



# Lutsel K'e Dene First Nation

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February 5<sup>th</sup>, 2021

The Honourable Caroline Cochrane  
Premier of the Northwest Territories  
Government of the Northwest Territories  
PO Box 1320  
Yellowknife, NT X1A2L9

**Re: MACA Licensing Requirement for Frontier Lodge / Remote Lodges**

Dear Premier Cochrane,

I'm incredibly frustrated that more than a year has passed since Lutsel K'e Dene First Nation purchased Frontier Lodge, and we still do not have any clarity on how to secure the necessary licenses and permits we need to operate.

Not only are we stuck in a bureaucratic trap of the GNWTs own making, but we've been told time and time again to just be patient while MACA and other Government departments "*deal with complicated policy issues*".

Enough is enough.

We are of the position that MACA should not be licensing remote lodges, and that Frontier should only be required to hold a valid Tourism Operator License as administered by ITI, as we always have. We've been told there's been a policy change that requires Frontier to get a MACA business license in order to apply for our Liquor License, which Frontier has held for decades. However, no one can show us where the legislation, policies or regulations have been amended to require that.

**For clarity:**

**The NWT Liquor Regulations State:**

**13. (1) To be eligible for a licence, an applicant must have a business licence authorizing the applicant to operate the business for which the licence is sought or be exempt from the requirement to have such a licence.**

15. (1) In addition to the requirements of section 6 of the Act, an application for a licence must be accompanied by the following:

(1) (b) written evidence that the applicant has complied with or is exempted from the requirements of the *Business Licence Act*;

The Business License Act states:

2. (2) This Act does not apply to:

(a) a business that is licensed under another Act, except a business licensed under the Wildlife Act

Frontier has for decades held a valid Tourism Operators License. It was only recently – and only as a matter of policy – that the GNWT began to require new remote lodges to hold a MACA business license. Nothing in the legislation has changed. From our perspective, LKDFN is being treated differently than the previous Alberta owners of Frontier, and we are now being required to obtain licenses that the previous owners were never required to hold to operate the lodge.

Because this is all being done as a matter of policy, not as a matter of law, it remains open to the GNWT to continue exempting Frontier from the requirement to obtain a MACA business license. Frontier would therefore be exempt from the business license requirement under Section 13(1) of the NWT liquor regulations, and would be eligible to hold a liquor license, just as it has done for decades under previous ownership.

If the GNWT wishes to require all remote lodges to obtain MACA business licenses, it is open to the GNWT to bring forward changes to legislation to do so. At least such proposals would then be subject to scrutiny and public debate. Instead, our business has been left in limbo for more than 12 months, while unelected bureaucrats try pushing through policy changes behind closed doors and at our expense. The resulting uncertainty and wasted time threatens to kill not only our business, but the entire remote lodge sector at a time when we are already reeling from the impacts of the pandemic.

During a year when our territory and the tourism industry have been dealing with the single biggest economic blow we've ever experienced, NWT businesses, communities, and citizens require active support, not indifference and delay.

Back in June 2020, both the Manager of Frontier Lodge and I were assured by the Deputy Minister of MACA that Frontier would be granted an exemption while the GNWT determined a path forward. You also personally stated in your written response to MLA Norn's Oral Question 239-19-(2), back in mid-October, that *'an exemption for licensed tourism operators... is being advanced while... the development of guidelines are completed'..*

Now in January, after 6 months without communication from MACA and absolutely no update on the status of the exemption--we have been told by MACA officials that *"an exemption isn't possible"* and once again *"there are complicated policy implications that we need to work out – just be patient."*

It isn't complicated from our perspective. We are simply trying to renew a liquor license that Frontier has held for decades. If the GNWT can't find a way to make that happen in over a year – I struggle to understand why anyone, especially First Nations communities like Lutsel K'e, would invest in the tourism sector.

You've stated very clearly that your government has a mandate to *"increase economic diversification by supporting growth in non-extractive sector"* – with a focus on *"increasing tourism outside of Yellowknife"*, and *"working with Indigenous communities to identify and advance economic opportunities"*.

This sounded promising unfortunately at the same time your government has created licensing and permitting barriers that are ill-conceived and frankly impossible to even define. Your government is not living up to the intention of your pledge.

**I'd like to formally request we meet to discuss this issue as soon as possible.**

Specifically, I'd like a clear explanation on how we are still in this position a year later, and what the GNWT is going to do to assist us to license and operate our business.

It's absolutely critical we get this licensing issue rectified immediately so management can prepare for summer 2021. Whether or not our new lodge can open to our national and international clients or is limited to northern staycationers is irrelevant. A liquor license is essential to any remote lodge packages we can offer visitors and we need clarity now, or the effects of two lost seasons will be catastrophic.

I look forward to meeting with you at your earliest convenience.

Marsi Cho.



Chief Darryl Marlowe

cc:

Minister Paulie Chinna – MACA  
Minister Caroline Wawzonek - ITI  
MLA Tu Nede – Steve Norn