



February 10, 2021

Mr. Harold Grinde
Chairperson
Northwest Territories Tourism
PO BOX 610
YELLOWKNIFE NT X1A 2N5

Dear Mr. Grinde:

Remote Lodge Licencing

Further to your letter dated January 25, 2021, which outlined your continued concerns and frustration on behalf of NWT Tourism in respect to the permitting and regulation of remote lodges, I can assure you that the Government of the Northwest Territories understands the importance of finding a resolution.

As noted in previous correspondence with you, the Frontier Lodge's application for a liquor licence brought to light legislative requirements as the result of updates to a number of pieces of legislation over time. Remote lodges, as with any other business must comply with licensing requirements contained in applicable legislation in order to operate in the Northwest Territories (NWT). It was only with the change in ownership at Frontier Lodge that the challenges created by changes to the *Tourism Act* and the *Liquor Act*, and the resulting impacts on the *Business Licence Act* and *Fire Prevention Act*, became apparent.

You expressed concerns specifically regarding the need for Business Licences. At one time, the former Tourism Legislation oversaw the safety requirements for fire and other safety matters, conducted inspections and possessed the authority to apply standards of care for "Tourism Establishments." In 2007, the *Tourism Act* came into force which requires licences for tourism activities (rather than regulating Tourism Establishments) and requires that in order to be eligible to apply for, renew or hold a tourism operator licence, an applicant must be "entitled to carry on business in the Northwest Territories." In order to be entitled to carry on business in the NWT an applicant must hold a licence issued under the *Business Licence Act*. As outlined, it was not previously required for the Department of Municipal and Community Affairs to issue Business Licences to "Tourism Establishments." The 2007 changes to the legislation and the resulting implications are only now being fully understood.

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Currently, work is being done with the Department of Justice and the Fire Marshal to develop an approach for remote lodges. We anticipate that the Fire Marshal will be able to implement the proposed approach over the next month. With the lodge owner's participation, the approach should allow for further regulatory applications, including any licensing requirements, prior to the upcoming tourist season and limit operational impacts to the lodge owner.

This work will result in a solution for Frontier Lodge for now, but we will continue to work with applicable departments to streamline the regulatory requirements for Tourism Establishments.

I would like to reconfirm my commitment to work across Departments and with yourself and other industry representatives to develop a plan that will allow us all to move forward with clarity.

Ultimately, our goal is to ensure the safety and security of NWT residents and visitors as they enjoy the natural wonders that the NWT has to offer.

Sincerely,



Paulie Chinna
Minister
Municipal and Community Affairs

- c. Premier
- Principal Secretary
- Minister, Industry, Tourism, and Investment
- Minister, Justice
- Deputy Minister, Municipal and Community Affairs
- NWT Tourism Board of Directors
- Chief, Łutsel K'e Dene First Nation
- General Manager, Frontier Lodge
- MLA, Tu Nedhé-Wìlìideh