



REGIONAL ECONOMIC DEVELOPMENT PROFILE

▶ SAHTÚ



The Regional Economic Development Plans (REDPs) are a part of the Government of the Northwest Territories' (GNWT) mandate to diversify the Northwest Territories (NWT) economy. The profiles for each of the six NWT regions are designed to continue the discussion with key partners, invested northerners, and interested groups and organizations during the July to October 2022 engagement sessions.

These profiles are not complete. They provide basic overviews of initial research and conversations with Indigenous Governments and community leaders. We are looking for meaningful discussions and suggestions on additional opportunities and challenges as we work to finalize the profiles through the engagement sessions.

The Sahtú Region is in the central part of the Northwest Territories (NWT) and is bordered by the Yukon to the west, the Dehcho Region to the south, the Beaufort-Delta Region to the north, and the North Slave Region and Nunavut to the east.

The Sahtú is large, covering 283,171 sq. km and has a diverse landscape with the Mackenzie Mountains in the west, barrenlands in the east at the Nunavut border, and boreal forest covering most of the region. The Sahtú is home to one of the world's longest rivers, the Mackenzie, and one of the world's largest freshwater lakes, Great Bear Lake.

There are five communities in the Sahtú: Tulita, Norman Wells, Fort Good Hope, Délne and Colville Lake, and there are 2,668 people that live in these communities. Much of the population lives a traditional life and speaks North Slavey, although more than half of the population in Norman Wells is non-Indigenous. Norman Wells is the administrative, industrial and transportation hub for the Sahtu Region.

The Sahtú Dene and Métis Comprehensive Land Claim Agreement was completed in 1992 and came into force in 1993. This modern comprehensive treaty established and provided for participation by all Sahtú Indigenous people in the co-management of land and resources within the region.

The economy has traditionally been driven by the public sector and the oil industry. Oil in commercial quantities was discovered in 1920 by Imperial Oil (Esso). Norman Wells was established as a town in the 1930s, as Imperial Oil began drilling production wells in 1937 and built a refinery in 1939. Since the 1930s, Esso has been a major employer, either directly with local employees or indirectly with locals providing services to the industry. In 1985, production was expanded by drilling wells from artificial islands in the Mackenzie River, and constructing a pipeline from Norman Wells to Zama, Alberta. This oil field is still producing but has been in decline for more than a decade. The remaining producing wells are slated to cease production in the coming years.

There is potential for more oil production in the Sahtú as large deposits have been discovered. However, there are issues that make oil produced in the Sahtu uncompetitive with oil from other jurisdictions. Lack of infrastructure, distance to markets, and the cold weather are just some of the impediments to producing oil in the North. Work has already been done by all levels of government and other stakeholders to identify new opportunities for growth for the Sahtú.

SECTORS WITH GROWTH POTENTIAL

Remediation and Site Reclamation

Besides oil, non-renewable resource extraction has taken place in the Sahtú for decades. Although there are currently no producing mines, the Sahtú has a history of mining dating back prior to World War II. Currently, there are both remediated properties and other properties that need remediation.

- Discussions are currently underway between the Government of Canada and local governments to develop remediation plans for these properties. With oil production coming to an end, a substantial remediation project of the oil production facilities will need to be undertaken.
- There are past producing mine properties scheduled for remediation in the area east of Great Bear Lake.
- Artificial islands in the Mackenzie River require removal.
- Removal of the Enbridge Line 21 Oil Pipeline.

Tourism

The potential for tourism is promising in the Sahtu, with some of the most beautiful scenery and topography of anywhere in the world. There are significant tourism assets that can lead to the development and growth of a strong and vibrant tourism industry. The major hindrance to the industry is the high cost of reaching the Sahtú from southern Canada.

- Construction of the Mackenzie Valley Highway would address this issue and have a tremendous economic impact on tourism and the entire economy in the Sahtú.
- The Mackenzie Mountains include the beautiful parks, the Nahanni National Park Reserve and Nááts'ihch'oh National Park Reserve.
- The Canol Heritage Trail is the longest and toughest hiking trail in North America, drawing extreme adventure tourists to the area.
- Great Bear Lake is the largest lake entirely in Canada and has exceptional clarity, and is historically important to the Dëjıne peoples' identity, laws and culture. It is home to tourism operations and some mining activity, with silver, copper and uranium deposits found in the area.
- The Mackenzie River is one of the world's longest river systems, and is an important historical channel for migration and trading. Along the eastern and southern edges of the basin, metallic minerals like uranium, gold, lead and zinc have been found.



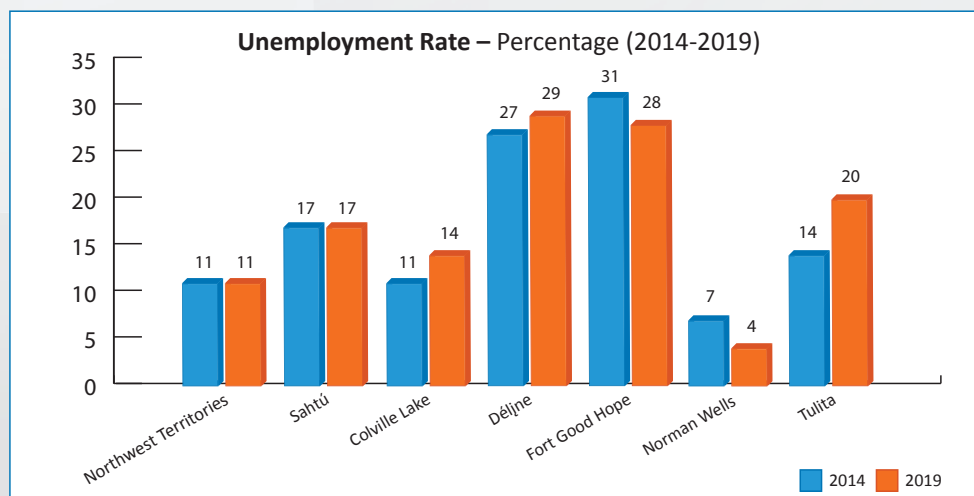
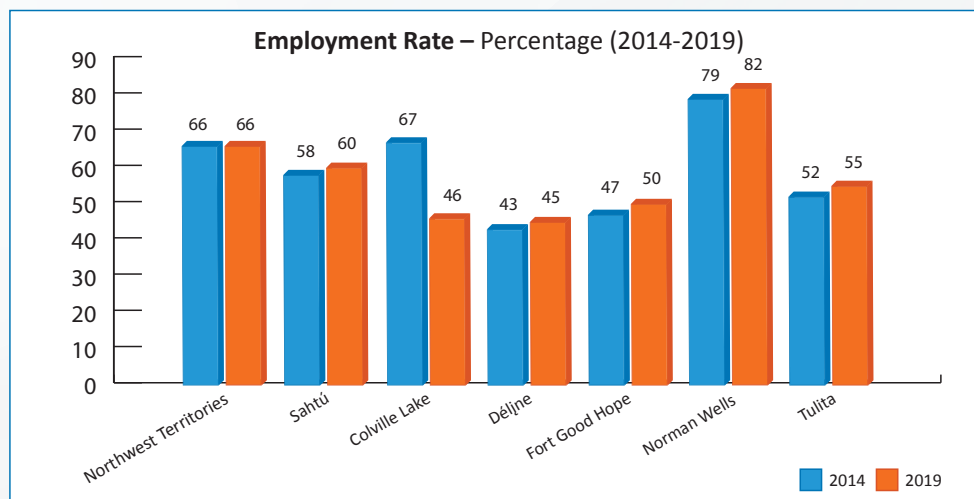
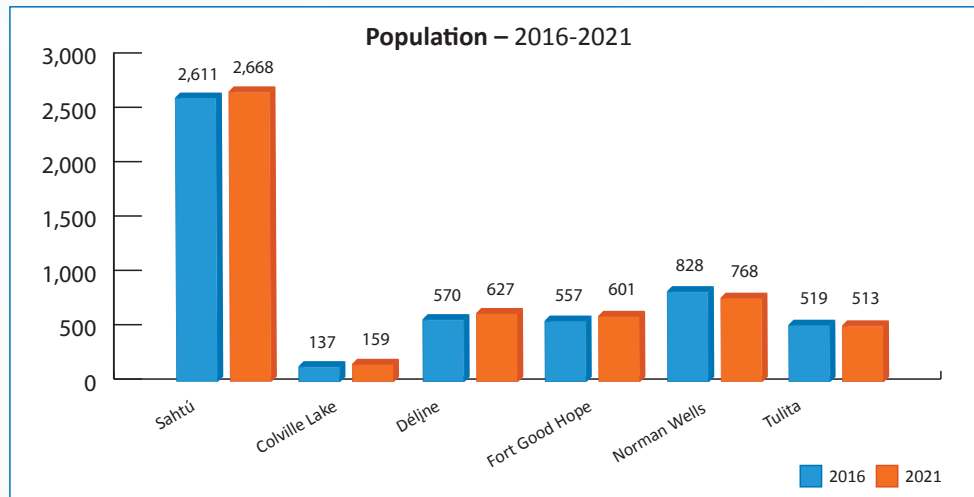
SECTORS WITH GROWTH POTENTIAL

Agriculture

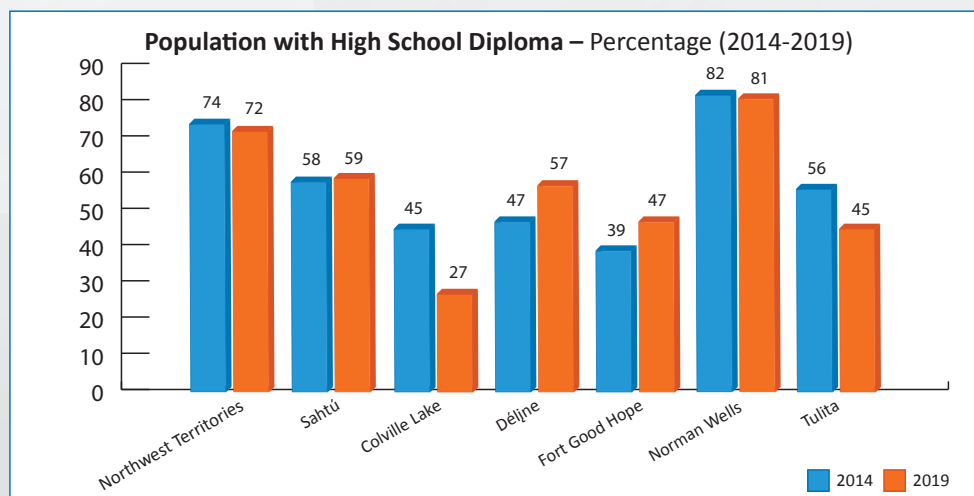
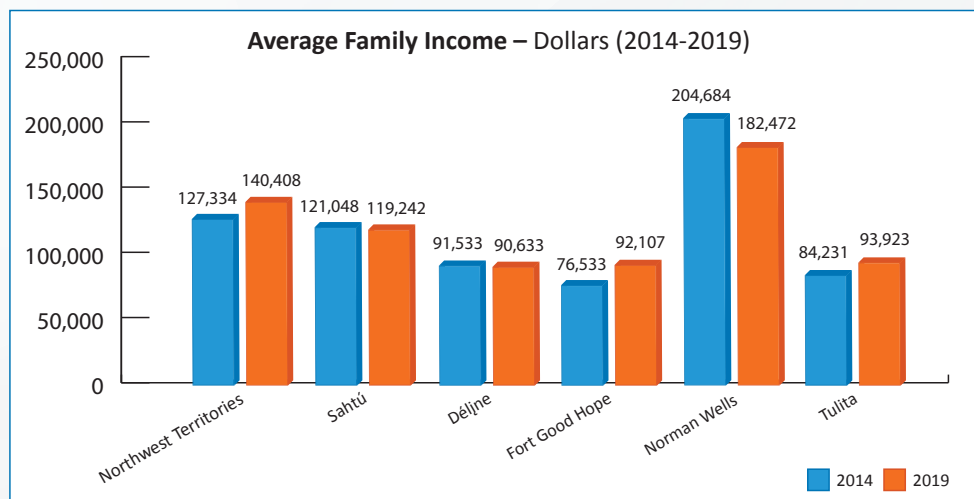
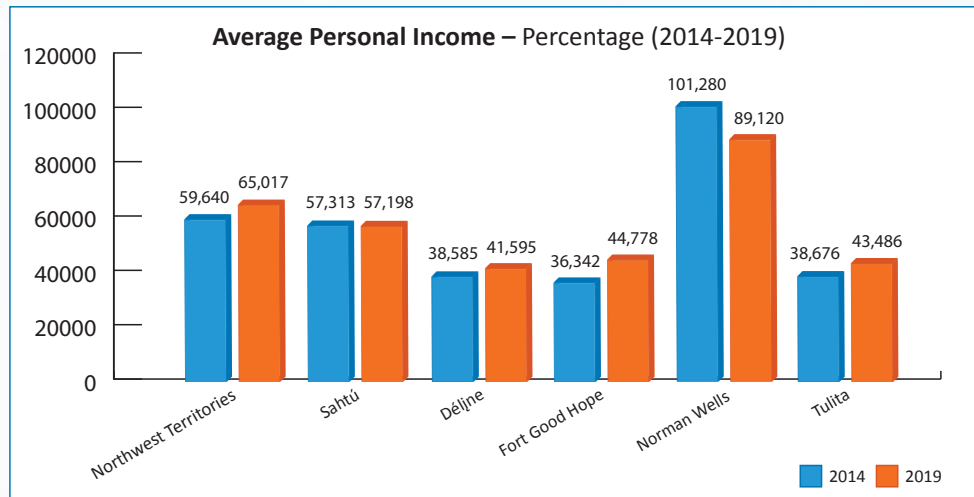
Over the last decade agriculture in the NWT has seen significant growth, including in the Sahtú. This region has agricultural activity everywhere, including community gardens in most communities.

- Many individuals have taken up agricultural activities either as a hobby, to lower the cost of living, or for food security and access to fresh, locally grown food.
- There are six major producers including three in crop production, two in animal production and one in mixed.
- The Norman Wells Annual Farmers Market has been successful each year since it started, and Tulita and Fort Good Hope have also had successful markets. There is significant potential to expand this market sector in the Sahtú.

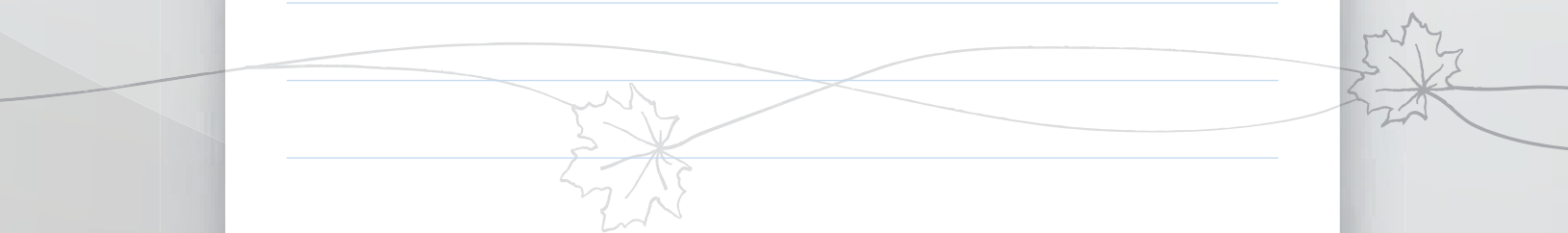

SAHTÚ REGION ECONOMIC INDICATORS



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NOTES



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