P & L Services Ltd.	Purchase computer equipment & software	Loasie Anilniliak/Peter Kanayuk	\$1,950.00
Petanea Cooperative Ltd.	Purchase and install kitchen equipment	Joseph Nayally, President	\$32,000.00
Pineview Service	Pay overdue accounts/purchase inventory	Julia Trennert	\$15,000.00
Pissuk, William	Commercial fishing operation	William Pissuk	\$6,300.00
Pokiak River Festival Society	Produce half hour video	Charlie Furlong, Coordinator	\$3,220.00
Polar Bear Caves Investments Ltd.	Complete hotel and warehouse construction	Willie Adams	\$39,000.00
Qaivvik Ltd.	Develop and market new and tours	Fred Webb	\$5,000.00

Need

- all other sources of funding must be approached and the applicant must demonstrate that the project cannot economically proceed without our financial assistance.

Sustainability

- the project must demonstrate that there is long-term potential for viability.

Shared Risk

- the program recognizes that most business opportunities bring with them varying degrees of risk. Through a BDF contribution, Economic Development & Tourism is willing to share the risk.

Economic Benefits

- job creation, increased exports, reduced imports are all factors which determine whether or not a project will receive support.

In recognition of the disparity between communities in accessing investment capital, markets, technical support, a skilled work force and other economic barriers and to ensure that the underlying principles were applied equitably throughout the Northwest Territories, communities were grouped according to size, proximity to markets and historical unemployment rates. These groupings were then used to establish variable contribution levels, and equity requirements weighted in favour of the more disadvantaged communities.

DEFINITIONS - GROUPINGS

Group 1 communities are defined as having reasonable to good transportation linkages, developed internal and external markets, larger population base and per capita income, low unemployment, stable business community and related infrastructure.

Group 2 communities are defined as having limited but potential markets, lower per capita incomes, higher unemployment, fewer businesses and inferior physical infrastructure.

Group 3 communities are defined as being isolated, high levels of unemployment, limited business opportunities and whose economy is linked to resource harvesting.

PROGRAM DESCRIPTION

Opportunity Identification and Research assists businesses to meet pre-establishment or pre-expansion costs. This may include the cost of planning, legal help, engineering advice, feasibility studies, pilot projects or new product testing.

Business Creation, Expansion or Investment encourages the expansion and development of trade, services, renewable and manufacturing businesses through new business starts or expansions. Assistance is primarily directed to expansion related capital costs.

Market and Product Development assists businesses to generate and increase sales of NWT products, goods and services into new markets or to develop products for existing markets. Related costs include marketing, product development and the promotion of major events by NWT Societies.

Business Skills assists in management or business training.

Business Relief assists businesses in smaller or less developed communities in financial difficulty to identify problems and overcome them.

PROGRAM HIGHLIGHTS

1992/93 was the second year of the Department's delivery of the Business Development Fund. During the year a number of changes were introduced to address budget constraints and improve delivery time. They included reducing the maximum funding available under several schedules and delegating authority to the regions to approve contributions up to \$25,000 on Schedules B, C and D.

In 1992/93 the Department processed 313 applications totalling \$5,525,564, and approved 231 applications totalling \$2,757,185. While approvals increased by 4%, the volume was down by \$801,000.

Of these totals, the regions processed 151 applications totalling \$1,048,715 resulting in 123 approvals totalling \$622,371.

A summary of key aspects of the Fund's performance is provided for Nunavut and the Western Arctic.

Kingaunmiut Arctic Services Jt. Vent.	Set up expediting business	Kingaunmiut Limited Bathurst Inlet Development	\$8,700.00
Kisa, Michael	Purchase power longline hauler	Michael Kisa	\$1,500.00
Kivalliq Consulting, Management & Training Services	Expand building to allow business to expand	Caroline Anawak	\$12,500.00
Komoartok, Norman	Purchase insulated container	Norman Komoartok	\$450.00
Kopatkok Arctic Sightseeing	Upgrade boat	David Ruben	\$1,400.00
Kopatkok Arctic Sightseeing	Upgrade boat	David Ruben	\$6,945.00
Kotchea, Raymond	Start a manufacturing company for traditional native dog sleds, toboggans and snowshoes	Raymond Kotchea	\$2,746.00
Kudluarlik, Livee	Purchase insulated tub for turbot	Livee Kudluarlik	\$450.00
Larry Ussak Outfitters	Set up outfitting business	Larry Ussak	\$7,000.00
Laws, Ian o/a Delta Beaufort Micro Services	Set up computer training center	Ian Laws	\$21,600.00
Leonie's Place	Complete expansion of hotel and craft shop	Leonie Duffy	\$7,520.00
Long Island Logging Ltd. (tbi)	Establish logging operation	Dorothy Unka	\$10,000.00
Lutsel K'e Economic Develop. Corp.	Train Project Manager	Lutsel K'e Dene Band	\$13,311.00
Lutsel K'e Economic Develop. Corp.	Train staff in project management	Lutsel K'e Dene Band	\$9,800.00
Lutsel K'e Shauna Anne's Ice Cream Parlor	Purchase equipment and supplies	Charlie Catholique	\$3,793.00
MacKenzie Times Ltd.	Assist in meeting current financial obligations	Joe Mercredi/Amy Mercredi	\$14,070.00
Mayukalik Hunters & Trappers Assoc.	Familiarization trip for writer and photographer	Mikidjuk Kolola, Chairman	\$2,900.00
McBryan, W.R.	Modernize and expand cow and calf operation	Red McBryan	\$6,000.00
Mercer, Janet	Produce postcards	Janet Mercer	\$2,740.00
Michael Maitland Communications	Attend seminar	Michael Maitland	\$3,260.00
Mulco Ltd.	Attend Prospects North '92	Randy Mulder	\$3,128.00
N.W.T. Kayak Association	Marketing costs for Western Canadian Whitewater Championships	Don Jaques, Organizer	\$1,729.00
N.W.T. Marine Group	To promote Norweta adventure cruises	Margaret Whitlock	\$10,000.00
NWT Metis Development Corp. Ltd.	Hire controller and trainee	Ernie Daniels, President	\$25,000.00
Nahanni Outfitters Association Co-op	Market Nahanni-Ram area	Neil Hartling, President	\$2,425.00
Nahanni River Adventures Ltd.	1993 marketing program	Neil Hartling, President/Owner	\$10,000.00
Nahanni Wilderness Adventures Ltd.	1993 marketing program.	Greg Williams/David Hibbard	\$10,000.00
Nahendeh Developments	Research, plan and initiate a building construction project	Nakehk'o Koe Holdings Ltd./Ehmbee Li Fort Simpson Metis Devel. Corp.	\$15,000.00

Hay River Metis Development Corp.	A pre-feasibility study to establish a fire training center	Pierre Simpson, President	\$5,850.00
Hope's Plumbing and Heating	Purchase pipefitting and heating tools for expansion of business	Charlie Hope	\$5,454.00
Horizon Holidays	Identifying opportunities in Canadian Universities for alumni travel to NWT	Stephen Burnett	\$10,000.00
Hub Publications Ltd.	Attend Prospects North '92	Chris Brodeur	\$3,000.00
Hudson Bay Tour Co. Ltd.	To promote tour packages and tourism throughout region	Travel Keewatin	\$10,000.00
Igloodik Isuma Productions Inc.	Attend Input '92 international public TV	Norman Cohn	\$5,315.00
Igloodik Isuma Productions Inc.	Purchase video equipment	Zacharias Kunuk	\$22,125.00
Ilagiikut Venture Capital Corp. Ltd.	To build 6-plex or duplex	Fraser T. O. Hope/Bert Polet	\$150,000.00
Inookie, Naulaq	Purchase power longline hauler	Naulaq Inookie	\$1,600.00
Inukshuk, Stephen	Purchase boat and fishing gear	Stephen Inukshuk	\$9,400.00
Inuvialuit Development Corporation	Marketing cold weather expertise	David Connelly, President & CEO	\$10,000.00
Inuvialuit Development Corporation	Train staff in management	David Connelly, President & CEO	\$4,805.00
Ishulutuq, Lasaloosie	Purchase large insulated tub and power long line hauler	Lasaloosie Ishulutuq	\$2,000.00
J. Group Ltd. (The "J" Group Ltd.)	Produce video infomercial	Jim Peterson	\$10,000.00
J. Bell Bakery	Market traditional northern foods	Marilyn Bursey	\$2,440.00
J. Bell Bakery	Purchase equipment	Marilyn Bursey	\$450.00
James Company Limited	Address short term operational requirements	Alex Nitsiza	\$13,000.00
James Pokiak Guiding Outfitter	Market big game hunts	James Pokiak	\$4,176.00
Jamura Limited	Expand current facility and purchase equip.	Jim Shirley	\$27,500.00
Jamura Limited	Improve the building facility	Jim Shirley	\$2,500.00
Jean Marie River Com. Co-op Assoc.	Hire manager for six months	Jonas Sanguiez, President	\$4,000.00
Jet Boat Race Committee	Promote 1992 Hay River Jet Boat Races	Russel King, Organizer	\$6,800.00
Kakisa Lake Dene Band	Expansion of market garden	Ruby Simba, Band Manager	\$4,500.00
Kakivak Development Corporation	Feasibility study on a business centre	Kakivak Association	\$14,000.00
Kangok, Paul	Purchase motor for char fishing	Paul Kangok	\$4,500.00
Kilabuk, Josephee	Purchase power longline hauler	Josephee Kilabuk	\$1,500.00
Kimik Co-operative Ltd.	Finance outstanding payables	Simata Pitsiulak, President	\$25,000.00
King's Bed & Breakfast	Pay outstanding debts	Ralph King	\$10,000.00
Kingait CableVision	Establish cable television distribution system	Thelma Perry	\$64,538.00

**FUND PERFORMANCE
(East/West)**

	<u>Western Arctic</u>	<u>Nunavut</u>
# of Businesses Assisted by Community		
- start-ups	20	26
- expansion	20	30
# of jobs created	149	83
Total wages increased (\$000's)	3,932	1,660
Funds levered (\$000')	3,111	2,859
Total applications approved	188	125
Total funds distributed (\$000's)	1,464	293

SECTION 1 - INDUSTRY SUMMARY

As of March 31, 1993 there were 17,085 businesses registered with the NWT Worker's Compensation Board.¹ Of this, 997 are new businesses this fiscal year. Under the Business Development Fund, 46 new businesses were created.

The fund provided support to all sectors of the economy as reflected below.

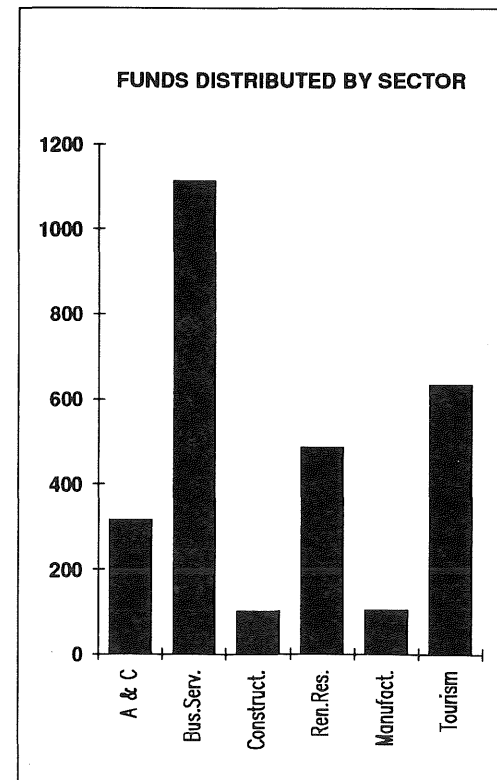
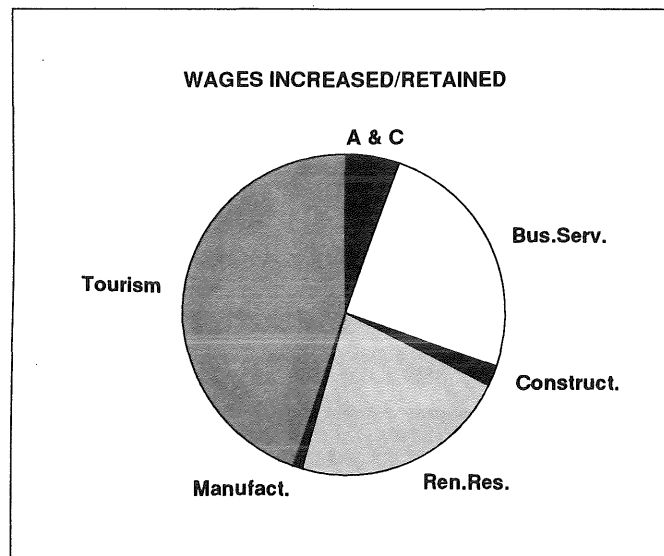
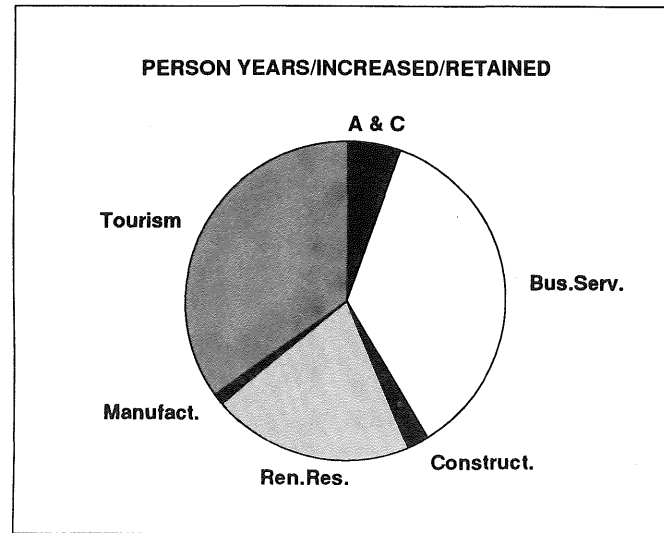
By Industrial Sector - 1992/93²

	Person Years		Wages (\$000's)		Project Dollars	Approved Dollars
	Retained	Increased	Retained	Increased		
Arts & Crafts	30	16	760	395	1,189	316
Business Services	238	69	3,950	1,318	3,288	1,114
Construction	14	5	306	94	247	101
Manufacturing	5	5	107	60	199	105
Renewable Resources	129	42	3,954	760	1,764	487
Tourism	199	97	6,498	2,965	2,040	634
Totals	615	234	15,575	5,592	8,727	2,757

¹WCB figures were used as opposed to Legal Registry figures as we felt this figure would more accurately reflect active businesses opposed to newly formed, non-active businesses. The 17,085 is a cumulative total that does not necessarily take into account businesses in the NWT which have ceased operations.

²Benefit projections are based on anticipated results and not on actual performance.

By Industrial Sector - 1992/93



1992/93 saw significant investment in tourism, renewable resource development and the business services industries. Direct program support in these three sections of the economy produced 208 new person years of employment and \$5 million in additional wage benefits.

Extensive investment in food processing and the development and marketing of new products over the past 2-3 years appears to be a primary factor in Renewable Resource growth.

Tourism growth demonstrates the industry's ability to identify new consumer preferences and create new products to satisfy the market.

Dene Gha Holdings Ltd.	Joint venture project with Inuvialuit Petroleum Corp. for Cameron Hills oil & gas development	Hay River Dene Band	\$5,325.00
Denendeh Development Corp.	Host an art contest for a Dene calendar	Dene Nation	\$3,247.00
Deneron, Harry dba Liard Video	Establish video rental business	Harry Deneron	\$11,865.00
Dillon's Services	Establish landscaping and lawn care business	Ed Dillon	\$5,957.00
Dillon's Services	Marketing campaign	Ed Dillon	\$1,410.00
Dogrib Power Corporation	Design & construct 2 hydro-electric generating facilities	Dogrib Bands	\$50,000.00
E.D.'s Janitorial Services	Buy vehicle	Epiksout Dion	\$10,000.00
Eagle Tours	Purchase boat, motor and other equipment	Patrishia Campbell	\$5,547.00
Eagle Tours	Advertise naturalist boat tours	Patrishia Campbell	\$400.00
Enodah Wilderness Travel	Market outfitting services	Raguar Wesstrom	\$9,978.00
Enuapik, Guy	Summer fishing operations	Guy Enuapik	\$4,000.00
Eric's Honda Parts	Establish ATV parts outlet	Eric Owingayak	\$4,400.00
Et-Then Expeditions Ltd.	Familiarization tour for travel writer	Garth Wallbridge	\$329.00
Family Gift Shop, The	Establish and upscale gift shop	Pearl Roberts	\$15,000.00
Fast Eddie K's Petroleum Delivery	Accountant prepared bookkeeping system, tax forms and determination of firm's debt	Eddie Kikoak	\$1,941.00
Fast Eddie K's Petroleum Delivery	Pay Receiver General payable	Eddie Kikoak	\$3,000.00
Fine Line Paintings by Mike B.	Promote & advertise paintings	Mike Bryan	\$2,375.00
First Taxi	Establish a taxi service	Roland Tungilik	\$1,422.00
Fitz-Smith Native Development Corp.	Develop promotion material and display	Raymond Beaver, President	\$1,886.00
Fitz-Smith Native Development Corp.	Attend Prospects North '92	Raymond Beaver, President	\$2,400.00
Fort Simpson Taxi	Vehicle repairs	Kenya Norwegian	\$6,500.00
Frobuild Construction Ltd.	Attend Prospects North '92	Jacques Belleau	\$2,835.00
Frontier Fishing Lodge (1990) Ltd.	Produce video of Lodge to air in the US	Wayne Witherspoon	\$6,852.00
Frontier Mining & Indust. Supplies Ltd.	Promotional Display	Glenn Zelinski	\$2,200.00
Frontier Mining and Industrial Supplies Ltd.	Purchase equipment and inventory; retire vendor note	Glenn Zelinski	\$10,000.00
Goga Enterprises	Reduce outstanding payables; repair equip.	Serge Levavasseur	\$16,912.00
Great Northern Arts Festival	Advertising and promotion	Charlene Alexander, Co-ordinator	\$10,000.00
GSA Services	Feasibility study of hardware business	Gordon Arychuk	\$9,761.00
Hay River Chamber of Commerce	Advertising and promotional costs	Chris Brodeur, President	\$7,000.00

Arctic Meats	Attend Prospects North '92	Paul Marks	\$2,396.00
Arctic Star Tours	Market tour boat operation	Len Cardinal	\$9,000.00
Arts & Crafts Confectionary	Renovate building	Gina Dolphus	\$8,089.00
Arualak, Sam	Purchase outboard engines for commercial char fishing	Sam Arualak	\$9,170.00
Arviat Airport Concession	Establish vending machine concession	James Karetak	\$2,400.00
Arviat Arcade Pit Shop	Renovate arcade	Todd Tiley	\$13,611.00
Arviat Enterprise Initiatives	Renovate building for rental office space	Thomas Kutluk	\$35,665.00
Aulajuq Ltd.	Purchase a D7H Cat	Brian Zawadski	\$10,000.00
Baffin Trading Company Ltd (o/a Ookpiktuyuk Art)	Payment of outstanding debts	Henry Ford Margaret Ford	\$25,000.00
Banks Island Big Game Hunts	Produce promotional brochure	Charlie Haogak, HTC, President	\$1,810.00
Banks Island Tundra Tours	Purchase equipment to business	John Lucas	\$17,700.00
Black Feather Wilderness Adventures	1993 Marketing program	Wendy Grater	\$10,000.00
Bob's Welding & Heavy Equip. Repair	Establish gravel crushing business	Bob Gully	\$75,000.00
Buck's Firewood	Purchase skidder	Leonard Buckley	\$5,250.00
Buckley, Bert	Expand winter fishery	Bert Buckley	\$850.00
Canada North Outfitting Inc.	Expand marketing efforts	Jerome Knap	\$10,000.00
Canadian Arctic Briar Committee	Market the 1992 Canadian North Arctic Briar	Sandra Lester, Chairperson	\$5,360.00
Canzeal Enterprises Ltd. (o/a Fibergalss NT)	Start-up of fiberglass tank manufacturing plant	Sandre Mason	\$48,000.00
Cascade Computers Ltd.	Promotion of products	Don Jaque	\$2,023.00
Cascade Publishing Ltd.	Expand computer store	Don Jaque	\$3,402.00
Central Arctic Meats	Promote sport hunting packages	Ekaluktutiak HTA	\$2,100.00
Charlines Ltd.	Advertise & promote new charter bus operation	John Rogers	\$1,890.00
Charlines Ltd.	Establish new charter bus operation	John Rogers	\$2,163.00
Copland's Variety Store	Establish convenience store	Elizabeth Copland	\$5,600.00
Coppermine Hunters & Trappers Asso.	Feasibility study of tourism & commercial boat	Kugluktuk Angonaitit Association	\$7,000.00
Coppermine Hunters & Trappers Asso.	Market outfitting operation	Kugluktuk Angonaitit Association	\$10,000.00
Cumberland Sound Fisheries	Develop a production & marketing strategy	Johnny Mike, President	\$7,103.00
D & D Fishing Industries	Expansion of business	Dave Beamish	\$2,926.00
Deh Cho Air Limited	1993 Marketing program	Liard Valley Band Dev. Corp.	\$10,000.00
Dene Gha Holdings Ltd.	Assist in restructuring Pineview Poultry	Hay River Dene Band	\$9,500.00

SECTION 2 - PROGRAM BUDGET ALLOCATION

Breakdown By Community Group - 3 Year Summary

	# of Total Applications			\$Value (\$000's) Approved		
	90/91	91/92	92/93	90/91	91/92	92/93
Group 1	54	107	94	734	809	633
Group 2	77	114	128	959	1,102	1,389
Group 3	53	95	88	685	1,220	697
Territorial	11	15	3	257	125	38
Totals	195	331	313	2,635	3,256	2,757

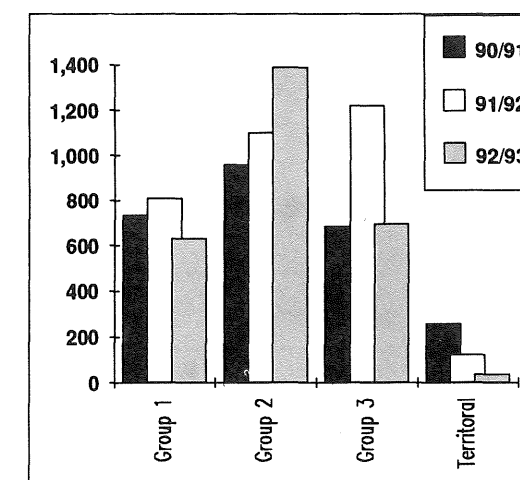
Group 2 and 3 communities received 76% of total BDF dollars.

The Fund received 5% less applications this year, and approved 15% less dollars.

231 of the 313 applications received were approved, representing an approval rate of 74%. The approval rate in 1991/92 was 67.4%.

\$ Approved by Community Group (\$000's)

	90/91	91/92	92/93	%Incr
Group 1	734	809	633	-22%
Group 2	959	1,102	1,389	26%
Group 3	685	1,220	697	-43%
Territorial	257	125	38	-70%
Totals	2,635	3,256	2,757	-15%



There was an overall decrease of 15% in total dollars distributed by the Fund from 1991/92 to 1992/93. In the main this was due to a weakness in the economy due to overall economic conditions in Canada. However, in part this was the result of reduced funding criteria. Although the total approved contributions decreased, approval for Group 2 communities increased. The BDF showed a 26% increase in dollars contributed to the Group 2 communities.

By Community Group - 1992/93 (\$000's)

	#Applications	#Approvals	\$Requested	\$Approved
Group 1	94	63	1,770	633
Group 2	128	100	2,256	1,389
Group 3	88	65	1,462	697
Territorial	3	3	50	38
Totals	313	231	5,538	2,757

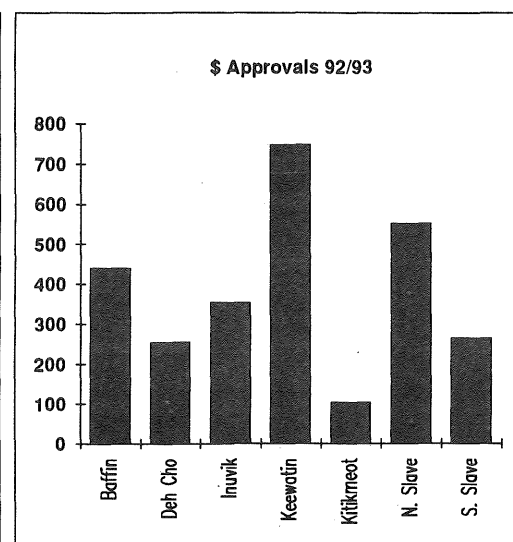
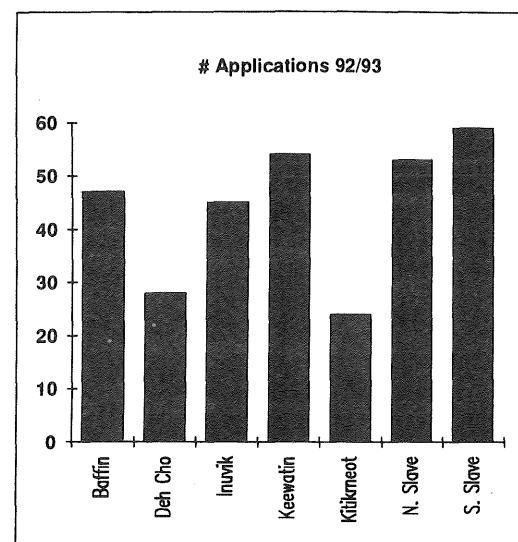
APPENDIX A

By Region - 1992/93 (\$000's)

	#Applications	#Approvals	\$Requested	\$Approved
Baffin	47	41	693	440
Ceh Cho	28	22	391	255
Inuvik	45	34	606	355
Keewatin	54	41	908	749
Kitikmeot	24	16	584	104
N. Slave	53	36	943	552
S. Slave	59	38	1,363	264
Territorial	3	3	50	38
Totals	313	231	5,538	2,757

By Region - 3 Year Summary (\$000's)

	No. of Total			\$Value (\$000's)		
	Applications			Approved		
	90/91	91/92	92/93	90/91	91/92	92/93
Baffin	43	34	47	588	228	440
Deh Cho	11	32	28	162	357	255
Inuvik	19	40	45	138	609	355
Keewatin	30	55	54	450	784	749
Kitikmeot	11	22	24	100	171	104
N. Slave	44	86	53	753	548	552
S. Slave	26	55	59	187	464	264
Territorial	11	7	3	257	95	38
Totals	195	331	313	2,635	3,256	2,757



The pattern of regional uptake would tend to suggest cyclical demand for funding with a year of significant activity followed by a year of reduced activity. In 1993/94 we will be able to graph this.

<u>APPLICANT</u>	<u>PROJECT</u>	<u>PRINCIPAL SHAREHOLDER</u>	<u>AMOUNT</u>
11 Mile Trek	Purchase freight truck to expand hauling capacity	Jimmy Ningeocheak Dorothy Ningeocheak	\$20,000.00
129888 Canada Ltd.	Develop full colour brochures and postcards	Hildegard Willkomm/Walter Willkomm	\$2,475.00
831594 NWT Ltd. (o/a Ferguson Simek Clark)	Produce a promotional video	Joe Auge, Stefan Simek	\$10,000.00
882411 NWT Ltd. (o/a Tutsi Tours)	Management and training for boat operation	Mike Stilwell Pat Martel	\$15,000.00
90-2908 NWT Ltd. (o/a M.C. Woodwright)	Expand a furniture and cabinet manufacturing business	Morley Veillard, President	\$11,500.00
90-2908 NWT Ltd. (o/a M.C. Woodwright)	Produce marketing prototypes to develop products for sale to the GNWT under BIP	Morley Veillard, President	\$15,000.00
923165 NWT Ltd. (o/a Salt River Concrete)	Establish ready mix, precast concrete & loader rental business	Robert Beach George Cumming	\$25,000.00
A & A Services & Equipment Ltd.	Assist client with losses due to a fire	Gary Allen, President	\$6,500.00
Aboriginal Women's Invest. Group	Market study of motel and service complex	Cece McCauley	\$8,500.00
Adam Ruben Transport	Purchase van for school bus/taxi	Adam Ruben	\$9,950.00
Ahiarmiut	Operate traditional camp for tourism	Davik Aksawnee Jacob Ikiniliak	\$10,000.00
Ahmak, Leo	Purchase commercial fishing boat	Leo Ahmak	\$1,800.00
Akavak Outfitting	Purchase equipment	Moosa Akavak	\$1,050.00
Akavak Outfitting	Market outfitting business	Moosa Akavak	\$5,295.00
Aklak Air	Board of Director training	John Hucal, President	\$4,445.00
Aklavik Business Corporation Ltd.	Establish an egg laying facility	Knut Hansen, President	\$50,000.00
Aklavik Development Corporation	Operate a small business loan fund	Eugene Pascal, President	\$5,000.00
Alivaktuk Outfitting	Purchase safety & communication equipment	Joavee Alivaktuk	\$2,130.00
Angonaitit Niovikvia Ltd.	Complete meat plant	Kugluktuk Angonaitit Association	\$22,500.00
Angonaitit Niovikvia Ltd.	Purchase freezer	Kugluktuk Angonaitit Association	\$6,266.00
Anuri & Associates Ltd.	Purchase new computer equipment	Eric Boettger	\$2,120.00
Anvid McBeaver Ltd. (o/a Aviation Art Canada)	Expand & promote the aviation art publishing business	David Metcalfe Anita Metcalfe	\$1,800.00
Aqua Foods	Grow plants on a commercial scale	Edward Sears	\$3,312.00
Arctic Art Gallery	Establish new gallery in Banff, AB	Marg Baille	\$94,500.00

SECTION 6 - SUCCESS STORIES

Canzeal Enterprises Ltd. operating as *Fiberglass North*, has been actively engaged in negotiations to manufacture and supply sewage and water tanks for the NWT Housing Corporation. A manufacturing plant complete with a ventilation system was required. *Canzeal* received a BDF contribution of \$48,000 and a loan from the Business Credit Corporation. They have become a significant employer of Yellowknives Dene Band members. The company was very successful in their first year of operations primarily due to their ability to meet very tight shipping deadlines for the construction season.

Delta Beaufort Micro Services, businessman *Ian Laws*, created one fulltime and one parttime position with a \$21,600 BDF contribution and a WABDS loan. This firm offers computer acquisition services, installations and training. The business is growing steadily and doing well.

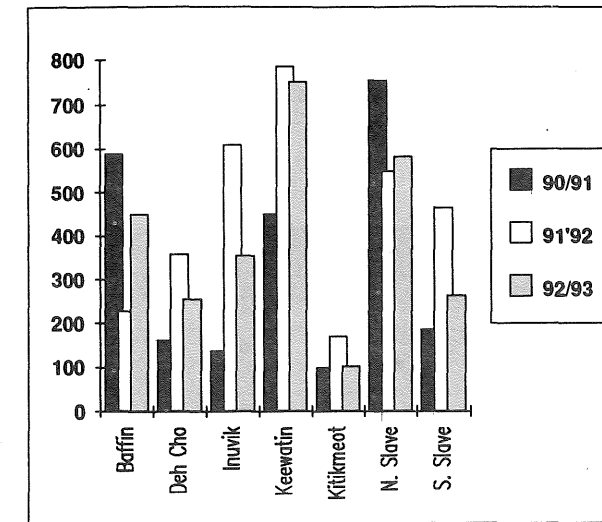
Charlines Ltd. received \$2,163 from the BDF to establish a bus tour operation in Cambridge Bay. They provide local community tours and bus tours towards Mount Pelly. It provides the tourist with an opportunity to view wildlife such as musk-ox, birds, flora and fauna. Two seasonal employees provide a service that is not otherwise offered in the area. They have had a very successful first season.

Senga Services accessed a \$25,000 BDF to establish a cable television system in Fort Simpson. The community now enjoys a much sought after northern luxury which provides them not only with entertainment, but a link to community activities and emergencies. The installation and set up phase provide employment equivalent to 1.5 person years. It continues to provide casual employment for the television technician, local bookkeeping and administration personnel. Their first year of operation has been very well received by the community.

Peterosie Qappik of Pangnirtung had a word of mouth reputation for building boats. Over the years he had built a few of his own design. People started to ask if he could make one for them and he talked to his Economic Development Officer, Bruce Ashley. Bruce put together a business plan and accessed \$6,000 from BDF plus a Baffin Business Development Centre loan. Together with his own equity, he bought tools and material and went into business for himself. This summer he met his target building three boats on his home deck, and the orders keep coming. This is a classic case of both creation of employment and import substitution as most of Pangnirtung's boats were imported from Manitoba at a much greater cost than *Qappik's*. The \$6,000 in BDF funding has already been returned in the form of additional wages to the community.

In December, 1992, Roland Tungilik applied for assistance to establish *First Taxi* in the community of Repulse Bay. Roland already owned a vehicle and required assistance to purchase a prefabricated garage to house the vehicle in winter months, plus insurance for the initial 6 month period. *First Taxi* received a BDF contribution of \$1422 and began service in January, 1993. In its first 6 months of operation it has surpassed its forecast revenues. Prior to *First Taxi* opening, the community had no public transportation service. The community has shown its support in the consistent utilization of *First Taxi's* services.

By Region - \$Approved - 3 Year Summary (\$000's)



	90/91	91/92	92/93	% INCR
Baffin	588	228	450	97%
Deh Cho	162	357	255	-29%
Inuvik	138	609	355	-42%
Keewatin	450	784	749	-4%
Kitikmeot	100	171	103	-40%
N. Slave	753	548	581	6%
S. Slave	187	464	264	-43%
Territorial	257	95	0	-100%
Totals	2,635	3,256	2,757	-15%

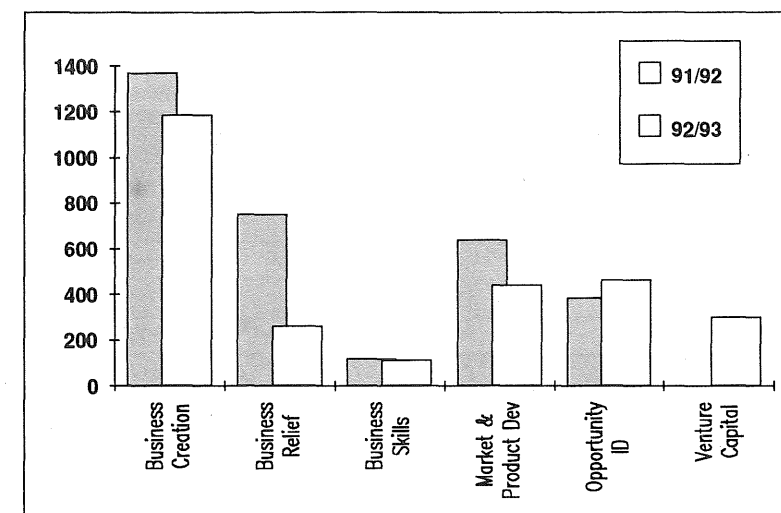
The Baffin region showed a 97% increase in approved contributions.

By Program - 2 Year Summary (\$000's)

	91/92		92/93	
	#Approvals	\$Approved	#Approvals	\$Approved
Business Creation	76	1,366	96	1,183
Business Relief	28	749	19	260
Business Skills	16	119	13	113
Market & Product Dev	79	639	80	439
Opportunity ID	24	383	21	462
Venture Capital	0	0	2	300
Totals	223	3,256	231	2,757

Overall there was a decrease in demand for financial relief support, and an increase of 20 business start-up or expansion projects.

\$ Approved - 2 Year Summary



The decrease in actual dollars directed to these projects resulted, in part, from the reduced funding criteria.

SECTION 3 - PROGRAM BENEFITS SUMMARY

In the Business Creation Program, the project must create jobs. Funding is based on \$25,000 per job created. A job is measured as paying \$12,000 or providing 40 weeks of employment.

By Group

	PYs		Wages (\$000's)		\$BDF (\$000's) Contributed	\$BDF per Job Incr.
	Retained	Increased	Retained	Increased		
Group 1	309	99	8,100	2,859	633	6,387
Group 2	211	97	5,079	2,148	1,389	14,379
Group 3	95	37	2,391	583	697	19,096
Territorial	0	1	5	2	38	76,000
Totals	615	233	15,575	5,592	2,757	11,848

The BDF generated 232 new jobs and an additional \$5,592,000 in wages. Of the new jobs created, 57.2% were in Group 2 and 3 communities.

By Region

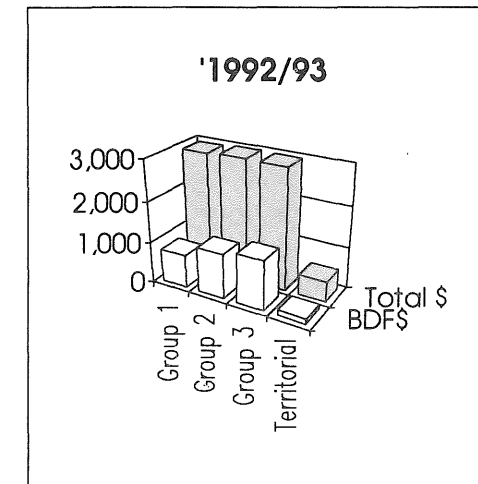
	PYs		Wages (\$000's)		\$BDF (\$000's) Contributed
	Retained	Increased	Retained	Increased	
Baffin	105	40	2,585	808	440
Deh Cho	20	26	381	694	255
Inuvik	153	26	4,212	501	355
Keewatin	49	32	1,037	659	749
Kitikmeot	22	11	480	193	104
N. Slave	198	60	5,628	2,258	552
S. Slave	68	38	1,252	479	264
Territorial	0	0	0	0	38
Totals	615	233	15,575	5,592	2,757

By Program

	PY's		Wages (\$000)		BDF(\$000's) Contributed
	retained	increased	retained	increased	
Business Creation	125	95	2,432	2,470	1,183
Business Relief	33	2	451	51	260
Business Skills	130	10	4,090	354	113
Market & Product Dev	302	91	7,791	1,987	439
Opportunity ID	26	36	811	730	462
Venture Capital	0	0	0	0	300
Totals	615	233	15,575	5,592	2,757

SECTION 4 - FUND PERFORMANCE SUMMARY

The Business Development Fund continues to be a program of last resort funding and is intended to fill the gaps in programs offered by other agencies. The fund has a target and continues to achieve an average of \$1 contribution for every \$3 of total project costs.



	1991/92			1992/93		
	BDF\$	Total \$	%	BDF\$	Total \$	%
Group 1	809	2,930	27.61%	633	2,207	28.68%
Group 2	1,102	2,969	37.12%	1,389	4,048	34.31%
Group 3	1,220	2,947	41.40%	697	2,338	29.81%
Territorial	125	498	25.10%	38	134	28.36%
Totals	3,256	9,344	34.85%	2,757	8,727	31.59%

Total investment consists of BDF contribution, bank and other financing, shareholder and other equity.

SECTION 5 - PROGRAM DELIVERY

	Total Avg. Days	Regional Authority		HQ Authority	
		#Approvals	Avg. Days	#Approvals	Avg. Days
Baffin	48.80	30	38.53	11	80.50
Deh Cho	73.32	6	49.83	16	82.13
Inuvik	20.62	20	14.25	14	29.71
Keewatin	72.15	17	22.53	24	110.50
Kitikmeot	88.00	6	47.00	10	112.60
N. Slave	53.92	19	52.84	17	55.12
S. Slave	48.61	25	43.60	13	58.23
Totals	57.92	123	38.37	105	75.54

These figures do not include Territorial approvals or the two Venture Capital approvals.