

Facilitating Economic and Social Connectivity: *Yellowknife Airport (YZF)*



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1 Economic Impact of YZF

1.1 Economic Impact Overview

YZF contributes directly to employment in Yellowknife, as well as the territorial Gross Domestic Product (GDP) through its business and commercial activities and operations. More importantly, it also acts as an economic catalyst, facilitating the growth of regional businesses and industrial sectors.

Economic impact is a measure of the employment, spending and economic activity associated with a sector of the economy, a specific project (such as the construction of new infrastructure), or a change in government policy or regulation. In this case, the economic contribution of the airport and its tenants to the community is termed the economic impact of YZF.

Economic impact is most commonly measured in several ways, including employment, wages, GDP, and economic output, as summarised in **Figure 1-3**. YZF supports both the local economy, and the provincial economy. The importance of the industry is highlighted by both the employment/wage impacts and the impacts on the greater economy, through both GDP and economic output.

Employment (Jobs)	•The number of jobs generated by a particular source. This include positions that are full-time, part-time or seasonal.
Wages	•The wages, salaries, bonuses, benefits and other remuneration earned by the associated workforce.
Gross Domestic Product (GDP)	•A measure of the value added by labour and capital services used to produce final goods and services, as a result of economic activity in the nation. This measure is net of the value of intermediate goods and services used up to produce the final goods and services.
Economic Output	•The dollar value of industrial output produced. Sometimes referred to as “economic activity,” it reflects the spending (i.e., capital improvement plus revenue) by firms, organizations and individuals.

1.1.1 Categories of Economic Impact

The three major components of economic impact are *direct*, *indirect*, and *induced impacts*. These distinctions are used as a base for the estimation of the total economic impact of YZF. Each of these three components requires different tools of analysis.

These categories of impacts are described below and summarized in **Figure 1-4**.



Direct impacts associated with activities directly related to the operation and management of YZF, including businesses located onsite at the airport, as well as businesses offsite. Thus, the direct employment base comprises airline employees, fixed base operators, aircraft maintenance, ground handling, customer service, airport management staff, etc.



Indirect impacts of industries that supply, support, or are wholly dependent on activities at YZF. For instance, indirect employment includes the portion of employment in supplier industries which are dependent on sales to the air transport sector, e.g., aviation fuel providers, companies providing accounting and legal services to airlines, etc.



Induced impacts created by the spending of wages, salaries, and profits earned through direct and indirect economic activities. It captures the economic activity generated by the employees of firms directly or indirectly connected to YZF spending their wages in the wider economy. For example, an airport employee might spend their wages on groceries, restaurants, childcare, dental services, home renovations and other items which, in turn, generates employment in a wide range of sectors of the general economy.



Catalytic impacts While the economic impact described above can be seen as up-stream impacts resulting from activities at airports, catalytic impacts (also known as Wider Economic Benefits) capture the way in which an airport facilitates the business of other sectors of the economy. As such, air transportation facilitates employment and economic development in the regional and national economy through a number of mechanisms:

- **Tourism.** Air service plays a crucial role in attracting both business and leisure travelers to a region or country. These non-local visitors contribute to the local economy by spending on various tourism-related services such as hotels, restaurants, theatres, and car rentals. While outbound tourism may seem to reduce spending within the home economy, it's important to note that even when residents fly abroad, they still spend on services like travel agents and taxis at home.
- **Trade in Goods and Services.** Air cargo, despite constituting only 0.5% of the volume of global trade shipments, holds significant value—approximately 35%—due to its perishable or time-sensitive nature.¹ Passenger air services play a dual role in facilitating both goods and services trade. Face-to-face meetings remain crucial for sales and service delivery, as virtual alternatives cannot fully replace the rapid and cost-effective client interactions achieved through air transport.

¹ Source: Air Transport Action Group: <http://www.ataq.org/>.

Moreover, businesses benefit from air connectivity by accessing larger global markets, especially in high-tech, knowledge-based sectors, and for suppliers dealing with time-sensitive goods.

- **Investment and Business Location.** Air connectivity plays a crucial role in attracting international business headquarters and foreign investment to a country. When companies decide on office locations, manufacturing plants, or warehouses, the proximity to an international airport becomes a key consideration. Notably, a study by the International Air Transport Association (IATA) involving 625 businesses across five countries (including China and the United States) revealed that 25% of their sales were reliant on robust air transport links. Additionally, 30% of Chinese firms reported altering investment decisions due to limitations in air services.² Another study examined investor numbers, investment volume, and returns in specific locations. It found that institutional investors are more likely to invest in and allocate greater resources to firms headquartered in destinations with superior air connectivity.³ Consequently, airports serve as essential assets for regions aiming to expand industrial activity, as their proximity fosters industrial development. Industries strategically locate near airports to gain convenient access to air transport and associated infrastructure.
- **Productivity.** Air transportation offers access to new markets, which in turn enable businesses to achieve greater economies of scale; inward investment can enhance the productivity of the labour force (e.g., state-of-the-art manufacturing facilities). Examples of productivity increases associated with aviation include the emergence of global supply chains ensuring each part of the production process is performed as efficiently as possible. Air access also enables companies to attract and retain high quality employees, giving them more freedom to travel to those areas where their particular skills are most in demand. One study found that a 10% increase in air connectivity led to a 0.12 to 0.22 increase in economic productivity.⁴ Another study for Airports Council International (ACI) Europe found that a 10% increase in connectivity was associated with an increase in GDP per capita of 0.6%.⁵

The overall effect of all these mechanisms is an increase in employment and economic activity, as illustrated in **Figure 1-1**. Without effective air transportation links, it is much harder for economies to attract tourists, to conduct trade and attract investment from other countries. As a result, the country's economy and employment potential would suffer.

² *Airline Network Benefits*, IATA Economic Briefing No. 3, 2006.

³ Zhia Da, U., Gurun, B. L., Warachka, M. (2019), "Investment in a Smaller World: The Implications of Air Travel for Investors and Firms", *Management Science*, Vol. 67, No.1, December 2019.

⁴ Gillen, D. 2021, "Wider Economic Benefits: What they are, how they manifest, and an example from network air services", Chapter 4, *Air Transport and Regional Development Methodologies*, Editors: Adler et al., Routledge.

⁵ "The Economic Impact of European Airports: A Critical Catalyst to Growth", ACI Europe, January 2015.

Figure 1-1: Catalytic Impacts Facilitated by Airports



Catalytic impacts extend beyond the straightforward employment and economic activity directly associated with airports. National economies are intricate ecosystems involving various stakeholders—government, businesses, infrastructure providers, residents, and more. For instance, if hotels had not been built in a country, tourism would significantly decline. However, catalytic impacts highlight that airports and their air services contribute to the overall size and affluence of the economy. While airports alone do not fully sustain economic activity, their connectivity remains a vital element for growth and development.⁶

1.2 Summary of Results

Ongoing operations at YZF support a *total* of 1,480 jobs and over \$160 million in wages in NWT, when multiplier impacts are included. Of this employment, 1,000 jobs are *directly* related to the airport. Because employment related to the ongoing airport operations extends far beyond YZF, the total also includes both indirect (approximately 300 jobs) and induced (180 jobs) employment in the province.

The significance of the airport is demonstrated by the *direct* economic impact of the airport on GDP and economic output in NWT, measured at over \$220 million and nearly \$600 million, respectively. Including indirect and induced impacts, the *total* provincial GDP and economic output impacts are approximately \$316 million and over \$750 million, respectively. **Figure 1-3** summarizes these 2024 economic impacts in total.

⁶ In many parts of the world, airports are also the contributors of some of the other necessary elements for catalytic growth. Various airports have developed their own economic and urban hubs, which can comprise of hotels, offices, entertainment, and other commercial developments, which benefit from the adjacent air connectivity provided by the airport.

Figure 1-2: Annual Total Ongoing Economic Impact of YZF, 2024






Impact	Employment (Jobs)	Wages (\$ Millions)	GDP (\$ Millions)	Economic Output (\$ Millions)
<i>Impacts in NWT</i>				
Direct	1,000	\$119	\$228	\$594
Indirect	300	\$29	\$49	\$98
Induced	180	\$14	\$39	\$60
Total NWT	1,480	\$162	\$316	\$752

Notes: Direct jobs estimated from ratios of passengers to employment from YZF 2015 Economic Impact study. Wages, GDP and Economic Output are in 2024 prices. Totals may not sum due to rounding.

2 Economic and Social Connectivity

2.1 Introduction

YZF plays an important role in facilitating both economic and social connectivity for businesses and the community at large. There are four key aspects, as follows:

- **Job Creator:** YZF is a significant employer for the region. Every plane that lands and takes off at YZF generates economic impact. On an annualized basis, a year-round daily air service generates nearly 70 total jobs (including direct, indirect and induced impacts), over \$10 million in total GDP. The majority of these jobs are directly involved in supporting the operation of the flight with activities at the airport, the airline, as well as in the tourism economy (e.g., accommodation, retail, food/beverage, ground transportation and attractions).
On a macro basis (as discussed in **Section 1.2**), YZF supports nearly 1,500 jobs in total, including the those working in the supplier industries and the general economy. The majority of direct jobs at YZF are with airlines.
- **Integral Business Partner:** Now and in the future, YZF plays a significant role in supporting every industry that operates in the NWT (e.g., national defence, mining, healthcare)
- **Connecting People and Resources:** YZF provides accessibility and connection by facilitating people transport, the airport also supports and provides emergency services, facilitating life-saving search and rescue, facilitates the resupply of goods and facilities cultural connections and tourism.
- **Supporting Critical Mineral Industry:** The territory's diamond industry produced \$2.2 billion in output in 2022 and was the world's third largest producer. The airport supports the industry by facilitating the movement of products and people resources in and out of the territory.

2.2 Illustrative Case Studies

Several case studies were conducted with local businesses representing a wide range of industries. The following sections share the stories of these businesses and the importance of YZF to their ongoing operations.

2.2.1 Supporting Indigenous & Northern Canadian Communities: *Canadian North Airlines*

In the vast expanses of northern Canada, where some communities are more easily reached by plane than by truck—and many communities not accessible by road at all—access to essential goods and services is not just a matter of convenience, but survival. YZF serves as a hub for companies doing their part in supporting the supply chain to Canada's northern communities.

Canadian North is one such company. Operating a fleet of 32 aircraft, serving 29 destinations (not including scheduled charter operations) primarily in Canada's domestic market north of the 60th parallel, they are a critical connection to the North.

Canadian North's passengers and cargo customers depend on them to move people, food, medicine, clothing, household supplies, building materials, municipal equipment and other important goods, and to connect them with medical care and government services – safely, reliably and always with friendly and helpful customer service.

Their charter customers depend on them to efficiently transport the huge workforces needed to sustain complex operations. These large, resource sector clients require dependable, efficient and economical fly-in/fly-out charter services, and use the established base at YZF to serve destinations in the Northwest Territories, Nunavut, Ontario and Alberta.



The Role of YZF

Yellowknife Airport plays an important role in Canadian North's operations. With roughly 215 of 1600 employees based in Yellowknife, the city and its airport serve as a western hub for Canadian North. Its strategic location provides a gateway to and for northern communities and businesses.

YZF has also served as a critical hub for evacuation, supply chain, and emergency response operations during challenges faced by the Northwest Territories as a result of climate change. Canadian North recognizes this and foresees Yellowknife and its airport to be increasingly critical.

The COVID-19 pandemic presented a challenge for all airlines, and Canadian North was no exception. Being an essential service, Canadian North continued to operate its scheduled flights to and from YZF in support the needs of the communities with critical cargo and medical as well as charter flights so other essential services could get to their workplaces.

Serving Indigenous Communities

As a wholly Inuit-owned company, Canadian North's mission is to make life better in the communities they serve. The company continues to integrate this mission into their operations, in part by ensuring vital connectivity for northern residents and workers, and also by making direct investments into communities through their robust community investment program. For example, Canadian North has helped address the ongoing pilot shortage by working directly with northern communities, governments, and post-secondary institutions. Through partnering with flying schools, Canadian North has helped secure a subsidized training program, building capacity within the communities and growing future pilots.

Looking Forward: YZF an Anchor for Operations

Beyond their direct support for communities, Canadian North has made significant investments into improving their infrastructure, with the goal of improved service throughout their network. The airline brought in baggage equipment, forklifts, de-icing trucks, and more to improve their operating efficiency in Yellowknife. Aware that residential housing developments are taking shape in Nunavut and the Northwest Territories, and that this entails increased cargo shipments to the region, it has been important to the company to ensure that their operations in Yellowknife remain smooth. Collaboration and connectivity with key stakeholders, including airports and airlines, will be critical to cement YZF as a strategically located transportation hub.

Looking forward, Canadian North recognizes the pivotal role that YZF will continue to play in supplying northern communities, anticipating that the city and the airport will become even more important to maintaining the supply chain considering its accessibility and potential for expansion.

2.2.2 Creating Jobs Beyond the Airport and Contributing to the Community: *Canadian Armed Forces*

YZF is recognized by communities not just as a vital hub for connectivity, but also as a strategic location for national security by the Canadian Armed Forces. The city's unique geographical attributes and central location in Canada's North make Yellowknife and its airport a crucial base for the Canadian Armed Forces operations.

Just over 300 personnel comprise "Team North", which is made up of the 440 squadron (a Royal Canadian Airforce unit), the 1st Canadian Ranger Patrol Group and Loyal Edmonton Regiment (both Canadian Army Units), and members of the Joint Taskforce North Headquarters which includes members from all three branches (Canadian Army, Royal Canadian Air Force and the Royal Canadian Navy). Members of the CAF are familiar faces at YZF, with 440 squadron as well as members of the North American Aerospace Defence Command (NORAD) frequently utilizing the airport.

The team operates under the guidance of the Canadian Defence Minister and federal policymaking. Updated Canadian government defence policy, 'Our North Strong and Free',⁷ is becoming a driving force behind developments in the Canadian north, with the anticipated development of a multi-purpose national defence facility in Yellowknife.⁸ The eagerly anticipated policy, an update to *Strong Secure Engaged*, focuses on updating Arctic infrastructure and defence. This shift in focus has been welcomed by those who have served in the region for many years and understand the importance of improving the local infrastructure for national security as well as economic growth.

Community Connections

The CAF is connected to the Yellowknife region, the community, and its airport in more than one way. YZF's location—being not too far into the arctic, yet still accessible and one of only ten runways north of the 60th parallel that are paved—allows CAF to transport supplies to Yellowknife year-round, a capability not possible in the more northern locations due to weight-limited and seasonal roads.

The ease of access to Yellowknife via YZF is a significant advantage for CAF's operations, but also means that members of the CAF interface directly with residents in the city of Yellowknife. The CAF recognizes that military personnel have been welcomed into the community and that they are eager to give back to it. Many CAF members are involved in multiple youth sports and community groups, and many spouses also contribute directly to the workforce as nurses or other caregivers, to amend shortfalls in certain professions.

YZF has been directly beneficial to the CAF in numerous ways. Although the airport terminal is not relevant to their operations, increasing the length of the runway and installing parallel taxiway are critical. The airport's snow and ice clearing program are also incredibly useful to the CAF operations in the region, as they can always trust that the airport runways will be clean, bare, and dry without needing to be gravelled, as that method of runway maintenance causes issues for some of the CAFs aircraft. Additionally, the city itself provides numerous benefits, due to its developed municipal institutions. Yellowknife provides the CAF with a suitable urban hub which can comfortably accommodate the CAF personnel, without becoming a burden for the city. Altogether, these factors make Yellowknife and its airport critical to the maintenance of security in the region and beyond.

⁷ Our True North, Strong and Free (<https://www.canada.ca/en/department-national-defence/corporate/reports-publications/north-strong-free-2024.html>)

⁸ New Multi-purpose Facility to be built in Yellowknife (<https://www.canada.ca/en/department-national-defence/corporate/reports-publications/north-strong-free-2024/our-vision-defence.html>)

Looking Forward: Economic and Security Expansion

As the Canadian Armed Forces essentially undergo a complete modernization of the RCAF (per “Our True North, Strong and Free”), likewise, the implementation of necessary infrastructure will be essential, especially considering the strategic location that Yellowknife provides for the CAF. ‘Our North, Strong and Free’ entails investment into military programming, technology, and industrial bases, which includes the purchase of new aircraft as well as the movement of more personnel to the area. Yellowknife can expect the construction of a large facility that will enable the 1st Canadian Rangers Patrol Group as well as the Joint Task Force to contribute to a more robust military presence in the region. With the Canadian federal government set to invest roughly \$8.1 billion into the country’s national defence over the next five years, Yellowknife can anticipate significant contributions to security in the arctic to confront the changing realities of climate change, international security, and technological change. These developments provide strong reasoning for YZF to update their infrastructure in tandem. This policy provides an opportunity to better support the CAF’s operations in Yellowknife, but also to encourage related job growth as well as the strengthening of partnerships between the CAF, YZF, and Indigenous and northern communities.

Wider, stronger, and lengthier runways capable of supporting the CAF’s fleet of aircraft will be necessary in order to allow for operation at maximum capacity, which will only be expected to grow considering federal policy updates. More aircraft storage in the area to accommodate increased usage of Yellowknife as a base will also be necessary. As the northern waterways become navigable for greater portions of the year, more marine vessels will be passing through Canada’s North and will require nearby infrastructure to provide adequate security. Increased ship traffic, along with the anticipation of northern navy operations, as well as wildfire responses, all suggest that YZF will only grow in significance as a strategic hub for the CAF. With continued support from politicians and the community, Yellowknife remains poised for steady growth, with the Canadian Armed Forces’ presence at YZF not only contributing to national defence but also local growth.

2.2.3 Attracting Business & Offering Access to Markets: *Det'on Cho*

For over 15 years, Det'on Cho, a logistics, cargo handling, and freight forwarding company, has diligently served the Canadian northern region. The company's services include everything from supply chain management and warehousing to aircraft fuelling. Critically, as a 100% Indigenous-owned organization, Det'on Cho's focus has been to foster important Indigenous relations and support the economic self-sufficiency of the First Nations communities in the north, while also servicing various strategic government and community relationships.



Det'on Cho is owned by the Yellowknives Dene First Nation, which started the company in 2009, and recently became 100% Indigenous owned. Det'on Cho is supported by 65 employees, most of whom reside and work in Yellowknife. The company also supports the career growth of 2 to 4 summer interns. The critical work of dispatching heavy haul semi-trucks to the diamond mines during the winter also brings about fifteen more employees to the region. The movement of freight and passengers to these critical mines is Det'on Cho's primary focus, with 7,000 truckloads of movement during the seasonal 2-month diamond mining operations. The employment provided to many community members via the diamond mines make them vital to the northern economy.⁹

Partnership with YZF and Supporting the Community Through Crisis

Although Det'on Cho first began to provide logistics support for diamond mine operations, the company has since expanded, and they now also function as a Fixed-Base Operator (FBO). As the primary FBO at YZF, fuelling almost all airlines at YZF, Det'on Cho handles both military and commercial aircraft that come to Yellowknife, whether for defence operations or other logistical purposes. Additionally, the company manages goods movement for mines, and has worked closely with the airport to secure de-icing services for planes operating late at night or early in the morning, allowing for better access to Yellowknife along with other northern communities.

The company's partnership with the airport goes beyond regular operations. Det'on Cho was pivotal in the emergency response to the 2023 wildfires that devastated the Yellowknife region. To support the ongoing evacuation efforts, Det'on Cho coordinated with the Territorial government to move residents out of the Yellowknife Area, employing 195 aircraft to transport them from their homes and coordinating bus routes of out Fort Providence, Hay River and Fort Smith. The company's forced relocation of operations to Edmonton, and subsequent increased fuel costs, proved to Det'on Cho just how important it was to be situated in Yellowknife. In recognition of their crucial work, the company has since signed an agreement with the Northwest Territories government to assist with emergency response and evacuation processes in the future. This standing agreement commemorates Det'on Cho's progress as a logistics company and goes to show the quality of their work as an ongoing logistics provider. Today, that agreement is still active, and Det'on Cho is committed to ensuring the safety of remote and First Nations communities in Northwest Territories 24/7.

Det'on Cho's commitment to enabling access to northern communities, and their collaboration with the government, does not end there. The company also worked directly with YZF and the federal and territorial governments throughout the COVID-19 pandemic to transport critical medical supplies and vaccines to remote communities. Still, the pandemic brought on other challenges to be faced within the

⁹ Image Source: Det'on Cho Logistics.

company. The reduction in flights meant that Det'on Cho had to adapt; to avoid laying off employees, the company redeployed them into government logistics to support goods movement. Their work was pivotal in the movement of medical supplies throughout the territory. This ultimately led to a positive impact on the company despite negative impacts on fuel servicing due to reduced aircraft movements. Ultimately, efforts undertaken during the pandemic underscored the vital role of YZF operations, with the airport playing a strategic role in supporting communities in the region.

Looking Forward: Growing the Northern Economy

These processes have shown the pivotal role of YZF to the company and the communities they service. Det'on Cho as a company is eager to grow, having already identified areas of expansion including cold weather testing and drone operations which can provide more opportunities for employment or business growth. However, these opportunities rely on the right infrastructure and connectivity being in place. The lack of thorough connecting road infrastructure is one such roadblock that has been identified by Det'on Cho as limiting their operations. Road infrastructure greatly reduces the cost of some of their processes, considering that trucking is an efficient means for transporting goods within the region, and enables the work happening in the diamond mines (which are only possible with accessible trucking).

An increased presence from the Department of National Defence (DND) is also a promising opportunity for Det'on Cho's economic growth outside of reliance on the diamond mines, but this opportunity also critically relies on established infrastructure. With government interest in sovereignty and defence in northern Canada, DND establishment in the Northwest Territories could be positive for numerous reasons: it could pave the way for additional business opportunities for Det'on Cho with the Canadian government, while simultaneously providing new business prospects for northern regions through enhanced connectivity. Considering the uncertain longevity of the diamond mines, these growth opportunities are more important than ever. Det'on Cho and other local companies are eager to continue marketing collaboratively to ensure industry growth in Yellowknife.

With the right investments and developments, Yellowknife could become grow as a cargo hub and provide further access to markets and business opportunities to the region. Companies like Det'on Cho and their work demonstrate the critical role of YZF in providing adequate connectivity to the local communities, whether for business, emergency, medical, or travel purposes. This forward-thinking action is essential. The airport's expansion to allow for more efficient processing of passengers, as well as hospitality services for passengers, will further bolster Det'on Cho's operations as well as the experiences of travellers. Considering the undeniable role that YZF plays in all these means and purposes of transportation, Det'on Cho acknowledges that improvements to the airport's infrastructure will provide substantial long-term benefits.

2.2.4 Connecting People and Resources: *Advanced Medical Solutions*

Advanced Medical Solutions (AMS), headquartered at YZF, is a medical services organization that has provided a wide array of essential services across Canada. For northern Canadian communities, AMS' operations have been critical for the health and wellbeing of residents. By operating right out of YZF, they have seen continued growth for the past few years, since the pandemic. Through utilizing the strategic location of YZF and its ground-based resources, AMS has been able to connect countless people with the essential health services they need.

Air ambulance, community paramedicine, industrial paramedicine, and in-house education are just a few of the services that Advanced Medical Solutions provides for clients across Canada. AMS established a strategic partnership with Air Tindi specifically for air ambulance services in the Northwest Territories and have established operational bases in both Yellowknife and Inuvik. Though their office at YZF serves as a home base for about fifteen personnel, the majority of their 350 personnel—frontline staff, which includes registered nurses, nurse practitioners, paramedics, and doctors—fly across Canada to directly support communities in need of healthcare.

YZF as a Strategic Location and Building Resilience Since COVID

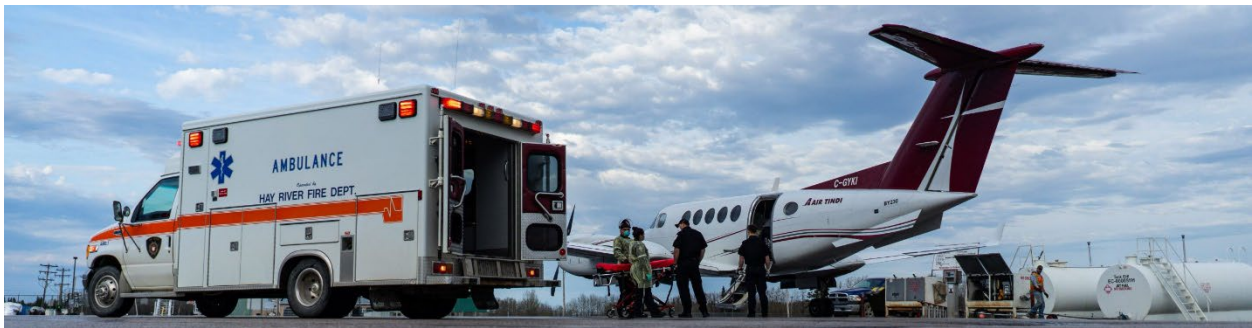
YZF is a critical component in AMS' operations. Its proximity to other communities and its logistics capabilities makes YZF an ideal location for their air ambulance and training operations. The nature of AMS' work requires the intake and dispatching of many staff and medical personnel. For AMS, staff can directly travel to and from remote locations and quickly connect with the rest of the team at their office in the airport. Because most of AMS' frontline staff come from outside of the Northwest Territories, AMS has benefited greatly from the location of YZF. Those who come to Yellowknife for training purposes are also conveniently receive training at the AMS office and thus be deployed or redeployed directly from YZF. With the substantial amount of equipment required for AMS' operations, and the amount of people coming to and from Yellowknife, the proximity of the airport is incredibly beneficial.

Despite the benefits that the strategic location of YZF provides AMS, logistics became a challenge during the COVID-19 pandemic, especially in northern Canada. This posed a challenge for rotational staff, who found it difficult to travel back to—or within—the country, given the varied travel restrictions in place. Nevertheless, the need for medical support from these communities remained the same, and AMS was determined to continue providing service in northern Canada. The company did its best to implement cohorts for their staff, and secure as much personal protective equipment as possible, through working directly with the Northwest Territories Health and Social Services Authority. Each patient's presentation meant that AMS had to adapt to the unprecedented nature of the pandemic and their medical conditions. For the many industrial clients that AMS serviced and continue to service, many of which are remote mine sites in northern Canada, the company was often requested to increase their presence and set up offsite resource to allow for isolation. With the mines being a critical source of economic productivity in the region, AMS' work providing medical support for mine workers was crucial.

Looking Forward: The Development of AMS, YZF, and Northern Connectivity

Still, the COVID-19 pandemic gave AMS the opportunity to expand their business model and apply learnings from their pandemic operations. During the pandemic, AMS pivoted into testing services, setting up a mobile test site at YZF. After the pandemic, AMS' streamlining of their processes allowed them to better address the wildfires that devastated the region; the company and their in-house emergency management staff crucially assisted with evacuating patients from Fort Smith, Hay River, and Yellowknife. Once these communities were evacuated, AMS deployed teams directly to Fort Smith and Hay River to support the firefighters. With the local hospitals essentially entirely empty, AMS supplied their own staff to work in these medical centres and ensure that the firefighters were able to continue doing what they did best.

With the AMS' expertise growing to match the demand for their services across Canada, the company has implemented an aggressive growth strategy. Given the state of the medical system in Canada, as well as the global shortage of healthcare providers, AMS has seen significant growth which they only anticipate continuing in the coming years. The company is looking to expand to all parts of Canada, beyond the northern regions of the country, and thus YZF will continue to play a vital role in their expansion. YZF's location and logistics capabilities will continue to support their growing operations, especially as they plan to train and deploy more staff across the country. Because YZF remains their main hub for operations, the company is eager to see the continued growth and improvement of airport operations like scheduling or zones for parking. The growing demand for their medical services indicates a bright future for AMS as well as YZF. The company's success highlights the importance of YZF as a strategically located airport, and as AMS grows, YZF will continue to play an integral role.¹⁰



¹⁰ Image Source: Advanced Medical Solutions, Inc.

2.2.5 Facilitating Tourist Arrivals: *Yellowknife Tours*

The Northwest Territories is a leading tourism destination attracting visitors from around the world, welcoming 117,620 visitors in 2019-2020, with 85,320 (73%) of them visiting for leisure purposes, with viewing the Aurora Borealis as the main purpose of the trip for 43% of visitors while general touring accounted for 24%. Total leisure spending amounted to over \$126 Million CAD in 2019-2020 (approximately \$1,500 average expenditure per leisure visitor) with aurora viewing accounting for the largest share and nearly half at \$60 Million CAD. YZF plays a critical role in facilitating tourist arrivals.

Yellowknife Tours is a Northwest Territories tour company with award-winning guides offering services in Mandarin, Cantonese, and English began in 2010 and is a family-run business by Verda Law and her family. Verda is a tour planner with experience in event management, public relations, and customer experience. Yellowknife Tours offers a range of tour activities, many of which are organized into autumn and winter tour packages for purchase, in partnership with local hotels and lodges. Year-round activities include city tours, wildlife gallery visits, nature tours, bike tours, glasswork classes, boat trips, and aurora viewing. Winter-specific activities include dog sledding, indigenous ice fishing demonstrations, sports ice fishing, and snowmobiling. Waterfall hikes and boat trips are available in the autumn months. In 2023, Yellowknife Tours won a Tripadvisor Traveller's Choice Award. Yellowknife Tours' 2023 season was affected by the forest fires in the Northwest Territories which threatened the City of Yellowknife. After fire activity subsided, many potential visitors were deterred by concerns about air quality. Student travel from Asia was also diminished due to concerns about a heavy media presence in the region. Yellowknife Tours welcomed approximately 1,500 clients in 2023, approximately half of its pre-pandemic visitor volumes.

The Role of YZF Airport

YZF plays a pivotal role in the successful operations of Yellowknife Tours and serving the territory's tourism industry. YZF acts as a gateway for the arrival of tourists into the region with multiple connections to Southern Canada. Tour operators such as Yellowknife Tours relies on the airport's direct connection to Vancouver as a major route for tourist entry into the Northwest Territories. Given the historic reliance of Yellowknife Tours on Asian tourists, the Vancouver-Yellowknife route is critical given its ability to connect from many Asian markets that are served by Vancouver International Airport (YVR). YZF's recent addition of direct flights to Toronto Pearson (YYZ) has also been beneficial for facilitating the arrival of tourists from Europe and the United States.

The airport plays a crucial role as a primary source of information for tourists arriving in Yellowknife. Yellowknife Tours has noted the importance of having a tourism directory in YZF which helps tourists who have not made pre-arranged bookings with tour operators before arriving in Yellowknife. Updated on-screen information regarding flights has also been useful for tourists who require more noticeable and easy-to-see visuals given their lack of familiarity with YZF and air travel in Canada. Future opportunities to build synergies with YZF include improvements to security line-ups and priority lounge access for travellers seeking a more premium experience. YZF can also act as a partner for Yellowknife Tours and tourism agencies across the Northwest Territories by advocating on tourism boards and working closely with government to facilitate increased arrivals. Future infrastructure improvements to the YZF terminal could also enhance the visitor-support facilities available and enable greater traffic flows between YZF and the rest of Canada and the world.

Looking Forward: Future Growth

Several travel trends and changing market dynamics are transforming the range of growth opportunities available to Yellowknife Tours. One of the largest opportunities lies in the ability to diversify away from serving large tour groups and move towards more tailored travel for individuals. This is one opportunity to recover tourist volumes from China as Chinese tourists can travel to visit family in Canada and could then plan individual trips to Yellowknife. Group travel from China is also likely to recover once Chinese

government restrictions on group travel to Canada loosen. Serving repeat customers with more diversified offerings beyond aurora watching will also help boost Yellowknife Tours' business in the interim. Additional markets of interest include Taiwan and Hong Kong which may be attracted to Yellowknife Tours given their history of serving Chinese-speaking clients. The tourism board has also placed an emphasis on Mexican and Brazilian tourists becoming a new market to the Northwest Territories. By focusing on emerging economies, Yellowknife Tours has the potential to capture a growing middle-class group of travellers. YZF will play an essential role in bringing these new travellers to YZF from key connection points across Canada.

Overall, Yellowknife Tours has noted that there remains a strong interest in exploring the North which is positive news for its future growth and expansion. However, there remains international competition from Scandinavian countries which also offer several similar activities. Domestic competition with other territories also exists. Highlighting the value of the NWT as a tourism destination to markets worldwide will help businesses like Yellowknife Tours thrive into the future.



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