

Final Report

Patricia Area Community Endeavours Regional Strategic Plan: 2009-2012

December 23, 2009



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1 Executive Summary

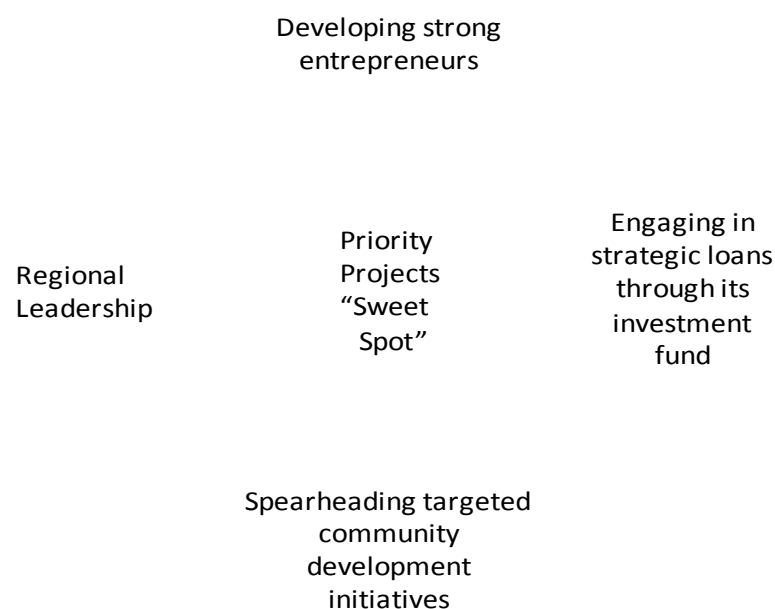
Patricia Area Community Endeavours Inc. (PACE) is a Community Futures Development Corporation serving five municipalities and three First Nations Communities in Northwestern Ontario. PACE, as part of their mandate in regional economic development, has retained Millier Dickinson Blais Inc. to assist in the formation of a Regional Strategic Plan which will identify how PACE and its partners can work together to enhance employment and investment opportunities that will benefit the entire region.

The communities in the Patricia Area all have varying amounts of experience and resources for economic development and a cornerstone of this project is to understand the existing assets and potential. By understanding the member communities' existing economic development strategies, and assisting with the development of economic priorities where no strategies exist, this report identifies priority actions for PACE which support the economic development priorities of the region's communities.

Community consultations were held to gain the understanding of the member Municipalities and First Nations existing economic development priorities. In those communities that had existing economic development strategies (City of Dryden, Municipality of Sioux Lookout and Municipality of Machin) one-on-one interviews and Discovery Sessions were held with economic development staff, Council members and other key stakeholders to revisit the strategy and ensure that there is still support for the direction of their strategy. In those communities that do not have an existing strategy (Eagle Lake First Nation, Township of Ignace, Lac Seul First Nation, Township of Pickle Lake and Wabigoon Lake Ojibway First Nation) the approach was to identify competitive advantages and competitive disadvantages as well as opportunities and threats for economic growth. This was done through one-on-one and group meetings with key stakeholders, as well as broader community Discovery Sessions with a broad range of citizens.

The combination of roles and themes from consultations were used to highlight a range of activities. To identify those that should be pursued this was placed against PACE's organizational priorities, which are:

- Developing strong entrepreneurs
- Engaging in strategic loans through its investment fund
- Spearheading targeted community development initiatives
- Regional leadership.



Supplementary

Consultations

On December 11, 2009, PACE hosted a brainstorming session whose purpose was to refine and reassess the key regional opportunities for stimulating community development and the economy. The group of local economic development representatives began by brainstorming over 40 ideas. These were discussed and prioritized into the top 13 opportunities. The group then ranked the ideas based on three criteria:

- **Regional "ness"**: how likely will it have significant impacts across the region?
- **Job Creation**: degree to which it creates quality, sustainable employment/
- **Advancing Technological Know-How & Innovation**: degree to which this stimulates innovative activity

The results of the ranking show projects in the following priority order:

Tier One Priorities

1. **Product development** and packaging ...designated travel corridors
2. **Investment attraction**

Tier Two Priorities

3. **Regional arts, culture & heritage initiative** ...coordinate the development of a map/brochure depicting the areas artists/artisans ...promotion of first nation culture
4. **Regional post-secondary education** opportunities e.g. satellite campuses from larger universities, colleges, etc.
5. Establish **enterprise centre**: central location travel to communities on weekly basis
6. **Sector analysis**: e.g. Undertake & coordinate mining, alternative energy opportunity analyses
7. **Regional tourism** strategy

Tier Three Priorities

8. **Youth initiatives** – e.g. hire interns in IT sector
9. **Engage FN** communities
10. **Regional commercial market analysis** (conditions, opportunities etc) ...commercial gap analysis - import replacement
11. **Speakers** on value added opportunities in North America (natural resources)
12. Coordinate various **financing opportunities** to support business ventures
13. **Training programs** to meet regional needs (CED training -> Councillor, ED folks)

Action plans for the top six priorities were developed by the group.

These initiatives are wide ranging and aim to build off the core strength of PACE – it is a regional body that has the best interests of its communities in mind when it makes strategic choices. PACE has more experience in some of these roles, but they are nevertheless ALL important. The roles include being:

- a supporter for entrepreneurs
- a builder of partnerships between First Nations and municipalities
- a sharer/disseminator of economic development best practices
- an intelligence gatherer looking to identify new opportunities
- a regional brander and marketer
- an advocate and funding application writer.

Specific ways in which this can be done are summarized below.

Business Development Services & Investment Fund

- PACE ensure communications are used to reassure the business public that the organization is putting significant capital into the business community.
- PACE consider taking an especially aggressive position in growing or important industry sectors (e.g. by increasing bad debt threshold), including:
 - Tourism Product Development Investment
 - Filling Commercial Gaps
 - Forestry Value-Added
 - Incentives to Attract and Retain Knowledge Workers
- PACE establish sustained face-to-face networking in key organizations (which reaches existing businesses and intermediaries such as accountants, lawyers and other investors) and a creative direct mail campaign with telephone follow-up.
- PACE consider other ways to increase support for business by:
 - Reviewing lending practices with a view to reducing the cost of funds to clients.
 - Explore partnerships with other lenders that allow PACE funds to be used to mitigate risk for conventional lenders and encouraging them to re-enter the market.
 - Sponsor speakers that extol the virtues of entrepreneurship and identify best practices for new and existing entrepreneurs.
 - Develop a visitation program to target each business in an effort to identify those that are struggling and offer counselling, training or potential solutions.
 - Develop funding for a variety of business speakers to engage the business community in change management, marketing, succession planning, etc. by partnering with banks, credit unions, government agencies and the Chamber of Commerce.
 - Development of Youth Councils, Youth Leadership and/or Youth Entrepreneurship programs

Community Development Program

- PACE should seek funding to bring economic development visionaries, practitioners and industry experts to speak on topics that may stimulate change. These may include sustainability as a base for industrial expansion, value added forestry, information technology opportunities and a variety of out of the box thinkers.
- PACE facilitate a joint effort to have the Regional EDO Forum entertain an application to the province and FedNor to fund a pilot project for three years to hire 2-3 dedicated regional grant writers
- PACE build further on the Regional EDO Forum to identify specific opportunities or issues which may be important to two or three communities but are not clearly “economic development”.
- PACE should continue to have a role as a resource for sustainability planning as a best practice for economic and community development.

Creating More Visibility and Business Development

- PACE’s recommended target sectors are very specific and focused:
 - existing business community
 - business development influencers.
- Small business start-ups are a target market but will be reached via the above two groups. For advice, these fledgling entrepreneurs consult with their friends who are already in business or speak to professional advisors such as their accountant, banker and lawyer.
- This tight selection of target markets is necessary given PACE’s limited human and financial resources and large geographic territory
- PACE should concentrate on getting into the ‘halls of businesses rather than the ‘halls of government’. At a local and regional level, beyond the government staff people who are most involved with economic development and small business development, there are few contacts that will generate future leads.
- Building public profile should not be a high priority for PACE. Spending time and money aiming to get the organization’s name in the local newspapers and television takes a lot of resources and distracts staff and Directors from concentrating on business development that will lead to small business growth.

- The focus of outcomes for future community development projects will be the growth of the small business sector. PACE needs to be very wary of mixing with the large number of groups whose aim is different than that.
- In order for the message to work it should be customized as much as possible. For example:
 - Existing business community – All communication is with the owner and the focus is on meeting their personal goals, which includes profit, but not always exclusively. The Business Retention and Expansion Project is a perfect compliment.
 - Business development influencers – All communication should focus on helping his/her client while achieving the influencer's own goals. Identify the motivation for them to give a referral.
 - Specific business sectors – Before reaching out to a very specific business audience (e.g. tourism business investment), PACE staff must understand the industry inside and out so that wise decisions can be made regarding the focus of consulting and investment criteria.
- Both staff and members of the Board of Directors should be actively involved in business networking. Heavy focus needs to be on staff and Board representation at:
 - Chambers of Commerce that represent business in the communities
 - Targeted sector specific organizations (as discussed in the next section)
 - Meetings of the tourism marketing associations
- There are many tips and tricks to networking effectively. Since it is such an important avenue to finding new business, PACE should consider some professional training for staff and Directors.
- PACE's website should be updated to reflect an energized direction. Wording should be tailored to the key target markets.
- Having staff email addresses immediately accessible through the easy-to-find "Contact Us" page is a small way to say "we want to talk business with you". Do not remove this feature.
- PACE should consider a partnership with communities in the region to urge the provincial government to create/staff more locations for offices like the Northwest Business Centre in Kenora, which supports and promotes entrepreneurship throughout an area that is simply too large to serve effectively.

Properly implemented, the priority initiatives will greatly raise PACE's profile amongst business and community leaders in its member communities while contributing to economic diversification.

2 Introduction

It is not possible, with a single definition, to capture all the facets of economic development. It is usually described either in terms of objectives such as employment creation, wealth generation or as a process that tries to shape and encourage growth, competitiveness, sustainability and the overall economic well-being of a community.

What is most common amongst all definitions is the implied and, in some cases, explicitly recognized, role of government, as it is significantly responsible for creating the environment in which economic development occurs. Economic development has traditionally involved enhancing the factors of productive capacity – land, labour, capital and technology – of a national, provincial or local economy. Increasingly, a fifth factor of production – *knowledge or innovation* – is recognized as well. By using its resources and powers to reduce the risks and costs that could prohibit investment, the public sector often has been responsible for setting the stage for employment-generating investment by the private sector.

Importantly, because a consensus definition for economic development does not exist, there is no single strategy, policy or program direction for achieving success. The unique mix of geographic, political, economic and social attributes of a community will present a distinctive set of challenges, and requires different solutions, for economic development to be successful.

2.1 The Purpose: Why Develop a Regional Strategic Plan?

The Regional Strategic Plan describes a roadmap for the PACE area and its partners (private, non-profit, public sector) illustrating how they can work together to enhance employment and investment opportunities that will benefit the entire community. The plan is based on the premise that each community can develop local visions and goals of what it wants to become, determine the sector in which it has the best chance of being successful and apply resources to achieve them. If done systematically and over the long-term, the member municipalities and First Nations which make up the PACE region can enhance its economic base while maintaining its core values and improving personal quality of life.

For PACE and their member communities, there are a number of motivating factors for this Regional Strategic Plan. They include:

- identifying areas to collaborate and develop greater partnerships that deliver local, regional economic social and business development across the member communities
- using the developed partnerships to leverage spending with external funding programs and enhance the likelihood of positive outcomes
- recognizing that as senior governments continue to offload programs and responsibilities to the local level, municipalities will be under more pressure to ensure local economies are able to support municipal financial needs
- making recommendations on the economic development activities of each municipality and First Nations community
- Acknowledging that, today, communities must compete for investment, human resources and infrastructure.

In reality, the member communities are continuously making decisions that affect economic development. The most obvious ways in which economic development is influenced by local government are through decisions on land use and property taxation, but there are many other ways in which economic development can also be either positively or negatively affected. Examples include the working relationship between local government and the business community, the cost and time required to move through municipal review and approval processes and the effort made to understand and respond to the needs of business.

Economic development is about more than attracting companies and investments to a community. These opportunities are part of stimulating growth, but they should not be pursued at the expense of overlooking the needs of the community and existing businesses. In fact, research from numerous sources shows that existing businesses create 60%-90% of all new economic growth in a community¹. Remote and rural towns, of which each PACE member communities are, tend to sit in the higher part of the above range because they are more challenged than larger and more urban centres in attracting new inward investment.

There will be a significant component within the following strategy that includes efforts to foster growth within the existing business community – something that each member community has already done to a varying degree. Having said that, there is a role for investment attraction in PACE’s regional strategy and this report will also examine this in more detail.

2.2 The Process: How was the Plan Developed?

Strategic planning is a means for establishing and maintaining effective programs based on economic, social, cultural and environmental opportunities and constraints. For PACE it will also:

- helps to shape the region’s future
- provides structure for mutually accepted goals and a common agenda
- defines the purpose of the region and its role in achieving stated goals
- balances the region’s goals with realistic local resources.

A cornerstone to developing this adjustment plan is developing an understanding of PACE’s member communities in terms of its existing assets and its potential.

Project Study Team

This project was overseen by the PACE Regional Community Development Coordinator and the member communities. This team is comprised of representatives from each municipality/and First Nation Community. This group guided the overall process of Regional Strategic Plan.

Doug Pronger, PACE Regional Community Development Coordinator
Vicki Kurz, Economic Development Manager, Dryden Development Corporation
Florence Bailey, Economic Development Officer, Sioux Lookout
Sam Manitowabi, General Manager, Economic Development Corporation, Lac Seul First Nation
Terri Favelle, Councilor and PACE Board Member, Wabigoon Lake First Nation
Pam Pitchenese, Chief, Eagle Lake First Nation
Yvonne Romas, Secretary to Council, Township of Ignace
Bryan Brown, CAO and PACE Board, Municipality of Machin
Paul Panciw, Township Clerk, Township of Pickle Lake

This team provided insight into local initiatives, opportunities and barriers and also assisted with setting up stakeholder meetings. During the process, Doug Pronger, project manager, also offered input and suggestions to the work plan, strategy for public consultation and feedback on interim findings reports.

Community Input

Further consideration in regards to vision, desired directions, strengths, weaknesses, opportunities and solutions was offered through the opinions and thoughts of PACE member communities’ citizens. These individuals provided an excellent source of current information as it relates to the community’s strengths and weaknesses as well as the opportunities and threats that may be confronting its economic base. Of

¹ Examples of this research include The Ohio State University (2002); North Dakota Department of Commerce (2001); University of Illinois (2004).

particular consideration was the identification of any critical issues that must be addressed to facilitate partnerships and carry through with implementation.

The consultation plan included:

- Presentation to the Regional Forum of Economic Development Officers
 - Township of Ignace
 - Municipality of Sioux Lookout
 - Eagle Lake First Nation
 - PACE
 - Dryden Development Corporation
 - Municipality of Machin
 - Township of Sioux Narrows (non-PACE community)
 - Municipality of Kenora (non-PACE community)

- One-to-one interviews
 - Municipality of Sioux Lookout
 - City of Dryden
 - Municipality of Machin
 - Lac Seul First Nation

- Meetings with Municipal and First Nations Council
 - Wabigoon Lake First Nation
 - Eagle Lake First Nation
 - Township of Pickle Lake

- Discovery Sessions
 - Municipality of Machin
 - Township of Ignace
 - Township of Pickle Lake
 - Municipality of Sioux Lookout

- Presentation and Discussion with PACE Board of Directors and Staff
 - James Brohm, Vice-Chair
 - Bryan Brown, Treasurer
 - Joe Carbone, Director
 - Lionel Cloutier, Director
 - Terry Favelle, Secretary
 - Mel Fisher, Director
 - Graeme Mackechnie, Director
 - Shannon McKee, Business Development Coordinator
 - Brian Miles, General Manager
 - Garry Parkes, Director
 - Dennis Smyk, Director
 - Richard Wetelainen, Chair

Background Review and Reconnaissance

To ensure the project team have a complete understanding of the economic realities of the Patricia Area, a comprehensive review of available background literature and studies was undertaken. These included:

- *Strategies for Developing a Broadly Based Regional Knowledge Economy in Northwestern Ontario* (A report prepared for the North Superior Training Board), Dr. Livio Di Matteo, Department of Economics, Lakehead University (September 2006)
- *Northwestern Ontario: Preparing for Change, Northwestern Ontario Economic Facilitator Report*, Dr. Robert G. Rosehart (February 2008)

- *Enhancing the Economy of Northwestern Ontario*, Northwestern Ontario Municipal Association (January 2007)
- *Northern Ontario Investment Attraction Study* (Prepared for the Government of Ontario), Deloitte (August 2005)
- “Northern Ontario’s Communities: Economic Diversification, Specialization and Growth”, *Agriculture and Rural Working Paper Series Working Paper No. 82*, Ray D. Bollman, Roland Beshiri and Verna Mitura (Statistics Canada) (October 2006)
- *Dryden Regional Airport Industrial/Commercial Development Strategy*, Prairie Edge Management Inc. was engaged in collaboration with Stantec Consulting Ltd. (October 2008)
- *Patricia Area Community Endeavours Asset Inventory Project: Asset Evaluations, Strategic Recommendations, and Maintenance Plan*, Edward Hoshizaki Development Consulting (March 2008)
- *PACE Regional Strategic Plan*, R.E. Michaels & Associates Inc. (September 2002)

This background research identified the historic and emerging conditions impacting on the regional economy. The review also included relevant local and regional documents and strategies, as well as any provincial or federal publications relating to the Patricia Area and economic development within remote communities. We analysed relevant existing Statistics Canada data and other select data source as it relates to the PACE Region economy. Particular attention was given to reports and publications that provide insight into the high level and local trends impacting the regions key industry and business sectors.

Review of Local Community Strategies

A critical part of this project was to validate existing local economic development strategies and, where none exist, to assist the member Municipalities and First Nations of the PACE Region in identifying strategic directions. With the existing strategies it was important to revisit them to ensure that there is still support for the direction of the respective strategy and to assess their progress towards achieving the strategy.

Achieving these objectives was completed through broad consultation within each of the member communities. Consultation was undertaken within each community through discovery sessions, council meetings and one-to-one stakeholder interviews.

Communities with Existing Strategies

For those communities with existing economic development strategies, we consulted key stakeholders on a one-to-one basis.

Through the consultation we addressed the following areas:

- Are the strategic plans still appropriate?
- Are there gaps/areas that we might now need to include in the strategy?
- Is the strategy being delivered, specifically
 - What in the strategy has been delivered?
 - What is being delivered?
 - What is being planned?
 - Are there areas for which nothing has been done?
- How are the actions/activities financed?

Communities without Strategies

Those communities that do not already have a local economic development strategy required a slightly different approach. To build some consensus on each community’s competitive advantages and competitive disadvantages as well as opportunities and threats to economic growth, we organized a

discovery session with a wide range of stakeholders from the community. The approach engaged the audience using targeted questions and recording. The goal was to provide participants from the community with an opportunity to discuss strengths, weaknesses, opportunities and threats as well as community's goals and objectives, in order to put forth a common vision and set short and long-term goals for the community's direction. Through this consultation, broad strategic directions and plans were identified that allowed us to compare the individual community's priorities to other PACE communities and to identify areas of work that are regional in scope.

PACE Opportunities: Sector-wide and Business-specific

PACE is looking for specific opportunities that could be immediately supported which will result in increased investment, retention of jobs and/or additional jobs. Through the course of this project we identified these as industry-wide or business-specific.

Directions for Investment Fund

This part of the project is an extension of the section immediately above. The Investment Fund is one tool that PACE has, which can be used to stimulate the economy, normally one business at a time.

Identification of Funding Sources

For each of the actions identified through the community consultation and review of best practice we investigated sources of funding. We looked at not just at federal and provincial programs, but also looked at the funding that local communities have invested in their strategies and investigated if this funding could be more broadly applied or replicated from other communities.

Supplementary Consultations

On December 11, 2009, PACE hosted a brainstorming session whose purpose was to refine and reassess the key regional opportunities for stimulating community development and the economy. The session was led by Queen's Executive Decision Centre and Millier Dickinson Blais. The group of local economic development representatives began by brainstorming over 40 ideas. These were discussed and prioritized into the top 13 opportunities. The group then ranked the ideas based on three criteria:

- **Regional "ness"**: how likely will it have significant impacts across the region?
- **Job Creation**: degree to which it creates quality, sustainable employment/
- **Advancing Technological Know-How & Innovation**: degree to which this stimulates innovative activity

2.3 The Accomplishments: How will the Plan be Implemented?

While PACE is the major vehicle through which this plan will be implemented, every municipality will be involved either through representation on the PACE Board or working in regional partnerships such as the EDO Forum. The recommended projects all have PACE taking the lead in implementation.

3 Setting Priority Projects – PACE’s “Sweet Spot”

The exercise has taken the existing economic development strategies of partner municipalities and those economic priorities identified by those communities and First Nations without strategies and defined a number of key roles that the partners have identified for PACE. All of this information can be found in Appendix A.

This has helped identify the broad areas where the partner municipalities and First Nations believe PACE could have an impact on local and regional economic development. The scope of these areas of opportunity are broad and it is important to identify specific focused projects which deliver on these priorities as well as PACE’s own organizational priorities.

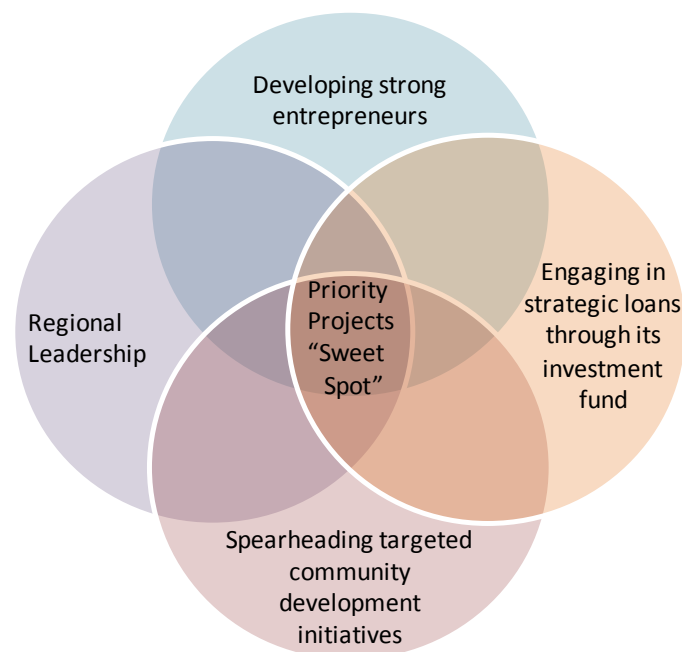
PACE is responsible for four organizational priorities, these are:

1. Developing strong entrepreneurs
2. Engaging in strategic loans through its investment fund
3. Spearheading targeted community development initiatives
4. Regional strategic planning (which is this document)

However, based on the roles identified by the partners we believe that there should still be a further priority related to Regional Leadership. A number of the roles identified by the Municipal and First Nation partners indicated that they believe PACE has a significant role to play in bringing the region together to address wider regional economic development issues. This Regional Leadership would include partnership building; investigation of new opportunities; regional branding and marketing; and leading on region-wide projects.

This leads to the idea that the best initiatives that PACE can undertake are those that may positively impact all four priorities (Regional strategic planning is excluded). This is shown in the following diagram. The “Sweet Spot” are the projects that meet all four priorities.

Figure 1 – Convergence of PACE Priorities and the “Sweet Spot”



The model suggests that each circle represents an area of priority. Where two circles overlap, PACE will impact two areas of priority. Where three circles overlap, PACE will impact three areas of priority. Where four circles overlap, PACE will impact all four areas of priority ... the “Sweet Spot”.

Through the initial community consultation we were able to identify a number of areas that would meet some of the economic development needs of many of the member Municipalities and First Nations and which meet the priorities of PACE. These initiatives or priority areas are:

- Business Retention and Expansion Project
- Tourism Product Redevelopment and Investment Attraction
- Commercial Gap Analysis and Commercial Recruitment

Supplementary Consultation

On December 11, 2009, PACE hosted a brainstorming session whose purpose was to refine and reassess the key regional opportunities for stimulating community development and the economy. The group of local economic development representatives began by brainstorming over 40 ideas. These were discussed and prioritized into the top 13 opportunities. The group then ranked the ideas based on three criteria:

- **Regional "ness":** how likely will it have significant impacts across the region?
- **Job Creation:** degree to which it creates quality, sustainable employment/
- **Advancing Technological Know-How & Innovation:** degree to which this stimulates innovative activity

The full scoring/ranking is shown in the following table.

Figure 2 – Prioritization of 13 Short-Listed Initiatives

Criteria Opportunity	Regionalness	Job Creation	Advancing Technology Know-how	Total	Rank
Product development	66	65	58	189	1
Investment attraction	60	70	52	182	2
Regional arts, culture & heritage initiative	56	47	54	157	3
Post-secondary education	44	51	60	155	4
Enterprise centre	45	52	55	152	5
Sector analysis	45	53	52	150	6
Regional tourism strategy	67	43	33	143	7
Youth initiatives	31	40	51	122	8
Engage First Nations communities	50	36	31	117	9
Regional commercial market analysis	30	36	29	95	10
Speakers	16	18	29	63	11
Financing opportunities to support business ventures	20	23	16	59	12
Training programs	16	12	26	54	13

For further analysis, the group wanted to see the effect of having the scores for “regionalness” removed. The end ranking is almost identical. The one significant change is that “Regional arts, culture & heritage initiative” moves from 3rd to 6th. The other change is that “Regional tourism strategy” moves from 7th to 8th and “Youth initiatives” does the opposite, moving from 8th to 7th. Ultimately, regionalness is not a significant differentiator.

After the session (just for fun), the other categories were removed to see the effect.

- Removing “job creation” criteria –has little impact on the overall ranking – “Regional tourism strategy” swaps spots with “Sector analysis” and the bottom to also swap
- Removing “advancing technology” criteria – has a pretty significant impact – “Regional tourism strategy” moves from 7th to 3rd and “Regional post-secondary education opportunities” moves from 4th to 7th. These two moves are logical and give credibility to the prioritizing that the group conducted. There are other moves of one or two places.

The results of the ranking plus the enlightenment that the removal of filters offers ultimately gives us projects in the following priority order:

Tier One Priorities

1. **Product development** and packaging ...designated travel corridors
2. **Investment attraction**

Tier Two Priorities

3. Regional **arts, culture & heritage initiative** ...coordinate the development of a map/brochure depicting the areas artists/artisans ...promotion of first nation culture
4. Regional **post-secondary education** opportunities e.g. satellite campuses from larger universities, colleges, etc.
5. Establish **enterprise centre**: central location travel to communities on weekly basis
6. **Sector analysis**: e.g. Undertake & coordinate mining, alternative energy opportunity analyses
7. **Regional tourism** strategy

Tier Three Priorities

8. **Youth initiatives** – e.g. hire interns in IT sector
9. **Engage FN** communities
10. Regional **commercial market analysis** (conditions, opportunities etc) ...commercial gap analysis - import replacement

Tier Four Priorities

11. **Speakers** on value added opportunities in North America (natural resources)
12. Coordinate various **financing opportunities** to support business ventures
13. **Training programs** to meet regional needs (CED training -> Councillor, ED folks)

3.1 Action Plans for Tier One and Tier Two Priorities

3.1.1 Tourism Product Development & Packaging

Figure 3 – Tourism Product Development & Packaging Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
A1	Undertake a regional municipal and Provincial tourism sector infrastructure review and opportunity analysis including a full inventory of products and services (asset assessment)	PACE	Secure partners and funding in Q2 2010	Q4 2010
A2	Develop a regional tours and trails strategy ...water route development .. Regional trails networking and promotion	PACE	Secure partners and funding in Q2 2011 as part of a larger regional tourism strategy	2012
A3	Coordinate the investigation of hosting large scale events - fishing derbies, concerts, competitions, etc.	PACE	Initiate after completion of regional tourism strategy which will guide decisions on which events to support	2013
A4	Complete a sector analysis (investment prospectuses) on: <ul style="list-style-type: none"> • Generally what types of tourism operations are best suited to the area (e.g. artist retreat, high end fishing lodge, conference centre, etc.) • Specifically what types of investment are best geared to pre-identified properties including Mahkwa Lodge, Sioux Lookout conference centre, vacant First Nations and municipal waterfront properties 	PACE coordinating with buy in from interested municipalities or private sector operators	PACE to identify partners early in 2010 and initiate business planning by late-2010	Q3 2011
A5	These days it is incredibly difficult, time consuming and expensive to convert waterfront property to commercial uses. As such, it is critical to maintain the commercial property in its current use. PACE and local communities must work with its tourism operators to maximize the value of their investment. Help them to sell to another tourism interest if that is their desire. Help them to expand if that is their desire. This is done through relationship building and trust.	PACE and local municipalities cooperate – both have an encouragement role (through business visits and public relations); local municipalities have a land use planning role	Ongoing but specific municipal policies in place by 2011	To be defined by needs

**** A1 and the Strategy identified in G1 are the critical steps. The ability to complete the remainder of the above tasks hinges on those two steps.**

What this recommendation is NOT.

The consultations identified a role for PACE to act as a body that could “rebrand” the tourism region and become a destination marketing organization whose responsibility it is to attract visitors to the region. However, this is not the recommendation of the report.

Regional Branding and marketing strategies are complicated by the recent Provincial Tourism Strategy. Any initiatives would require the buy in of the existing tourism marketing associations and Municipalities.

What this recommendation is.

Tourism initiatives were solidly the #1 suggestion made in both the first and second rounds of consultation – even more so in the December session with Queen’s Executive Decision Centre. In the latter case, there are three specific tourism initiatives in the top seven. Interestingly, investment attraction comes out second of all the initiatives. Combined, these two ideas (product development and investment attraction) give credibility to the initial recommendation around tourism investment attraction.

But it is also more than just investment attraction. It can also be about PACE working to support the creation of new or enhance festivals, events, recreational attractions and other products.

Most communities in Ontario have never looked at tourism beyond visitor marketing and few have assessed its investment potential like other industries. However, on a global scale, efforts to attract tourism business investment are strengthening as tourism regions race to build an environment that is attractive to the finite number of tourists.

The Province of Ontario has started its own campaign over the last couple of years. Coincidental to the completion of this report is that the Ontario Ministry of Tourism’s most recent *Ontario Tourism Investment Communiqué* features Northwestern Ontario (image to the right). This publication is supplemented by a website, www.ontariotourisminvestment.ca where investment opportunities can be seen in more detail.

This initiative will guide First Nations in the current and future direction of tourism properties that they own (e.g. Mahkwa Lodge) and also give both First Nations and municipalities a clear focus on the type of investment attraction they should be undertaking.

The product development initiative, as the next step, could (and should) also happen on a regional basis. There are excellent examples of regional economic development organizations banding together to spread the high cost and time commitment that is required.

3.1.2 Investment Attraction

Figure 4 – Investment Attraction Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
B1	Coordinate and host maintenance of area profile	PACE	2010	2010
B2	Develop regional investment prospectus (tourism is identified in A4; complete these after Sector Analysis study is completed (see Action F1), which will outline best investment opportunities	PACE coordinating with buy in from interested municipalities	Q4 2010 (consistent with Action F1)	Late-2011
B3	Coordinate regional site locator visits/programs including foreign trade councillors	Local municipalities	2012 (after Sector Analysis to ensure targets are correct)	ongoing
B4	Develop a strategy for creation of regional incentives	PACE	2012 (after Sector Analysis to ensure targets are correct)	ongoing

**** B1 and the Sector Analysis identified in F1 are the critical steps. The ability to complete the remainder of the above tasks hinges on those two steps.**

The results of the supplementary focus group session clearly indicated that there is a desire to have PACE take a leadership role in assisting with investment attraction. The focus here is largely in supporting the existing municipal economic development network with information that will help them make targeted investments in their own marketing. For instance the coordination and maintenance of an area profile is seen as an important basic necessity in the competition for incoming investment. One has been completed in the past but nobody has taken commitment to ensuring that it stays up to date and is accessible.

The other initiatives in this category position PACE as a leader in coordinating more serious promotional activities (B2 and B3) and as an advocate for a more competitive business environment (B4). In many ways, this latter function will also assist its traditional small business clientele.

These last three steps will be much more effectively targeted if they are initiated after the Sector Analysis as described in task F1.

3.1.3 Regional Arts, Culture & Heritage

Figure 5 – Regional Arts, Culture & Heritage Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
C1	Hire an intern to develop an arts, culture and heritage asset inventory of the region	PACE	Q3 2010 - After regional committee is established	Q2 2011
C2	Complete map/brochure depicting the areas artists/artisans	PACE	After asset inventory is complete – Q3 2011	Q1 2012
C3	Engage First Nations to identify/clarify their willingness to share culture and events	PACE	Integrate into regional committee in C1	Q2 2011
C4	Series of individual cultural plans and then a collective regional plan	TBD	Assess the relevance of doing this within the Tourism Strategy (initiative G1)	TBD

The Tourism Strategy as identified in G1 is a very important element to completing and prioritizing these initiatives.

3.1.4 Regional Post-Secondary Education

Figure 6 – Regional Post-Secondary Education Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
D1	Complete a market analysis to identify the market demand and need for a regional post-secondary educational institution including a survey of future business needs	PACE	Secure funding by early 2011	End-2011
D2	Coordinate collective effort to convince one or more (joint venture) post secondary institutions to establish and operate a satellite campus within the region	PACE	2012	2015

The opportunity that was identified by the focus group is to establish a regional post-secondary education institution. In other words, this means a satellite campus from a larger university, college, etc. In many ways, the group in the December focus session felt that the existing college services were weak and not responding to calls for more demand. The market analysis (initiative D1) will serve to provide an independent view as to the supply and demand for different programs. It can also identify the most likely deliverers of the types of programs that are in demand locally.

This united showing of interest in having a stronger post-secondary presence in the region is not unusual across Ontario. This is a trend for small and mid-sized municipalities across Ontario. Examples include:

- Wilfrid Laurier University has campuses in Downtown Brantford (broad programming) and Downtown Kitchener (School of Social Work)
- Lakehead University's has an Orillia Campus (broad programming)
- University of Waterloo has campuses in Downtown Kitchener (School of Pharmacy) and Downtown Cambridge (School of Architecture)
- Nipissing University is significantly expanding its presence in Bracebridge
- Northern College has a presence in Temiskaming Shores that is critical to the business community and very highly valued

Part of the investigation can also be to assess opportunities that exist to establish training opportunities separate from satellite campuses. For instance, PACE could provide service to individuals and entities using existing videoconferencing equipment.

3.1.5 Enterprise Centre

Figure 7 – Enterprise Centre Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
E1	Complete business plan for incubator/accelerator. Includes identification of partners, regional needs private/public opportunities, location and visitation schedule and potential sources to access funding for start up.	PACE	Q3 2010	Mid-2011

The opportunity that was identified by the focus group participants is to establish an enterprise centre that combines elements of small business consulting services including PACE but also enhanced levels of assistance through the Province of Ontario. The centre also includes an innovation centre and/or accelerator/incubator where small technology-based innovative businesses receive the support they need in the early years to get out of early commercialization and into strong sales and eventual independence.

Last year, the City of Dryden had a consulting study done for the Northern Forestry Innovation Centre by Millier Dickinson Blais. This was held up as a strong opportunity that can fit this model. The feasibility study is complete and it is time to move onto the next set of recommendations.

3.1.6 Sectoral Analysis

Figure 8 – Sectoral Analysis Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
F1	Undertake and coordinate individual sectoral opportunity analyses for sectors such as knowledge-based industries, manufacturing and processing, value added forestry and non-timber forestry products, mining, agriculture, environment and energy.	PACE	Q2 2010 with funding secured in Q3 2010	Q3 2011

The PACE region has been undergoing an economic restructuring with the loss of its major industry, forestry, and a slowdown in other key sectors such as tourism. Part of the restructuring process involves diversifying the economic base of the region, historically dependent upon primary industries. The region has a number of economic sectors in various stages of development that have become the economic engines of growth for the region.

To ensure the highest growth potential of these economic sectors is achieved, it is important, from time to time, to undertake a situation analysis for each sector. This initiative would see PACE lead the completion of an analysis of a number of sectors. It would include a summary of the recent performance of each sector, including recent growth trends; a review of its strengths, weaknesses, opportunities and threats

(SWOT analysis); and projected growth of the sector over the next ten years. The sector analysis should provide an objective and balanced review of the potential of these sectors and assess to what extent each sector has the potential to become a "niche" for the PACE region. That is, an area in which the area has a sufficient competitive advantage and is able to compete globally in this particular product or service.

The situational analysis will ultimately assist the communities within PACE in its corporate planning process to prioritize the sectors identified in an effort to determine which sectors should be singled out for pro-active development strategies. It also plays a critical role in identifying necessary infrastructure development and promotional tactics.

Suggested sectors to be studied are tourism, knowledge-based industries, manufacturing and processing, value added forestry and non-timber forestry products, mining, agriculture, environment and energy. These types of studies are expensive (minimum \$50,000 each for semi-comprehensive work in the larger sectors) which suggests a concerted fund raising effort needs to be made.

3.1.7 Tourism Strategy

Figure 9 – Tourism Strategy Action Plan

Task/Initiative		Lead Agency	Start Date	Completion Date
G1	Undertake and coordinate a comprehensive tourism strategy that includes an asset inventory, arts/culture/heritage assessment, inventory of physical product and marketing action plan.	PACE	Q2 2010 with funding secured in Q3 2010	Q3 2011

The effort that goes behind completing a tourism strategy supports many pillars of economic development in the Patricia Area and brings a collective tourism vision for the region, its residents, the tourism sector and its clients and stakeholders, while providing a positive image and experience for the tourism market.

The study should identify goals, objectives, strategic priorities, actions and investment required to achieve the vision that is created. The objectives can be:

- identify business investment opportunities to expand the year round tourism potential of the PACE region
- identify financial and other investment requirements and potential financial partnerships that will enhance the development of a four season destinations in the region
- identify all existing and potential tourism attractions and opportunities
- determine and understand the profiles of existing and desired visitors
- identify opportunities to increase the length of stay of visitors
- identify opportunities that lead to increased expenditures of visitors
- identify opportunities for market growth
- determine visitor needs and/or deficiencies in current accommodations, attractions and services to enhance the quality of visitor experience while appealing to a broader market during an expanded season
- build brand awareness as a four-seasons destination
- identify issues of concern to the residents and actions to deal with them.

4 The Tools that PACE has to Influence Economic Development

4.1 PACE's Business Development Services & Investment Fund

According to its promotional material, PACE assists entrepreneurs in business or contemplating a business within the Patricia Region by providing the following business services.

- Business advice, counselling, information and referrals
- Help with business plans
- Export support
- Entrepreneurial training
- Information on Federal and Provincial programs and services
- Financial Assistance

PACE administers an investment fund to help finance new or existing small businesses for start-up, expansion or stabilization plans that help maintain or create jobs.

Repayable financing up to \$250,000 (up from \$150,000 until March 30, 2011) on commercial terms through loans, loan guarantees or equity investments may be available when financing from other sources is insufficient. Loan approvals are for business purposes only and the applicant must meet the following eligibility criteria.

- Credit worthiness and a background of experience or a sound working knowledge of the proposed business
- Generated employment within the Patricia Region
- Sufficient capital has been invested by the owner
- The business plan indicated a reasonable chance of success
- The business location is within the Patricia Region

PACE also offers a wide variety of seminars to assist entrepreneurs and existing business owners that are looking to improve their businesses. PACE, with the assistance of the Canadian Ontario Business Service Centre, has a video conferencing unit in PACE's Dryden office. On-line seminars are now available every month.

All people interviewed knew of PACE's mandate to provide lending to small and medium-sized businesses. Furthermore, most people feel this is the organization's primary function. Often times they also equate PACE as the institution that will help businesses which are turned down by banks and other conventional sources of capital – thus it is sometimes given the “lender of last resort” moniker or a reputation (not negative) as an organization that lends amounts so small that other institutions will not be interested.

There is a shared sense that the organization is not putting enough capital into the business community. Most business people feel that the organization should be more aggressive at putting money into the region.

Sector-Based Investment Approach

There is value in PACE taking an aggressive position in growing or important industry sectors, including those identified in the above strategic objectives. The sectors where PACE could take a portion of the investment fund and dedicate it to are:

- **Tourism Product Development Investment** – After feasibility study work has been completed and specific tourism products are identified as being missing in the region (e.g. eco-tourism lodge, conference facility, attraction), PACE can target a portion of its

investment fund directly at meeting this unmet demand. Even more so, it would be very proactive with existing and new operators at developing these markets.

- **Filling Commercial Gaps** – The work identified in Section 4.3 will assist in pinpointing commercial sectors that are underrepresented within the region and within specific communities. PACE can orient its investment fund to specifically attract investors or encourage existing retailers and service providers to expand their merchandise and service offerings.
- **Forestry Value-Added** – This is a sector that is identified in many community plans as being important to future economic growth. Rather than traditional investments in capital, PACE will have to be a bit more creative because capital investments in this sector are very large. The CFDC could take unique angles that are specifically impacting the industry. Determining this is beyond the scope of this investigation, but some ideas are: private sector investments around the Northern Forest Innovation Centre and investment in “infrastructure” projects that lead to employment of unemployed forestry skilled workers such as trail and utility right-of-way clearing (e.g. expansion of hydro generation).
- **Incentives to Attract and Retain Knowledge Workers** – The market for knowledge workers is extremely competitive and any incentive to attract and retain scientists, physicians, professors and other creative professionals to the region to serve as the leaders of the region’s knowledge economy would be worthwhile. PACE can assist with the incentive offering by targeting a specific portion of its investment fund to businesses of this type.

As the year’s progress adjustments to this approach can be made by increasing/decreasing the amount of activity in the sector or selecting other sectors.

With specific reference to these sectors, PACE should be prepared to increase its bad debt threshold (perhaps up to 20%) and take on more risk. Due to the nature of these industries and the technologies that are being financed, PACE needs to be prepared (and prepare Industry Canada) for unusual levels of write-off.

On the flipside, the rewards can be great. Operators in these sectors may be having difficulty finding financing, but they are critical to the long-term growth of Patricia Area’s economy.

Sustained face-to-face networking in key organizations (which reaches existing businesses and intermediaries such as accountants, lawyers and other investors) and a creative direct mail campaign with telephone follow-up are ways of hitting a very targeted market.

The current decline and forestry combined with the effects of the current recession and conventional lenders reduced risk tolerance is putting pressure on small businesses in the communities and the combination of reduced household incomes and out shopping is challenging their very survival.

This is an opportunity for PACE to increase their support for business by:

- Reviewing their lending practices with a view to reducing the cost of funds to their clients.
- Explore partnerships with other lenders that allow PACE funds to be used to mitigate risk for conventional lenders and encouraging them to re-enter the market.
- Sponsor speakers that extol the virtues of entrepreneurship and identify best practices for new and existing entrepreneurs.
- Develop a visitation program to target each business in an effort to identify those that are struggling and offer counselling, training or potential solutions.
- Develop funding for a variety of business speakers to engage the business community in change management, marketing, succession planning, etc. by partnering with banks, credit unions, government agencies and the Chamber of Commerce.
- Development of Youth Councils, Youth Leadership and/or Youth Entrepreneurship programs

4.2 PACE's Community Development Program

PACE's Community Development initiative strives to assist regional community economic development by working closely with communities to assess local challenges and to look at new ideas and opportunities to strengthen their economies. One of the tools that the organization has at its disposal to encourage this is the Local Initiatives Fund, which annually injects up to \$75,000 into the local economy. Community groups can access up to \$5,000 in funding for projects that fit within specified criteria.

- Is there positive regional impact?
- Are partnerships present?
- Is there broad-based community support?
- Is the project new and innovative?
- Are there economic benefits?
- Is there sufficient funding sources?
- Is there sufficient viability and responsibility?
- Is there potential to build PACE's profile?
- Are there spin-off opportunities?
- Is this one-time funding?
- Can the project be adapted by other communities?

On its promotional materials, PACE also states that it also assists communities with the following services:

- Guidance for funding application processes
- Proposal writing and development
- Providing information on Federal and Provincial funding programs
- Planning and visioning sessions for not-for-profit groups
- Acting as a proponent

Unlike the investment fund, however, the majority of people who know of PACE's community development work do not have a strong understanding of what the organization's objective is for community development. This is both in terms of the types of efforts that are supported and the role that PACE plays in them.

"What efforts will PACE support?" is a bit of an unknown to interviewees. The organization has no clear mandate regarding the types of initiatives to stimulate and its funders feel that the organization is not facilitating projects that create suitable economic development spinoff.

One way to become more targeted, as this strategy is suggesting is to align its priorities with each member communities' strategic goals. Following the strategic objectives outlined in Section 3 will greatly assist with this.

The community development program has given PACE some successes and has helped in some ways to build a positive reputation. However, in practice, the overall lack of clarity in its community development goals has resulted in nearly every project facing a challenge somewhere along the way. Some of the negative consequences include the following.

- Staff and the Board of Directors have no concrete way of evaluating whether or not to proceed with a project.
- Staff and Board of Directors have put into place no concrete way of measuring the success of the project.
- Negative relationships have been created with important community partners on specific Local Initiatives Fund files.
- Community development partners, the media and the public are not able to adequately express PACE's role.

At the same time, many individuals identify PACE's unique position to have a difference in community development. The uniqueness comes mainly from the organization's ability to work across community borders and provide funding.

The competitive nature of community and economic development often leads to conflict despite an overriding understanding that small communities need to work as a team if they hope to make an impact. As a result PACE's role is very sensitive when working on regional projects. The Asset Inventory which was completed in 2008 is an example of a non-competitive project that PACE was able to lead. Often these types of projects are focussed on opportunity identification and SWOT analysis, from a strategic plan and PACE should focus on these documents to target opportunities which have a common benefit.

The presence of economic development professionals in 6 of the 8 communities precludes the need/value of economic development training in most of the communities as this will be largely directed by their organizations. However, there is an opportunity for PACE to seek funding to bring economic development visionaries, practitioners and industry experts to speak on topics that may stimulate change. These may include sustainability as a base for industrial expansion, value added forestry, information technology opportunities and a variety of out of the box thinkers.

Grant writing is clearly a skill set that is in demand within the region, but PACE has found that this has been an issue for some time and despite the delivery of many training seminars and forums, the skills have not been retained or sustained. There is a clear distinction between not-for-profit agencies that seek funding and municipal organizations that seek funding. The staff resources for not-for-profits are not sufficient to provide significant support in addition to other duties. While a Youth Intern may be a stop gap, the knowledge is almost always lost annually. As such, it is recommended that PACE facilitate an application to the province and FedNor to fund a pilot project for three years to hire 2-3 dedicated regional grant writers who could be located either in the PACE offices (if space is available) or in municipal offices. Municipalities could pay their share of the funding on a prorated basis either by population or alternately by applications submitted.

Building further on the Regional EDO Forum, there is an opportunity for PACE to identify specific opportunities or issues which may be important to two or three communities but are not clearly "economic development" priorities in today's climate which required a more immediate payback. Topics that seem consistent are linking existing trails to the Trans Canada Trail system where possible (this will eventually be significant in the Tourism sector), community signage (but not way marking signage as this is currently an undertaking by FedNor and the province).

Another consideration/idea is around the concept of sustainability. The PACE region has abundant natural resources such as water, wood fibre, and agricultural lands that should be developed within a framework for sustainability. The protection of water resources and development of affordable renewable energy sources are issues that will require a regional approach. The approval of the Green Energy Act could eventually mandate conservation/sustainability plans for funding eligibility. PACE should continue to have a role as a resource for sustainability planning as a best practice for economic and community development.

4.3 Creating More Visibility and Business Development

Identified through the interviews is that PACE's visibility is not very high throughout the region. In addition, the perceived role of the organization is only partially understood by most, in particular the business community and entrepreneurs. In our experience this challenge is difficult for all of Ontario's CFDCs, especially those with large geographic territories. Because of the number of small business initiatives and modest budgets, most struggle with gaining the recognition of the business community.

Challenge – How can the organization increase its visibility? Some of the tactics used in the past have been working and some have not been working.

Clear Message to the Target Market

In only a few words, PACE's message must convey the services of the organization while also striking a need in the eyes of the target market.

Figure 10 – Selection of PACE's Target Markets

Potential Target Market	Need(s)	Select as Target Market? (rationale)
Existing business community	<ul style="list-style-type: none"> • Help with putting together a business plan • Sources of financing for expansion • An organization to help a colleague write a business plan or find financing 	Yes (a source of leads and referrals that meet the organization's objectives)
Business Development Influencers: bankers, lawyers, accountants, non-profits, etc.	<ul style="list-style-type: none"> • An organization to help one of their clients with business plan development or financing • Partners to put together a financing deal • An organization to take a deal that does not fit their mandate or criteria • Help with developing a community development project that is more likely to lead to small business growth 	Yes (a source of leads and referrals that meet the organization's objectives)
Small business start-ups	<ul style="list-style-type: none"> • Help with putting together a business plan • Sources of financing for expansion 	Yes/No (a source of potential leads only, but will be reached only indirectly through above two targets)
Public at large	<ul style="list-style-type: none"> • An organization to help a friend write a business plan or find financing 	No (only a source of potential referrals that will take a tremendous amount of financial resources to reach out to)

As is identified in the above chart, the recommended target markets for PACE are very specific and focused:

- existing business community
- business development influencers.

Small business start-ups are a target market but will be reached via the above two groups. For advice, these fledgling entrepreneurs consult with their friends who are already in business or speak to professional advisors such as their accountant, banker and lawyer.

This tight selection of target markets is necessary given PACE's limited human and financial resources and large geographic territory. There are some important consequences of the above strategy that need to be fully understood.

- PACE should concentrate on getting into the 'halls of businesses rather than the 'halls of government'. At a local and regional level, beyond the government staff people who are most involved with economic development and small business development, there are few contacts that will generate future leads.
- Building public profile is not a high priority. Spending time and money aiming to get the organization's name in the local newspapers and television takes a lot of resources and distracts staff and Directors from concentrating on business development that will lead to small business growth.

- The focus of outcomes for future community development projects will be the growth of the small business sector. PACE needs to be very wary of mixing with the large number of groups whose aim is different than that.

Promoting Through the Right Media

In order for the message to work it should be customized as much as possible. For example:

- Existing business community – All communication is with the owner and the focus is on meeting their personal goals, which includes profit, but not always exclusively. The Business Retention and Expansion Project highlighted above is a perfect compliment.
- Business development influencers – All communication should focus on helping his/her client while achieving the influencer's own goals. Identify the motivation for them to give a referral: wants to be sure his/her long-standing client is well-taken care of, partnering to make a deal possible, taking someone off his/her hands, etc.
- Specific business sectors (as is discussed in the next section) – Before reaching out to a very specific business audience (e.g. tourism business investment), PACE staff must understand the industry inside and out so that wise decisions can be made regarding the focus of consulting and investment criteria.

A Marketing Action Plan is outlined below. The ideas are practical and can be effectively employed in the next year given a modest budget and an application to OMAFRA's Business Retention & Expansion funding program for additional resources that will be needed for that project.

One-on-one networking

- This method is currently being successfully employed by PACE. It is identified by nearly all interviewees as one of the key methods of reaching out to business owners and business development influencers.
- Both staff and members of the Board of Directors should be actively involved in business networking.
- In terms of selecting the proper organizations, heavy focus needs to be on staff and Board representation at:
 - Chambers of Commerce that represent business in the communities
 - Targeted sector specific organizations (as discussed in the next section)
 - Meetings of the tourism marketing associations
- There are many tips and tricks to networking effectively. Since it is such an important avenue to finding new business, PACE should consider some professional training for staff and Directors.

Pro-Active Promotions

There is tremendous "noise" in the market place. With so many businesses trying to get the attention of owners and senior managers, PACE needs to take on a very proactive effort to generate good business. Even more so, this effort needs to be sustained.

The Business Retention and Expansion program that is proposed above is an excellent way of leveraging PACE's municipal support and getting into the halls of business. This opportunity to speak one-on-one with the business owner is critical to identifying economic growth opportunities.

Website

With the approval of this strategic plan, the website can be updated to reflect an energized direction. Wording should be tailored to the key target markets.

Having staff email addresses immediately accessible through the easy-to-find “Contact Us” page is a small way to say “we want to talk business with you”. Do not remove this feature.

Supporting the Message with Appropriate Service Delivery

If PACE wants A-class clients and A-class partners, it must provide A-class service. According to nearly every interviewee, one “strength” of the CFDC is its staff resources. They have a client-focused attitude and are sincere in their belief in the Patricia area’s opportunities for growth.

PACE should consider a partnership with communities in the region to urge the provincial government to create/staff more locations for offices like the Northwest Business Centre in Kenora, which supports and promotes entrepreneurship throughout an area that is simply too large to serve effectively.

Appendix A: Current Situation in the 8 Member Communities – Trends & Issues

A critical part of this project is validating existing local economic development strategies and to assist those communities that do not have a strategy in identifying suggested directions. Each of the existing strategies has been revisited to ensure that there is still support for the direction of the strategy and to assess progress towards achieving stated outcomes.

Communities with Existing Strategies

Within the region there are three communities which have completed economic development strategies or plans, most having done so in the last few years – namely Sioux Lookout, Dryden and Machin. For those communities we consulted with key stakeholders, such as local businesses, business representative organisations and public officials such as Councillors, Executive staff and Economic Development staff on a one-to-one basis and in group sessions. The discussion allowed for a more in-depth discussion around the existing strategy, including areas such as:

- Are the strategic plans still appropriate?
- Are there gaps/areas that we might now need to include in the strategy?
- Is the strategy being delivered – What in the strategy has been delivered, what is being delivered, what is being planned?
- Are there areas for which nothing has been done?
- How are the actions/activities financed?
- What requires support regionally to be delivered?
- What can be delivered regionally?

Within these sessions we also sought the views of participants of the role that PACE should play in the region's economic development. For each community these views are also summarized below.

City of Dryden

Background

Dryden is the largest community in the Patricia region with a population of approximately 8,100 and serves as the region's service and retail centre. Dryden is located midway between Winnipeg and Thunder Bay on the TransCanada Highway and is well connected by highway, rail and a full service airport. The city also has an excellent telecommunications network which meets the needs of the community and wider area. The city has a newly expanded health care centre, first class educational facilities and excellent selection of residential properties. The economy is based largely on resource based industries, primarily mining and forestry, but has a growing service and retail sector, as well as being the region's centre of public sector services.

Surrounded by the beauty of the boreal forest, freshwater lakes and spectacular vistas, Dryden is one of the most dynamic locations in northern Ontario with a moderately healthy (but cyclical) economic base and a large retail and service sector to serve residents and visitors.

To guide its future development, the City of Dryden published its 2007-2010 Strategic Plan, which was followed a year later by an Economic Development Strategy and Implementation Plan. A summary of these strategies is below.

Dryden's 2007-2010 Strategic Plan

In April, 2007, Dryden City Council started a community strategic planning process in order to develop a vision, priorities and objectives to guide the work of the City over the following three years. The process involved two open public planning sessions, a number of consultation events with youth and young adults as well as a targeted survey of other key stakeholders including: seniors, First Nations, health care, education, local businesses and industrial sector. The results of this consultation were a strategy with the following Vision and Priorities (for brevity we are not reproducing the whole strategy).

Vision

The City of Dryden is a welcoming, prosperous, regional centre for business, health and professional services. Our natural resources support our healthy, vibrant lifestyle which is the foundation of our modern community.

Priorities

The City of Dryden will ensure that quality-of-life decisions being made strengthen our municipality's economic competitiveness and prosperity. These decisions will ensure that plans and action for growth respect and reflect community priorities and vision. The following key areas have been identified as essential components of a healthy, vibrant, and growing community. This Strategic Plan will ensure that each of these priorities are and will continue to be met as we grow our community.

- *Economy* - The City of Dryden will create the conditions necessary for a diverse and vibrant local economy.
- *Environment* - The City of Dryden will protect and enhance its natural environment with thoughtful planning, conservation, waste reduction and diversion strategies, and attention to green spaces within the community.
- *Social Character* - The City of Dryden will build the capacity and diversity of our community by promoting volunteerism, community participation, arts, and cultural diversity.
- *Land-Use Planning* - The City of Dryden will make land-use planning and policy decisions that promote economic, environmental and social needs of our community in order to improve the municipal quality of life.
- *Affordability and Accountability* - The City of Dryden will maintain existing municipal infrastructure in a timely and efficient manner while ensuring services are affordable to its citizens. The City of Dryden will ensure services are delivered to the highest level of efficiency possible. The City of Dryden will ensure transparency and accountability to its citizens at all times.

Within this it is the Economy priorities which are perhaps most relevant to the current report. Within this priority the City of Dryden have set the following Objectives:

Dryden will enhance its position as a Regional Manufacturing Centre by:

- Supporting Primary and Value Added Forest Industry
- Encouraging Light Industrial expansion
- Encouraging Regional Mineral Exploration

Dryden will enhance its position as a Regional Hub in these key areas:

- Retail and Professional Services
- Health Care Services
- Continuing Education
- Provincial Government Services
- Ministry of Natural Resources Fire Suppression Activities
- Air, Rail and Road Transportation
- Telecommunications

Dryden will encourage and engage in Partnerships for Progress with:

- First Nations
- Private Investment Partners
- Government and Regional Community Development Programs
- The Participation in and Leadership of Municipal Associations

Dryden Development Corporation – Project Delivery:

- The Dryden Development Corporation (DDC) will be formed in 2007. This Corporation will simplify and streamline the processes to help establish new businesses within the City of Dryden and surrounding area. The DDC will act as the City of Dryden's project delivery agent to meet economic development and diversification objectives relating to business retention, expansion and tourism.

Dryden Economic Development Strategy and Implementation Plan

The development of the City's Strategic plan was followed up in October 2008 by the production of an Economic Development Strategy and Implementation Plan. Building on a solid consultation process, with more than 50 stakeholders from business, local government, education, First Nations and tourism, two major areas: building the conditions necessary for economic growth and diversifying the local economy. These major areas were taken to a stakeholder summit in May 2008 and a set of strategic themes were agreed. These themes were in keeping with the economic priorities set out in the City of Dryden's Community Strategic Plan 2007-2010. The strategy themes are:

Strengthening our Capacity for Economic Growth and Development

1. Business Environment/ Infrastructure Development
2. Entrepreneurship & Small Business Support
3. Community Preparedness: Community Awareness, Education and Labour Force Development

Developing and Diversifying the Local Economy

4. Exploration and Mining
5. Renewable Energy
6. Agriculture and Agri-foods
7. Manufacturing
8. Tourism (was not developed in the Economic Development Strategy as a separate tourism strategy was being developed)

The plan also include a detailed Implementation Plan with 33 actions over the 7 themes (excludes tourism), along with details of who the lead partners are, estimated resources required, how progress will be measured and the timing for implementation.

Assessment of Existing Strategies/Plans

Both the Strategic Plan 2007-2010 and the Economic Development Strategy and Implementation Plan are still in such an early stage of execution that it is senseless to try and assess their effectiveness or progress. That said the City has already undertaken a first annual update on the Strategic Plan. Within the Economy priority they have already made progress on a number of fronts including:

- Supporting and lobbying for Domtar
- Involvement in the Two Feathers initiative
- Moving forward on the North Dryden Commercial Business Park
- Supporting mining by establishing a deal with Laurentian Mines
- Producing a Strategic Plan for the Airport
- Growing the DMTS/Dryden Mobility service in the region

- Working on developing an accelerator/incubator
- Dryden Development Corporation formed and Economic Development Strategy Developed
- Dryden Development Corporation received increased budget

As part of the interviews and Discovery Session, we also identified the community's strengths, weaknesses, opportunities and threats. As the community has already gone through this process for the development of the Strategic Plan and Economic Development Strategy and Implementation Plan some of the findings of this were similar. However, for the sake of completeness, an assessment of the City of Dryden's strengths, weaknesses, opportunities and threats is provided below.

Strengths

Quality of Life – As with many of the communities in the region, Dryden is blessed with natural beauty, clean water and lakes and recreational and leisure pursuits for those that enjoy the outdoors. The city is also a regional service centre with a wide range of shops, amenities and public services to meet the needs of the wider region. Dryden was also referred to as being a safe community and “a good place to raise a family”.

Natural Resources – Dryden is surrounded by an abundance of wood fibre, minerals, water, precious stone and agricultural land. Though many of these sectors have been in decline for some time there is an expectation that these resources will always be in demand and that the region will always have some dependence on them. There is a strong understanding that they cannot rely solely on resources and need to diversify the economy into other areas such as value added manufacturing or bio-energy.

Telecommunications – The City of Dryden owns the Dryden Municipal Telephone System (DMTS) being the largest provider of telephone and internet services in the community, in the future they will be going to GSM. With the recently announced deal with Rogers, they are also expanding their cellular coverage along the TransCanada corridor providing an alternative to the existing cellular service. DMTS is profitable and the City has been investing back into the service to ensure that infrastructure is kept up to date.

Transport – Dryden is located along the TransCanada Highway and also has rail access through it. The City of Dryden also own and operate the airport, with scheduled passenger service from Bearskin Airlines. There is more capacity to expand operations and services at the airport.

Skilled Labour – The location of the mill and other production operations has provided Dryden with a skilled workforce. The mill had extensive training programs with mill employees required to be proficient in “3 tickets” (trades), whereas most mills only required employees to have one specialist skill. This has resulted in a workforce which is multi-skilled in a number of production areas.

Low costs – Dryden has an abundance of energy at relatively low costs (it could be cheaper but the province will not allow them to sell for less), low taxes and low cost of living. It should be noted that not all businesses believe that taxes were low.

Volunteers – Dryden is a large enough community to have a strong volunteer base which will actively support community initiatives. For example \$1.5m was raised by the community for a CAT scanner.

Weaknesses

Wage Expectations – The mill has been the major employer in Dryden for many years and has paid very good wages, with an average wage being approximately \$26/hour. This has set a very high expectation within the community for wages and many small manufacturers are not able to pay these wages.

Transport – There were a number of problems raised with the transport infrastructure, in particular the lack of full service rest stops or service centres along the TransCanada Highway between Kenora and

Thunder Bay. The other significant problem is the cost of flights from Dryden airport to other airports is prohibitive.

Lack of Industrial Land – there is currently little industrial land available in Dryden, however the City does have plans for a business park which is being developed north of the TransCanada Highway and significant funding was announced in January 2009.

Retaining Medical Staff – The community is having some difficulty retaining its medical personnel at the hospital and the municipality is forced to use buy-in doctors, which is expensive. They have had a number of locums but they tend to only stay long enough to get experience and then move to Southern Ontario. There is an expectation that there will also be a nursing shortage soon. Dryden is now supporting some students through the Northern Ontario School of Medicine.

NIMBYs – There is an element of the community that want it to remain a small resource-based community with little aspirations for growth. They are now resistant to those looking to grow the community in order for it to survive in the long run.

Decline of Public Sector – A number of public sector employers (e.g. Ministry of Natural Resources, Hydro One) have left the community, taking the jobs as well as the ease of access to their services.

Loss of Youth – Like many communities in Northern Ontario many of Dryden's youth are moving away for education but do not return once completed. This is resulting in an aging of Dryden's population and a lack of educated people in their early wage-earning years.

Opportunities

Tourism – Tourism is and will always be an important part of Dryden's economy but there are opportunities to develop it further. Dryden has plans to redevelop the waterfront, which will ensure that the City continued to attract visitors into the city centre. There are a number of existing winter activities, such as dog sledding, snowmobiling and ice fishing, which more could be done to promote. There are also new opportunities in areas such as eco-tourism (high-end with not a large number of visitors) or exploring how to better utilise the ice roads in the winter.

Bio-energy – Dryden has some natural assets which make it a natural place to develop as a centre of bio-energy. The volume of wood fibre could be used for bio-mass energy production and there is a real opportunity for development of solar energy within Dryden. Like other natural resources though Dryden needs to look not just to have operations to generate the energy, but the value added manufacturing that accompanies this, for example attracting a solar panel manufacturer.

Support for Business Start-up – Support for starting a new business is in need of more resources and clarity on where to get information. There are a number of organisations involved in this service but there needs to be greater awareness of where to go and what resources are available to those starting up a business, perhaps a one-stop-shop.

First Nations – The City of Dryden believes that there are greater opportunities to partner and work with the First Nation communities in the region. The Two Feathers project is an example where Dryden has become involved and will assist with delivering some of the training. There are also other opportunities being explored, such as a mining operation with Eagle Lake First Nations.

Mining – Mining still offers the City of Dryden a number of opportunities and there has recently been more activity in this sector. There have been finds south of Dryden which are under investigation for opening up, in conjunction with Eagle Lake First Nation. There is, however, an understanding that this is not going to happen quickly enough to off-set the job losses in the mill and it will not be to the same levels. One area of concern is the lack of up-to-date geophysical mapping, with the existing survey maps being from the 1940s.

Training – Dryden is becoming a regional centre for training and with the opening of the Weyerhaeuser facility as a training centre this is expected to increase even more.

Threats

Thunder Bay – The growth and development of Thunder Bay as the primary city in Northern Ontario has begun to draw some investment, in particular public sector, away from Dryden (and other small communities in the region). Recently the province has invested in Thunder Bay through new medical units, the university and colleges, a research centre into Indigenous people and bio-energy, to name but a few.

Lack of control of Natural Resources – As has recently been seen in the forestry industry a lack of control by Canadian companies of the natural resources is becoming a significant problem. Foreign companies are making decisions on the resources they own in Canada which may not be best for the country, province or local community.

Municipality of Machin

Background

The Municipality of Machin is made up of 3 communities all located on the TransCanada Highway, with two situated on Eagle Lake. Together the three communities of Eagle River, Minnitaki and Vermilion Bay have a population of about 1,000 people. Tourism, forestry and mining are the main industries supporting these communities. For a community of this size there are good community services available, such as a small shopping area, an arena, a recreation center, senior citizens activities, a public school, a Provincial Park, a volunteer fire department, public beaches, cross-country ski trails and an airport.

The Municipality of Machin has already undertaken a number of economic development planning exercises, specifically:

- In 2001, with the assistance of PACE and FedNor, the Municipality of Machin developed a Strategic Plan
- In 2007 the Municipality undertook a Community Economic Development planning workshop

Both of these plans set out a number of goals or areas that need to be addressed. These reports are summarized below.

Strategic Plan for the Municipality of Machin (2001)

In 1999 the Municipality of Machin joined PACE and FedNor in a project to assist the community in taking a proactive stance on community development. The process of developing the strategy began in July 2000 and continued until the winter of 2001. Though not officially adopted by Council the plan identified the community's strengths, weaknesses, opportunities and threats, and identified a vision for the community, with specific goals and objectives.

Through this process the community identified the following Vision:

The Municipality of Machin is comprised of three unique communities that celebrate civic pride and community spirit. Machin strives for a strong and diverse economy while maintaining and improving recreation and education programs and opportunities. Machin prides itself on beautification and promotion of land and waterways. Sustainable development is encouraged through progressive and planned infrastructure and Municipal services.

The plan identified seven goals for the community and under these a number of short-term and long-term goals. These are (excluding long-term goals):

Goal 1 – The Municipality of Machin will improve community spirit and promote unity and encourage and maintain local involvement.

Short-term Objectives

1. The Municipality of Machin will have a community awards night to celebrate and recognize volunteerism, business achievements and sportsmanship throughout the three communities
2. The Municipality of Machin will have three events bulletin boards to communicate current events throughout the three communities
3. A Special Events Committee will be set up to coordinate events between the difference service clubs, organisations, businesses and individuals

Goal 2 – Municipal beautification will improve the physical appearance of the community, foster civic pride and enhance marketability

Short-term Objectives

1. The Municipality of Machin will implement the “Communities in Bloom” program throughout the three communities
2. The Municipality of Machin will improve Municipally-owned properties
3. Seasonal decorations will be put up throughout the Municipality of Machin
4. The Municipality of Machin will introduce a Machin Horticultural Society
5. Improve Machin Park and celebrate the historical significance
6. The Municipality of Machin will investigate by-law enforcement and beautification incentives
7. The Municipality of Machin will clean-up and maintain ditches and road allowances

Goal 3 - The Municipality of Machin will improve community services through open long-term planning

Short-term Objectives

1. The Woodland Arena will be a community centre
2. The Municipality of Machin will have a Community Services Brochure
3. The Municipality of Machin will investigate hosting community interest courses such as water safety, gun safety and snowmobiling courses
4. The Municipality of Machin will promote the use of current facilities for conventions and meetings
5. The Municipality of Machin will investigate cooperative relationships with unincorporated areas (i.e. services)

Goal 4 - The Municipality of Machin will investigate land development

Short-term Objectives

1. The Economic Development Committee will be revived
2. The Economic Development Committee will seek input from the community residents on development options
3. The Economic Development Committee will organize formally
4. The Municipality of Machin will finalize the Official Plan

Goal 5 - The Municipality of Machin will improve infrastructure

Short-term Objectives

1. The Municipality of Machin will build a new water filtration plant
2. The Municipality of Machin will developed a five year roads plan

Goal 6 - The Municipality of Machin will continue to have strong Municipal leadership

Short-term Objectives

1. The Municipal Council will have a more visible presence throughout Machin

2. The Municipality of Machin will encourage education and professional development for Municipal Councillors
3. The Municipality of Machin will develop a Council vision

Goal 7 - The Municipality of Machin will coordinate recreation through formal leadership
Short-term Objectives

1. The Municipality of Machin will hire a recreation director under the FedNor Youth Intern Program for a variety of duties

Progress has been made on a number of these short-term objectives, particularly around beautification, land development and improvements to infrastructure. The one areas where progress seems to have been difficult was in improving community spirit and promoting unity between the three communities in the Municipality. In 2007 the community undertook to conduct further work through a community economic development workshop.

Community Economic Development Planning Workshop – September 2007

In September 2007 the Municipality of Machin undertook a workshop on community economic development, lead by Walter De Silva of CED Innovations Canada. The purpose of this workshop was to engage the Council and community in identifying and developing community priorities for economic development. Over the two days the workshops were held 21 people participated.

The community again undertook a SWOT assessment, which was utilised to identify three strategic priority areas to address, specifically: Marketing and Communication, Opportunity Identification / Attraction and Investment and Community Lifestyle Development. These areas were then expanded upon for Council to identify objectives for each priority. These are:

Opportunity Identification / Attraction and Investment – the purpose of this initiative is to undertake an analysis of opportunities for viable business attraction

Objectives

1. Undertake an economic environment assessment of the region defining areas of interest for development
2. Establish a plan to move the information gathering for the assessment to an Investment community
3. Develop a strategy for competing with other communities
4. Establish the required databases for the gathered information

Community Lifestyle Development – should enhance the quality of life through the development and maintenance of the environment and enhance the entertainment and recreation opportunities

Objectives

1. Establish an action plan focusing on opportunities in the social context of the community
2. Identify opportunities in support of recreational and cultural development

Marketing and Promotion – this initiative is to identify target markets, customise information, package the material and pass it on to the community, industry, government, and others interested in our area and the world.

Objectives

1. Establish a marketing/promotion plan for the area, based on the results of their SWOT analysis
2. Develop a communications plan for the Economic Development Committee and Community

3. Support the Municipalities presence on the World Wide Web by reviewing and validating their web site and internet partnerships. Along with websites of various other community groups
4. Create multimedia material in support of initiatives in economic development
5. Establish packages for marketing based on target markets

There was also a goal developed to re-establish the Economic Development Committee. The purpose of the Committee is to guide and direct the economic development initiatives for council and community.

Objectives

1. The Committee will assist the community with establishing an organisational framework for economic development
2. The Committee will assist in developing an environment for planning economic development
3. The Committee will establish a communication system for the celebrating of the community's economic development initiative achievements
4. The Committee will assist council by ensuring there are adequate resources to compete activity plans that are established

This work was taken by the Machin Community Development Committee and turned into an action plan which focused specifically on the last Objective to re-establish the Community Development Committee. This action plan was produced in February 2008. The specific actions were:

Figure 11 – Vision and Actions in Machin Economic Development Strategy

Vision	Strategic Action	Specific Initiatives	Timeframe
Diverse economic base	<ul style="list-style-type: none"> ▪ Support local businesses ▪ Recognize achievements ▪ Community Profile (Asset Inventory) ▪ Business Retention & Expansion initiatives 	<ul style="list-style-type: none"> ▪ Partner with Vermilion Bay Co-op to assist with marketing initiatives to ensure its survival 	2008
Successful festivals and events	<ul style="list-style-type: none"> ▪ Antique Tractor Show ▪ Exposure to Art ▪ Winter Carnival ▪ Ice Fishing events ▪ Broom ball ▪ Canada Day 	<ul style="list-style-type: none"> ▪ Partner with Centennial Committee 	
Beautiful community	<ul style="list-style-type: none"> ▪ Follow up on Revitalization Report recommendations ▪ Downtown enhancement ▪ Highway corridor improvement 	<ul style="list-style-type: none"> ▪ Curbs and sidewalks on main streets – Spruce, Armstrong and Willow ▪ Partner with Horticultural Society and School 	
Community that attracts visitors	<ul style="list-style-type: none"> ▪ Web site ▪ Develop a positive image (Logo) ▪ Eco tourism ▪ Support local tourist operators 	<ul style="list-style-type: none"> ▪ Upgrade historical plaque at Machin Park “The Post” ▪ Create scenic viewpoint on Eagle River 	
Expanded residential tax base	<ul style="list-style-type: none"> ▪ Economic development land use plan 		

Vision	Strategic Action	Specific Initiatives	Timeframe
Enhanced quality of life	<ul style="list-style-type: none"> ▪ Alternate energy initiatives such as wind and solar ▪ Health 	<ul style="list-style-type: none"> ▪ Recycling / composting 	
Community Foundation			2008
Walking trails	<ul style="list-style-type: none"> ▪ Support for Pine Tree Pathways 		

Assessment of Existing Strategy/Plan

The Municipality of Machin has undertaken a couple of community economic development planning exercises in the past few years. These have resulted in a number of objectives and actions which have been identified by the community. The 2001 Strategic Plan had a number of very good short term actions around which some progress has been made. The 2007 Community Economic Development Plan is more recent and there is evidence that the community is starting to develop actions around the Economic Development Committee Objectives, having produced an action plan in February 2008. There still, however, seems to be more that can be done to address the Community Economic Development Plan. Though it is understood that in a small community where there is no dedicated economic development resource, delivery of action plans will always be challenging.

As part of the interviews and Discovery Session, we also identified the community's strengths, weaknesses, opportunities and threats. As the community has already gone through this process for the development of the Community Economic Development Plan some of the findings of this were similar. However, for the sake of completeness, an assessment of the Municipality of Machin's strengths, weaknesses, opportunities and threats is provided below.

Strengths

Community Facilities – Machin has a wide range of community services which serve the population, such a recently upgraded medical clinic (with doctor/nurse practitioner/dentist – providing social help, diabetes, teleconferencing, and an active first response team), an upgraded arena, a very good school (up to grade 8), a new \$7 million water plant and community halls. Much of this is, however, concentrated in Vermilion Bay and the communities of Eagle River and Minnitaki are more likely to go to Dryden for services.

Successful Businesses – Machin is home to a number of very successful small businesses, which range across a number of activities, for example: The Village Corner (gas station and restaurant); Egli's Sheep Farm (working farm, petting zoo, manufacture wool products); Rhyners (transport); Nadon Boats (manufacture aluminum boats); Bobby's Corner (gas station & gift shop); Vermilion Bay Lodge (accommodation); Q104FM (radio station); the Co-op (grocery store); as well as numerous resorts, bed & breakfasts and motels. Though technically outside of Machin, Nelson Granite (granite manufacturing) is also seen to be important to the local economy. This diversity demonstrates that there are a number of entrepreneurs in the community who have experience in running successful businesses.

Natural Environment – All of the communities in Machin are on or close to Eagle Lake and like most communities in the region have an abundance of natural beauty. In Vermilion Bay much time, effort and resource has gone into improving the waterfront on Eagle Lake. This includes: picnic area, benches, flowers, improved Government dock and the opening up of walking trails. There are also future plans to continue with this improvement and the waterfront has the potential to be a very important asset for this community. In addition Blue Lake Provincial Park is approximately 6 kilometres from Vermilion Bay.

Transportation – All of the communities in Machin are on the TransCanada Highway, which has the rail line running alongside it through much of the municipality. At Vermilion Bay, Highway 105 heads north from the TransCanada serving the mining community of Red Lake and the community of Ear Falls with its timber mill. At the juncture of these two highways is Arrow Transport, a holding yard for timber from the

mills which is then loaded onto railcars for transport east and west from that point. There is also a small airport in Vermilion Bay, which the municipality is looking to purchase which holds potential for further development.

Volunteering – Machin has a very strong community where groups of volunteers have come together to work on specific projects. The best example of this is the development of the Pine Tree Pathway, which has been run by volunteers who have been responsible for the cleaning up of the waterfront and the creation of walking paths around the village and waterfront. There are also a number of annual events, which are all run by volunteers, as well as community service clubs such as the Kinsmen Club and Lions Club.

Skills – Employment in the community has been primarily in the forestry and mill industries and there is an abundance of very good production skill in the community.

Telecommunication – The community has fibre optic broadband available, as well as satellite and cellular services. Dryden Municipal Telephone System is developing the cellular services along Highway 17, and is expected to be completed by the end of 2009, which will provide better service and more alternatives in Machin.

Weaknesses

Divided Machin – Machin is 100 years old this year, and still it is seen by some residents as 3 separate communities. The distance (19 kilometres) between Vermilion Bay in the West and Eagle River and Minnitaki in the East, has often been a barrier to these three small rural communities working together on common problems for the betterment of their Municipality. This is not helped by the large unincorporated area separating these communities.

Lack of Economic Development Professional – The Municipality has never had an economic development officer to take responsibility for the community's growth and development. It has been run through the Community Development Committee (CDC), which was historically run by volunteers and only recently has formally become a Committee of Council. The CDC has undertaken a significant amount of work, including feasibility studies and plans, but none have been implemented fully. The CDC has often been looking for Council validation of these plans and there has not been anyone to assume them and to make sure that they were implemented.

Aging Population and Declining School Enrolment – Machin has had a relatively stable population, of approximately 1,000 to 1,100, for the past 10 years. However this has masked an aging of the population. The seniors club (with 150) is now larger than the school enrolment (with 127 students). Enrolment at the school has also been declining for some time, which if it continues poses a serious threat to the viability of the school in this community. Such a closure will make it more challenging for the community to retain its young families.

Small tax base – With a community the size of Machin there is usually difficulty in generating sufficient revenues through taxes to undertake local economic development ideas and initiatives, which might create employment and generate more taxes.

Nothing to Stop Tourist – Machin has a lot to offer tourists to the region, however, much of this is not on the TransCanada Highway and there is very little on the road to entice visitors into the communities. Most of the visitor stops in the Municipality are for gas and comfort breaks and rarely do they take the time to explore the communities.

Vacant Properties – Along the TransCanada Highway, particularly in Vermilion Bay, there are a number of vacant properties which are not being sold and running into disrepair. These properties are generally now in the possession of banks who are asking inflated values for them, hence they are not being sold.

Opportunities

Transport – Machin has an interesting position on the TransCanada Highway with the junction of Highway 105, as well as the rail service (Arrow Transport) and a couple of small truck operators (Dave Toews Trucking and Rhyner's). The community could look to utilise this concentration to build a transport sector, perhaps focusing on back haul or some form of distribution transfer terminal.

Tourism – Machin has a huge potential to stop and/or attract and retain more visitors in the community and there are a number of ideas which could be investigated. The primary purpose is to initially convince a greater percentage of the traffic travelling the TransCanada Highway to stop within the community. Secondly it is to convince visitors to spend more time in the municipality or to visit and spend more in the communities while they are here. There have been a number of very good and viable suggestions by the community, including:

- Creating a tourist destination, such as an interpretative zoo (with the animals visitors expect to see in Northwestern Ontario, i.e. moose, caribou, bears, wolves, etc.) which could be combined with an interpretive centre and a tourist information centre
- Expanding on the Pine Tree Pathways by connecting them to other areas in the Municipality, such as Blue Lake Provincial Park, and possibly extending it out as far as the former Kinsmen Beach on Eagle Lake. These trails would be interpretive trails for walking, hiking and biking and would serve to connect some of the main tourist areas to the villages in the Municipality
- Development of eco-tourism around Eagle Lake focusing on the different habitats near the Lake and opening them up to birding, hiking, biking etc. This could include the development of "The Post" Park a historical site (a significant battle and site of Leo Bernier picnics) near Eagle River
- Secure the Ministry of Transportation right of way through Vermilion Bay (tree line to tree line) so that beautification and directional signage efforts can be controlled by the Municipality.

To draw more tourists there is a need to improve signage along the Highway to draw people to attractions, and in the case of Vermilion Bay to draw them towards the beach and the shops and community facilities there. In conjunction was a need to improve the street furniture and overall appearance of the village centres. Finally there was the suggestion of developing a map of all the shops and attractions in the municipality and to start a business referral system to encourage business owners to send visitors to other shops and attractions in the municipality.

Development of Cottage Lots – The Municipality of Machin has for a number of decades now been lobbying to have some of the crown land surrounding some of the lakes opened up for residential and cottage lot development. There seems to be a significant interest in these types of properties from Americans and Manitobans.

Attracting New Businesses – The community would like to attract new businesses by utilising their existing skills and strengths in the forestry sector by attracting some value-added forestry manufacturing. They are not expecting to draw big businesses; it is felt that two or three small manufacturers could make a difference to the community. With the number of visitors from western Canada coming to the community, this might be a geographic market that could be targeted.

Support Local Businesses – There are a number of small businesses within the Municipality that rely heavily on local customers and for which a dwindling customer base will mean closure. The Municipality could develop and support a buy local policy to encourage residents and other businesses to look first for local suppliers. This could extend to local farmers and farmers markets. There are a number of farms in the area producing speciality foods (jams, sauces, etc) and meats and the Municipality should look to support these important producers.

Advertise and Improve Website – The community could benefit from advertising and improving the Municipal website. This advertising and the website should be for a range of targets, from tourists/visitors, to potential business investors and those looking to buy housing and/or cottages. Again the target geography could be Western Canada, where this municipality draws a lot of its visitors from.

Threats

Dryden – the growth and development of Dryden is beginning to impact on Machin and could have a significant impact on the Municipality. Already residents of Eagle River and Minnitaki are drawn to Dryden for services and shopping and this is extending even to Red Lake, where residents there are bypassing Machin to shop in Dryden. The threat is that Machin is becoming a bedroom community to Dryden with all services and shops being provided there. Long-term this could result in the closure of the school, medical clinic and other vital community services.

Aging Population – The aging of the population, or rather the loss of younger families and young people from the community could have a significant impact on it. Without these young families it is possible that the school could close, which could result in more families moving to be close to schools for their children. Providing for an aging population can also put a strain on financial resources of the Municipality.

Decline in Tourism – The Municipality has identified significant opportunities for developing the tourism industry in their community; however, this sector is renowned for its volatility. It is susceptible to economic downturns and exchange rate fluctuations, making it difficult to predict year on year success. The current economic downturn for example, has hit most communities in Northwest Ontario quite hard with a number of operation closing.

Lack of Economic Development Resources - The lack of dedicated funding to support economic development activities (i.e. staff) and proposals will always dramatically hinder the Municipality's ability to succeed in this regard.

Municipality of Sioux Lookout

Background

Sioux Lookout is an anomaly in the Patricia Area in that it is seeing significant growth during a time when most communities are struggling to maintain the status quo. In fact there is about \$225 million in large projects such as the new hospital, which are helping to establish the community as an important regional centre. This is especially the case with the First Nations communities of far northern Ontario. More so than any other town in the region, Sioux Lookout hosts First Nations headquarters, provincial/federal program delivery offices, health, education and training. All of this activity means the community of about 5,000 people has a relatively healthy retail sector (but still significant leakage to Dryden), accommodations/conference business, restaurant scene and indoor/outdoor recreation pursuits.

Tourism, lumber, health care and government services are the primary sources of employment in the town. There are a number of fishing camps in the area that allow access to an extensive lake system fed by the English River. During the summer months, Sioux Lookout's population rises as American tourists arrive to take advantage of the seemingly infinite amount of lakes and rivers in the area.

While the community was built around the railway (and there is still a significant Canadian National presence), the engine to the community's growth has been the airport. With over 100,000 passengers per year, it is one of the busiest in Northern Ontario. Direct passenger services from Thunder Bay and dozens of flights every week to the Far North truly do make it a hub. The municipality recognizes this importance and has, itself, invested millions of dollars in upgrades over the last decade.

Strategic Plan

Last year, the Economic Development Commission undertook a review of previous economic development strategies with an eye to updating it into a document that is compatible with the 2007-2011 Municipal Strategic Plan. The Draft Strategy that this write-up is based upon is complete but still awaiting formal Council approval.

In the Strategy the community have identified the vision of Sioux Lookout to be “A naturally diverse centre of opportunity and destination for all” with a mission “To be the most desirable community in which to live by promoting our unique culture and natural environment through the innovative, sustainable growth of our diverse, dynamic economy”.

The objectives of the Economic Development Strategic Plan are:

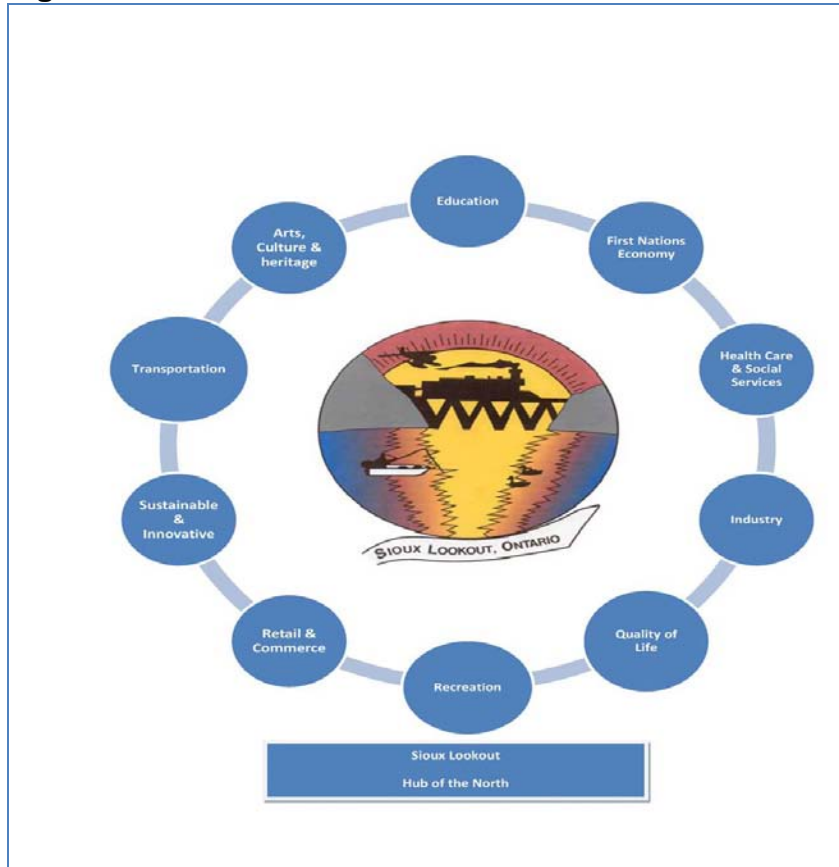
1. To create realistic concepts to build Sioux Lookout’s economy and test these through public consultation and brainstorming sessions.
2. To achieve ‘buy in’ from the key decision makers in the Municipality.
3. To create, in the short term, a list of sectors that the Municipality can target that may be attracted by the advantageous and competitive jurisdictional factors within the Municipality.
4. To further support and grow the economic sectors that are currently seeing great success.
5. To create a long-term viable strategic economic development plan that will permit the Municipality to best retain, expand and attract economic investment.
6. To create a plan that is actionable from a pragmatic perspective and to identify those actions in a clear manner.
7. To develop an economic development program that will maximize the strengths of the area and which will create momentum following upon the principle of ‘success breeds success’.
8. To include the introduction of innovative new technologies, where possible, as a thrust of the plan.
9. To create a plan to bring local and regional stakeholders together with local resources.

The community’s economic development commission in developing the strategy have identified three critical activities that the strategy must address:

- Maintain, expand and nurture the flow of investors into the Municipality by means of a ‘market ready’ tourism and attraction strategy
- Maintain, expand and nurture the current flow of investment into the Municipality by means of a “First Nation” investment and attraction strategy
- Organize the economic development function to maximize the economic impact of this influx of people and funds

The community have further defined ten priority areas for supporting and promoting economic growth,, these are illustrated in the figure below.

Figure 12 – Sioux Lookout’s Ten Economic Pillars



Strengths

Air Transportation – The Sioux Lookout Airport welcomes over 100,000 passengers per year and a major part of that is use by remote First Nations communities. Without the airport Sioux Lookout would not be a gathering place for so many different communities. As such many of the employers would not be here, the hotels would not be as significant, the hospital and schools would not need to be as large, etc. There is no question that the airport must continue to be an important part of local investment.

Sioux Lookout Meno Ya Win Health Centre – This new 60 bed hospital and adjoining hostel, valued at over \$100 million, is currently under construction. The investment, which is a significant improvement over existing facilities, will allow the community to broaden its claim as the Hub of the North and a centre for the region’s health care. In addition the community continues to promote and attract health care professionals and services to the community. For example the community has undertaken significant effort in the recruitment and retention of physicians, and has developed strong linkages to the Northern Ontario School of Medicine and residential programs.

Arts, Culture and History – With numerous First Nation and non-First Nation artisans and artists, a seasonal museum and a growing artistic sector, arts, culture and history already has an attractive portfolio of assets. Yet this sector is much in need of promotion for the sake of its own development and as part of the tourism sector. Local investors and taxpayers that profit from the presence of these assets have expressed a willingness to support the industry. A strategy should be developed to further the goals.

Accommodation & Food – For a municipality of about 5,000 people, Sioux Lookout has a great assortment of accommodations. There are three major hotels which service the business and tourism

community, as well as numerous resorts and output camps serving the tourist economy. In addition a number of bed and breakfasts and a wide range of restaurants exist. This infrastructure greatly aids in the ability to attract visitors as well as conferences, regional sporting tournaments and other events.

Post Secondary Education – For a community its size, Sioux Lookout has an excellent post secondary education offer, with Confederation College, as well as the availability of specific degree programmes in nursing (BScN) from Lakehead and education (BEd) from Brock University. In addition the community has linkages to the Northern Ontario School of Medicine, a joint initiative of Lakehead University and Laurentian University.

First Nations – The First Nation communities in Sioux Lookout make a significant contribution to the community, through First Nation governance offices and First Nation-owned businesses, and are an important part of its economic development going forward. In particular the educational, skills and training opportunities within the community are greatly enhanced by the First Nations through the SLAAMB skilled trades training, the educational offices of the Nishnawbe Education Council and the Pelican Falls First Nation High School.

Quality of Life – Sioux Lookout, like most Northwestern Ontario communities, has an abundance of natural beauty, as well as outdoor recreation and community facilities which offer residents a high quality of life. For example, this includes winter and summer sports, a year-round trail system and the Cedar Bay complex.

Telecommunications – Despite its distance from the TransCanada Highway the community is still served by good telecommunication network. In particular K-Net, a private telecommunications network, provides information and communication technologies, telecommunication infrastructure and application support in First Nation communities across a vast, remote region of north-western Ontario.

Weaknesses

Market Readiness – The draft strategy identifies that despite the recent economic success, the community has been passive when it comes to promoting itself as a tourism and business destination. There has been little outward investment attraction activity and tourism operators have worked largely in isolation. The Strategy recognizes a need to pull together and coordinate the diverse elements which make up tourism including resource based, experiential, and eco-tourism as well as complete a cultural, arts and history strategy for supporting and developing this sector.

Conference Centre – There is no large event centre in which to host conferences or events in the community. Given the regional importance of Sioux Lookout (especially as it pertains to Far North First Nations communities) and the relative ease of travel to the community (regular passenger air service from all points of Northwestern Ontario), this can be considered an opportunity.

Opportunities

Education Services – More than most communities in the Patricia Area, Sioux Lookout has an opportunity to capture the creativity and energy of its youth and retain them to contribute to the economic and social fabric of the municipality. It is a regional centre for high schools including all the far north First Nations. The recent establishment of Sioux Lookout Area Aboriginal Management Board's Regional Trades and Skills Centre gives a whole new perspective on the possibilities which exist to raise talented people.

Attracting Lone Eagles – Lone Eagles are independent business people who are fleeing urban areas because of the downsides to urban living, but also because their businesses allow it. They do not rely on the local marketplace for their revenue and so can locate almost anywhere. Examples of these types of business include management consultants, sales professionals, engineers and architects. Lone Eagles are looking for the proper balance of lifestyle and work and Sioux Lookout appears to offer that.

Urban Reserve – While the concept of the Urban Reserve is an interesting one it will require further investigation, public consultation and education to ensure community involvement as this initiative moves forward. During the consultation, thought must be given to how the concept becomes a win-win for both the First Nations and non-First Nations communities.

Land Development – A number of potential development opportunities for commercial and residential development are being created near the airport – extending water and sewer services in this direction will open up more land for investment. In addition, a 92 lot subdivision is being built off of 7th Avenue and will be available for development.

Downtown Redevelopment – The municipality and senior governments are spending a significant amount on downtown redevelopment. By showing this level of commitment, the municipality is showing the private sector that the community is worth investing in. This activity is consistent with the community's goal of seeing higher-end boutiques which would spark more interest from tourists.

Health Care and Social Services – The Municipality has already identified a number of opportunities to build on the existing health infrastructure to attraction of range of health related businesses, educators and leaders in these fields to the community. This includes a new hospital with a centre of excellence; accommodation for First Nation's health care; and a medical health business park. In addition the community has a number of regional social services operations which should be encouraging to grow in the community.

Arts, Culture and History – Though there are existing strengths in this sector more could be done to promote the community's assets for the sake of its own development, as well as part of the wider tourism offer. The community is already looking at developing a strategy to make better use of these assets.

Retail/Services Development – It appears that there is a significant loss of income from Sioux Lookout to Dryden. Many residents make the one hour trip to Dryden on a regular basis and make it a point to comparison shop. A completed gap analysis will help the community understand where the money is leaving and help to stimulate entrepreneurs into making profitable investment decisions.

Threats

Red Lake – Red Lake is another Northwestern Ontario community at the end of the road and like Sioux Lookout and Pickle Lake currently services a number of remote First Nations communities through its health, education and airport infrastructure. Sioux Lookout must not be complacent in its current position as the largest hub because these communities desire services and responsibilities as well.

Dryden – The loss of disposable income from Sioux Lookout to Dryden is significant. Sioux Lookout should be looking at ways of quantifying this loss and taking steps to fill the gaps with local service providers and retailers.

Hostel – The 100 bed hostel at the new hospital may squeeze revenue from some of the hotels.

Communities without Strategies

A number of the communities in the Patricia region have not formally developed economic development strategies or plans. For each of these communities, we held one-on-one interviews with key community stakeholders and, where possible, a Discovery Session with the wider community. These sessions were intended to provide an understanding of the economic development issues affecting the community and to identify opportunities for the community. It was not intended that this would result in completed economic development strategies, but simply an identification of the priorities for the community.

An important component in the development of an economic development plan or strategy is the opinions and thoughts of those business and industry leaders that already operate within a select jurisdiction.

Area businesses and community leaders can provide an excellent source of up-to-date information or perceptions, of an area's strengths and weaknesses as well as the opportunities and threats that may be confronting businesses or a region as a whole in its efforts to attract and retain business investment. Through the interviews and discovery sessions an assessment of some of the Strengths, Weaknesses, Opportunities and Threats was undertaken to examine the community's ability to support the attraction, retention and expansion of business and investment, as well as the overall vision for the community over the longer term.

Within these sessions we also sought the views of participants of the role that the Patricia Area Community Endeavours should play in their community's economic development. These views are also summarized below.

Eagle Lake First Nation

Background

Eagle Lake First Nation is located on Eagle Lake, 23 kilometres from Dryden near the communities of Vermillion Bay and Eagle River. The Eagle Lake First Nation's economy is based primarily on trapping, forestry and manufacturing, with the service sector (primarily government and retail services) also employing a large number of workers. Tourism is also an important part of the economy, with Eagle Lake and the tourist camps being a primary attraction for visitors from Manitoba and the US.

Band membership is currently about 300, with an estimated 250 currently living in the community. The community is well served with a health centre, an elementary school, a police satellite office and community area and other recreational fields, as well as industrial land and warehousing. The Band has an economic development officer who is working to a 3 year business plan (no copy was made available).

SWOT

The key findings of the SWOT Assessment are summarized below.

Strengths

It is essential that an economic development strategy builds off and capitalize on the unique elements and strengths of a local community in a way that will lead to economic growth and critical mass of business and investment activity in the future.

Education – The band has its own school with 32 students, and is having some success in sending graduates off to university. The band is also running courses for those over 18 to get their grade 12 diploma (a requirement of the 2 Feathers mill will be a grade 12 education).

Telecommunications – The band is served by high speed internet and has cell phone coverage.

Community Service – The band is served by good community facilities, a health centre, a police satellite office, community area and other recreational fields.

Eagle Lake – The band is situated on Eagle Lake, which provides a good supply of clear water and water related recreational facilities. There are a number of tourist camps situated on the Lake, including the Ojibway Paradise Resort & Conference Centre which is owned by the band, but it currently not open.

Entrepreneurs – The band has produced a few entrepreneurs who have gone on to own retail stores in the community and in Dryden.

Weaknesses

While the previous section outlined the strengths on which to base economic growth, this does not necessarily ensure that a community is ready or able to capitalize on these opportunities. The following

sets out some of the weaknesses or competitive disadvantages that may be constraining the Eagle Lake First Nations.

Teachers – The band school is having difficulty finding and keeping teachers, in particular the younger teachers who tend to come to get experience and leave. The school is primarily reliant on retired teachers.

Keeping Residents – The band has had difficulty maintaining residents, many of the band residents are working in Alberta on the pipelines. Residents tend to go where the wages are better.

Opportunities

External factors can also play a significant role in determining the possibilities for an economic development strategy. This can include structural changes in the broader economy, shifts in demographics and technological changes, etc. The following summarizes some of the major factors that were identified as influencing the outcome of the economic development strategy.

Two Feathers Planer Mill – The Two Feathers project will see the development of two production facilities in First Nations communities in Northwest Ontario which will produce high quality pre-manufactured timber buildings for export overseas. Eagle Lake will be the site for final processing, finishing of the wood and the assembly and staging area for the completed buildings. Construction starts in the fall and it is expected to be open in 2010. It is expected to employ 60+ when up and running, they will be required to employ First Nation's and expect at least a grade 12 to get a job in the mill. The band is hoping to develop a number of spin-outs from the Two Feather project.

Wild Rice (manoomin) – Eagle Lake band sees an opportunity to develop a business around growing wild rice using traditional techniques, and possibly establishing a processing plant. This rice is more natural and better tasting and has a substantial market. The last time it was harvested on Eagle Lake was in the late 1970s and there may be some difficulty with growing it on Eagle Lake as water levels are critical to the growth of this rice. Wabigoon First Nation also harvest and produce wild rice.

Fish hatchery – The band is investigating the feasibility of developing a fish hatchery in the community.

Mining – There are currently some proposals to extract mineral deposits that lie between the band and Dryden. Dryden is leading on this development but want to include the band. It is unlikely to be operational for more than 4 years.

Water – Eagle Lake is an excellent source of high quality water and the band could investigate how they utilise this better, perhaps bottling it and retailing it. There is some precedence in the region, as there was a Kakabeka Falls Water which was bottled and sold, however, it was not of high enough quality and is now not sold. There is some concern by the band that they not "abuse" the water.

Training – Training is seen as a critical way of assisting the band in progressing towards its economic development goals, in particular with the Two Feather project. The development of the Weyerhaeuser facility in Dryden for training will be an excellent opportunity for the band. In particular they would like to see training in e-commerce so that they can learn how to market and sell products/crafts to a wider international market.

Tourism – There are a large number of tourist camps on Eagle Lake, most of which are suffering. The band would consider doing something different with these, such as outdoor survival camps or possibly converting them into mental health camps. There is some interest in creating an attraction which recreates the traditional *mishnabi* way of life, however, there is also some reticence a commercialising some things that are sacred.

Threats

Threats were not open for discussion during the consultations.

Vision

In 10 years the band will:

- Have long term jobs in the community
- A strong school and education to offer
- Band members coming back to live

Township of Ignace

Background

The Township of Ignace is located at the junction of the TransCanada Highway and Highway 599 and is the halfway point between Kenora and Thunder Bay. The local economy is primarily based in the tourism and transportation industries, with mining and forestry having played an important role in the past. The distances to Dryden and Thunder Bay have meant that Ignace has kept much of its community infrastructure including the medical clinic, police and school.

SWOT

An important component in the development of an economic development plan or strategy is the opinions and thoughts of those business and industry leaders that already operate within a select jurisdiction. Area businesses and community leaders can provide an excellent source of up-to-date information or perceptions, of an area's strengths and weaknesses as well as the opportunities and threats that may be confronting businesses or a region as a whole in its efforts to attract and retain business investment. In January 2009, through a stakeholder consultation and a facilitated Discovery Session, a SWOT Assessment (Strengths, Weaknesses, Opportunities and Threats) was undertaken to examine the community's ability to support the attraction, retention and expansion of business and investment as well as the overall vision for the community over the longer term and the actions necessary to achieve this.

The analysis provides insight into the perceived gaps and opportunities for the Township of Ignace in its efforts to advance economic growth.

The key findings of the SWOT Assessment are summarized below.

Strengths

It is essential that an economic development strategy builds off and capitalize on the unique elements and strengths of a local community in a way that will lead to economic growth and critical mass of business and investment activity in the future.

Transportation – Like many of the communities in the Patricia Region, Ignace is situated on the TransCanada Highway, with Highway 17 being the main route through the community – with much of the commercial space along it. Just east of Ignace is Highway 599, the “Gateway” to Pickle Lake and communities north and 32 kilometres to the west of Ignace is Highway 622 to Atikokan. Ignace is also on the main Canadian Pacific rail line between Winnipeg and Eastern Canada and is a turnaround point for CPR crews. Ignace has a municipal airport, which is currently underutilized.

Quality of Life – As with many communities in Northwestern Ontario, Ignace is blessed with a great amount of natural beauty and a quality of life which appeals to those with an interest in outdoor pursuits, in particular hunting and fishing. It is exactly this quality of life that attracts many of the tourists to the area from Manitoba and the northern United States. The community itself has a number of public services/amenities that are uncommon in a town of its size, this includes a community health centre, Ontario Provincial Police presence, library, two schools and an arena. There are also a typical range of

recreational amenities in Ignace, including a golf course, public beach, soccer pitches, baseball fields and hiking trails. Residents also view Ignace as “a safe community, to raise your children in.”

Forestry/Saw Mill – Despite the decline in the forestry sector there remains a large volume of wood fibre in the region. In 2003 Abitibi-Bowater built a state-of-the-art saw mill in Ignace. Unfortunately, following the softwood lumber dispute and the overall decline in the lumber market, this mill was shut in 2007 with the loss of 49 jobs (at its highest the mill employed 130). This mill however remains a significant asset in the community and if fortunes change in the industry or if Abitibi-Bowater can gain some quota for this facility, it could be brought back into service.

Telecommunications Infrastructure – The community has good telecommunications infrastructure, with fibre optics running into the community to service the community health centre and as far out as the saw mill. With the development of cellular services along Highway 17, by Dryden Municipal Telephone Service, Ignace now has three wireless operators (the others being Bell and TBay Tel).

Economic Development Officer – Ignace has very recently appointed an Economic Development Officer, who will assist the community in creating an economic development plan and ensuring that there is support, from within the community and outside the community, to co-ordinate the implementation the plan. This is a great step forward for Ignace and demonstrates the community’s commitment to deliver long-term change and growth.

Development potential – Ignace has serviced residential lots for up to 50 homes. In addition, there is significant industrial land in the community, though this is as yet unserved.

Weaknesses

While the previous section outlined the strengths on which to base economic growth, this does not necessarily ensure that a community is ready or able to capitalize on these opportunities. The following sets out some of the weaknesses that may be constraining Ignace.

Image – The image of the community from the highway is not particularly good, there are a number of unused buildings which are falling into a state of disrepair. It was felt that this was also affecting potential tourism. One of the most common problems is a lack of signs directing visitors to local attractions or recreational spots, such as the golf course, hiking trails, beaches, etc.

Involvement in Change – Ignace has had a number of setbacks with job losses in the forestry and mining industries and though there are ideas about how to change this, working on actions are falling to the same set of people. There is a definite need to get more residents involved in making a positive change for the future of the community, not just to rely on those who commonly volunteer.

Lack of industrial / commercial tax base – The declining industrial and commercial sectors of Ignace have left it with little commercial tax base. This lack of commercial and industrial tax base means that the community is left to fund any economic development initiatives primarily from residential taxes. This is exacerbated by the fact that much of the vacant industrial and commercial property is poor quality and though the community has commercial and industrial land available it is not serviced and therefore not immediately available for development.

Opportunities

External factors can also play a significant role in determining the possibilities for an economic development strategy. This can include structural changes in the broader economy, shifts in demographics and technological changes, etc. The following summarizes some of the major factors that were identified as influencing the outcome of the economic development strategy.

Bio-mass/Wood Pellets – The next big opportunity in the forestry sector is the production of wood pellets as a source of fuel for power generation. Abitibi-Bowater currently has an application with the Province to

develop a pellet plant, either in Thunder Bay or in Ignace. This would potentially supply a re-tooled coal plant in Atikokan; however one of the major hurdles will be logistical in that the plant currently gets their coal shipped in by rail, which would be their preferred method of taking delivery of pellets. As there is no rail line between Atikokan and Ignace the pellets would have to be transported by road. There is also a potential to supply Abitibi-Bowater's biomass power cogeneration project at Fort Frances, though it is thought that this facility would take larger "blocks" of biomass, not pellets.

Transfer Point/Terminal for Road Haulage – There is some support in the community to develop a road haulage transfer point or terminal. Ignace is mid-point between Toronto and Calgary and Edmonton and is also the midpoint between Thunder Bay and Kenora. Ignace could develop a facility which would be used as a stopping or transfer point for drivers. This could be supplemented by encouraging other services such as driver training and vehicle servicing. Ultimately this terminal could be used to encourage families to locate in the Township as it would give drivers a home base for which they could drive to southern Ontario and west to Calgary or Edmonton. Ignace would also serve as a convenient transfer point to the northern communities that are serviced by the network of winter roads.

Health Services – Currently Ignace has a community health centre, which the Executive Director is looking to expand its catchment area in order to ensure its future viability. A number of other opportunities could be brought together with this successful clinic to produce a concentration of health services in Ignace. There is a need to provide better assisted care housing for elderly in Ignace and an expanded clinic connected to a senior care home would provide the basis for this service. The centre's existing telehealth unit could also be expanded to serve a wider area and more remote communities in the region. Finally, the Thunder Bay District Health Unit and the Northwestern District Health Unit are looking for a central location to hold joint meetings and to provide training. Ignace is already being discussed as a possible location because it is a midpoint to the catchment areas and accessible. Ignace could look to develop a specialization in health care services, combining all of these services into a full Health Hub for the region.

Tourism – Ignace currently has some tourist amenities (Mary Berglund House, White Otter Castle, beaches, trails, kayaking, golfing, fishing and hunting) but does very little to promote or capture visitors while they are in the region. Ignace needs to develop a tourism marketing strategy and develop marketing tactics that highlight the range of activities and attractions in the Township to attract and keep visitors in the area. This includes exploring and developing the Township's potential for winter tourism, such as dog sledding, ice fishing and snowmobiling. There is also the potential for Ignace to attract younger visitors based on an offer of a hockey school. Effort to attract and retain visitors will need to be a co-operative public and business effort and include improvements to the store fronts, accommodations, streetscape and signage.

ICE CAP – The Township and the Ministry of Training, Colleges and Universities have established a Community Adjustment Committee with the aim of assisting Ignace with adjusting to its changed circumstances brought on by the global economic downturn. The Committee is developing a multi-functional action plan to address community development with the aim of creating a self-reliant and strong community. If the community gets behind and support this initiative it, in combination with the new Economic Development Officer, has a significant opportunity to deliver change in the community.

Mining – Despite a decline in this sector and though there are no active mines in the Ignace there is significant exploration work underway. This includes, but is not limited to: Bending Lake, Phyllis Lake and other exploration sites owned by Kings Bay Gold Corp and Benton Resources. The community has also retained some of its skilled labour force with many former Mattabi and Falconbridge employees still living in Ignace but working in mines further afield, such as Lac des Iles and Musselwhite. It is felt that this is a sector still has potential in this community, but investment is almost 100% determined by factors not under the community's control such as commodity prices.

Nuclear Waste Management Research Facility – The Township is discussing with the Nuclear Waste Management Organisation the potential of the community as a location for a nuclear waste management

research facility. This type of facility could potentially bring 100 to 200 jobs to the community, though it is a longer-term target as, if selected, it would take 10 to 50 years to develop and build the facility.

Agriculture – There was some support for developing a local agricultural offer and the development of a local food market. The soils in the Township are considered excellent for growing (relative to the rest of Northwestern Ontario).

Threats

The obvious measure of success for any economic development strategy will be how well a jurisdiction capitalizes on its opportunities in order to drive economic prosperity. Equally important however, is how they address or manage the internal and external threats that may keep it from achieving their vision of a vibrant and healthy community. The following discussion lays out the key threats facing the Township of Ignace in implementing an effective economic development strategy.

Loss of Community Health Centre – The aging infrastructure at the Centre is a concern and there is a possibility that the community could lose the Centre if it is not able to expand its catchment area to include taking patients from a wider area. The loss of this clinic would be a significant blow to a community that is seeing more and more public services concentrated in Dryden and Thunder Bay.

Shrinking tax base – The decline of the commercial and industrial tax base of the community means that it is functioning off its residential tax base. With the decline of jobs and job opportunities, this residential tax base is also shrinking, thus making it increasingly difficult to fund new initiatives and important infrastructure, which might create employment.

Closing of the School – In a similar vein to the community health centre, the community's high school is at risk of closure, as has happened in many small communities in Northwestern Ontario. Students would be bussed to Dryden. Without this service in the community it will become increasingly difficult to keep and attract young families in Ignace.

Competition for Tourism – Tourism is an important component of many communities in Northwestern Ontario, which greatly increases competition. Though there are some loose associations, without a strong regional voice and regional plan for drawing in and growing the visitor base, the competition between communities (and in some cases businesses) will fragment and weaken the offer of the region.

Ignace's Vision / Priorities

In 10 years Ignace will have:

- increase the population (2,000 to 2,500)
- a diverse community with retired people and young families in school
- jobs in the mining sector
- jobs in the forestry industry
- a strong tourism component
- new and better housing
- good schools/educational services
- improved healthcare, with a new health centre including independent housing for the aged
- public service jobs back in the community (MNR, Aging at Home, etc)
- an upgraded airport
- a hub for regional transport
- a green community (solar, recycling, etc)
- a beautified business area
- a good relationship with First Nation communities

Lac Seul First Nation

Background

The Lac Seul First Nation consists of three communities. Frenchmen's Head and Whitefish Bay are accessible by road with the former being about 40 km from Sioux Lookout and Whitefish Bay being a further 20 km. Kejick Bay is currently only accessible by water/ice road and is about the same distance from Sioux Lookout, but a causeway is due for completion in 2009 that will provide a permanent land connection. The population of Lac Seul First Nation is approximately 1,000, with 450 in Kejick Bay, 100 in Whitefish Bay and 450 in Frenchman's Head.

Because of the geographic location of the three pockets of the community, the coordination of programs and services has always been a challenge for Lac Seul. As well, its relative closeness to the community of Sioux Lookout had made it difficult for the community's distinct needs to be recognized, as they always get referred to the neighbouring communities for service.

In December 2008, Lac Seul First Nation signed a landmark ownership agreement with Ontario Power Generation. Lac Seul will own 25% of the 12.5 MW Lac Seul Generating Station (Obishikokaang Waasiganikewigamig in Ojibway) located at the west end of Lac Seul near the community of Ear Falls. The revenues will go directly to the community to ensure the sustainability of necessary services.

SWOT

Through discussion, however, a number of findings of the SWOT Assessment were identified, they are summarized below.

Strengths

It is essential that an economic development strategy builds off and capitalize on the unique elements and strengths of a local community in a way that will lead to economic growth and critical mass of business and investment activity in the future.

Mahkwa Lodge – Lac Seul First Nation owns and operates Mahkwa Lodge, which occupies a beautiful piece of property on Lac Seul. The business consists of 14 cabins which can house up to 100 people. In the winter 28 people can be housed in all-season cabins.

Pelican Falls First Nations High School – This school is located on the traditional territory of Lac Seul First Nation and is approximately 25 km from Frenchman's Head. This is one of the only schools of its kind and students travel from very distant communities to attend and stay in local residences or in neighbouring communities. Having this facility so near allows Lac Seul students to get an unbeatable education while staying home with the support of family. The presence of the school also offers great opportunities for business partnerships especially for students who are interested in trades. For example, Mahkwa Lodge could partner in an Ontario Youth Apprenticeship Program targeted to culinary students.

Weaknesses

While the previous section outlined the strengths on which to base economic growth, this does not necessarily ensure that a community is ready or able to capitalize on these opportunities. The following sets out some of the weaknesses or competitive disadvantages that may be constraining Pickle Lake.

Rarely Taking the Lead – There is a sense that Lac Seul First Nation is always being asked to partner in regional initiatives, but is never taking the lead itself. This results in being torn back and forth towards different activities without ever fully committing to an opportunity. By taking the lead there is greater internal initiative to make projects happen.

Income Leakage – Because of a lack of businesses, nearly all disposable income is leaving Lac Seul and going to Hudson, Sioux Lookout or Dryden.

Opportunities

External factors can also play a significant role in determining the possibilities for an economic development strategy. This can include structural changes in the broader economy, shifts in demographics and technological changes, etc. The following summarizes some of the major factors that were identified as influencing the outcome of the economic development strategy.

Cultural and Archaeological History – For thousands of years, Lac Seul has been a gathering place for Aboriginal peoples. Significant archaeological digs over the last decade have uncovered relics that date back as far as 8,000 years. Local professional archaeologist Brad Hyslop has catalogued several thousand different pieces and reconstructed many bowls, jugs and other cooking and hunting implements. In addition, former chief Roger Bull has documented a map of Lac Seul that includes approximately 400 place names, campsites, locations of legends and other stories and gravesites. This tremendous resource was based on an effort in the 1980s to record interviews of 23 elders. Combined, these two initiatives alone amount to a treasure trove of culturally-significant information that can be used in many ways including economic should the people of the community be open to sharing their culture with the outside world. This could reshape the future of the Mahkwa Lodge or future investments in the community.

Youth Population – Over 40% of Lac Seul's total population is under 20 years of age. These people will form the workforce of the next generation.

Threats

The obvious measure of success for any economic development strategy will be how well a jurisdiction capitalizes on its opportunities in order to drive economic prosperity. Equally important however, is how they address or manage the internal and external threats that may keep it from achieving their vision of a vibrant and healthy community. The following discussion lays out a key threat facing Lac Seul First Nation in implementing an effective economic development strategy.

Exploration Without Consultation – The current Mining Act does not force a mineral exploration company to consult with the affected First Nation community until the Advanced Exploration stage at which point, the company can create a significant footprint on the environment. With

Vision

In five years Lac Seul First Nation will have:

- established a Resource Development Protocol that outlines the steps the community will take to minimize cultural and environmental damage from resource extraction while maximizing economic gain
- established a number of new business entities through its Obishokokan Development Corporation
- built a new elementary school in Frenchman's Head
- expanded the skill sets of community members to maximize economic gains of mineral exploration and mining activities

Township of Pickle Lake

Background

The Township of Pickle Lake is located at the top end of Highway #599, the most northern provincial highway in Ontario. Despite the challenges the connotation brings, locals are proud of being at "The Last Frontier". With 290 km of quiet highway separating it from the TransCanada Highway and 260 km

separating it from Sioux Lookout, this community of about 500 people is almost only visited by those who have a reason to go there.

However, communities to the north would challenge this notion of “The Last Frontier” as Pickle Lake is actually the jumping off point for many Far North First Nations communities who use the community’s airport, health care and judicial systems. It is also the transition point for shipments of pre-fabricated houses, fuel, food and other essential goods that use the gravel North Road to reach the Far North during the winter season.

The community and the area is also the starting point for tourists who seek adventure and extreme solitude. There are several outpost lodges and hunting/fishing camps further afield and the Pickle Lake airport (or Pickle Lake itself) supply the landing strip.

SWOT

Through discussion, however, a number of findings of the SWOT Assessment were identified, they are summarized below.

Strengths

It is essential that an economic development strategy builds off and capitalize on the unique elements and strengths of a local community in a way that will lead to economic growth and critical mass of business and investment activity in the future.

Remoteness – While this characteristic also lends itself to being a weakness, there is some romance related to going to or living at the end of the road. Pickle Lake is where travellers come to see what solitude and Ontario’s north are about. The advantage of this is that there is no distraction about trying to pull people off the highway – the effort is all about creating a reason to come.

Fishing and Hunting – Pickle Lake is just one of hundreds of water bodies within an easy boat ride or float plane ride away. With that comes tremendous fishing, including world calibre pike and pickerel. Hunters also come from thousands of kilometres away for moose, deer, bear and other game.

Recreation Services – Pickle Lake offers an exceptional array of recreation options for a municipality of its size. There is a curling rink, indoor arena (turned gymnasium in the summer) and bowling alley. The municipality also provides four boat launches and an RV Park.

Municipal Properties for Sale – The Township’s website currently lists 34 different residential and commercial properties that are for sale. Ranging in price from \$2,000 to \$48,500, 10 of the sites are serviced with water and sewer.

Mineral Resources – As was stated in the 2008 Asset Inventory, the mineral resources in and around Pickle Lake are well documented and the community has previously supported five separate mines harvesting gold and copper. Exploration and development activities continue in the Pickle Lake area and the community is well positioned to benefit by supplying services and related support. At the same time, residents are discouraged that the economic benefits of the Musselwhite mine have largely by-passed the municipality.

Airport – The local airport is used by passenger and freight operators as well as the Ontario Ministry of Natural Resources as a take-off point for fire services. Wasaya Airways offers daily scheduled passenger service to Thunder Bay International Airport and to communities in the far north.

Weaknesses

While the previous section outlined the strengths on which to base economic growth, this does not necessarily ensure that a community is ready or able to capitalize on these opportunities. The following sets out some of the weaknesses or competitive disadvantages that may be constraining Pickle Lake.

Remoteness – Pickle Lake is not a place that people just “happen upon”. One must have quite a purpose to drive nearly 300 km from a significant service centre. This impedes the community’s ability to introduce new people to what there is to offer.

Population Base – The limited population base restricts the types of services and retail products that are available. The Northern Store provides the widest array of food and general merchandise. The lack of population growth is a deterrent to entrepreneurs looking for an opportunity.

Cyclical Mining-based Economy – Another deterrent to investors is the cyclical nature of the local economy. There is a long history of mining and, in fact, the community was established to service the Pickle Crow and Central Patricia gold mines in the 1930s. These stopped operation in the 1960s but booms came again from 1974-1981 (Umex Thierry Copper Mine) and 1987-1994 (Placer Dome and Bona Gold mines), which surged the community’s population to more than 1,000. Since 1996 the Musselwhite Mine has been in operation 160 km northwest of Pickle Lake. There has been relatively little economic impact from this mine as employees and management are located mainly in Thunder Bay and fly into the mine every two weeks.

Volunteer Burnout – While there seems to be a lot of activities in the area – municipal recreation facilities, summer children’s program, a few annual festivals, etc. there is strong feeling that it is the same people who are always putting forth the effort. Without “new blood” there is no guarantee of these to continue. There are lots of good ideas but problems seem to arise for Pickle Lake when trying to implement the plans.

High Taxes – The Township’s tax rate is one of the highest in the province for residential dwellings.

Opportunities

External factors can also play a significant role in determining the possibilities for an economic development strategy. This can include structural changes in the broader economy, shifts in demographics and technological changes, etc. The following summarizes some of the major factors that were identified as influencing the outcome of the economic development strategy.

Cottage Lots – The Township is well recognized across Northern Ontario for its ability to secure Crown Land for the purposes of dividing into cottage lots. In the 1990s, Pickle Lake became one of the first communities to do so and sold 34 lots to Canadian and American buyers. More recently, 28 lots are proposed to come on stream and the Township plans to deal with them in the same manner in order to increase tax assessment. However, this will be the last round for the foreseeable future as the municipality has no more waterfront property left. Initiatives to attempt to do this outside of the municipal boundaries have resulted in challenges from other interests including First Nations communities.

Mining Opportunities – Despite the relative lack of economic spin-off from the most recent mining venture (Musselwhite), the community is well positioned to service and support the exploration and development work that is increasingly occurring in Ontario’s far north, both in the mineral and forestry sectors. There are several existing businesses that do earn revenue from current exploration activity.

Gateway to Northern First Nations – With its airport and as the starting point for a number of the northern winter roads, Pickle Lake serves as a natural gateway to number of the remote First Nations located in central Northern Ontario.

Northern First Nations Judicial Services – There is an opportunity to increase the amount that First Nations communities use existing judicial and educational services. Courts are held 2-4 times per month and handles most of the northern communities which results in an influx of people for those days. It

appears that there is a need for improved facilities such as a secure location for holding the prosecuted and also having private discussions. Consideration should be given to pursuing facilities that allow more traditional First Nations judicial services such as healing circles.

Northern First Nations Education Centre – The success of Pelican Falls First Nations High School near Sioux Lookout has prompted consideration for such a facility in another community. Pickle Lake, with its convenient access to so many northern communities makes an interesting possibility.

Threats

The obvious measure of success for any economic development strategy will be how well a jurisdiction capitalizes on its opportunities in order to drive economic prosperity. Equally important however, is how they address or manage the internal and external threats that may keep it from achieving their vision of a vibrant and healthy community. The following discussion lays out the key threats facing Pickle Lake in implementing an effective economic development strategy.

Road Quality – There are concerns that the deteriorating quality of Highway #599 is turning travelers off and resulting in significant extra expense for locals who regularly travel the route. It is especially difficult for those with trailers or loads to pull to maintain a decent speed on the highway.

Sioux Lookout – What Dryden is to Sioux Lookout so Sioux Lookout is to Pickle Lake. Sioux Lookout is fast becoming a major hub for Northern Ontario and its airport attracts 100,000 passengers a year. Improved services and a larger community with more sophisticated accommodations, health care services, educational facilities, etc. will continue to draw passengers from Pickle Lake. Many of the opportunities identified above could also be taken by Sioux Lookout as opportunities. Along that front, any efforts by Wasaya to decrease passenger service will negatively affect Pickle Lake.

Extension/All-Seasoning of North Road – The extension of the North Road and/or turning it into an all-season route will pull significantly from activity at Pickle Lake's airport and give charter and passenger operators more reasons to pull business from the community.

Shrinking tax base – With a lack of commercial and industrial tax base the community is functioning off its residential tax base. With the lack of jobs and job opportunities, this residential tax base is also shrinking making it increasingly difficult to fund some of the local economic development ideas and initiatives, which might create employment.

Vision

In five years Pickle Lake will:

- Increase its population by 10 households
- Have a full-time recreation director with three flourishing annual events including one event on a recognized circuit (e.g. sport fishing, snow-cross, dog sledding)
- Have improved accommodation facilities
- Increase the level of employment in provincial services
- Have sold all of its cottage lots and seen them fully developed
- Have a broader array of personal services and retail options
- Increase the level of traffic through the airport by 10%
- Increase the number of tourism operators and become more active within the regional tourism partnership

Wabigoon Lake Ojibway First Nation

Background

Wabigoon Lake Ojibway First Nation is a small community situated just off the TransCanada Highway on Dinorwic Lake, approximately 30 km east of Dryden. The economy is based on forestry, wild rice processing (the Wabigoon and Turtle River watersheds possess some of the richest and most productive manomin - wild rice- fields in North America), a tree nursery and a distribution company. There is a band membership of 525, with approximately 240 living in the community at the moment.

The band is currently developing a new 5 year plan, which has yet to be approved by Council, and it was felt that it was too early to share these plans at this stage.

SWOT

Through discussion, however, a number of findings of the SWOT Assessment were identified, they are summarized below.

Strengths

It is essential that an economic development strategy builds off and capitalize on the unique elements and strengths of a local community in a way that will lead to economic growth and critical mass of business and investment activity in the future.

Entrepreneurial – The community have already developed a commercialised a number of businesses, including a transport company (which has won a number of national awards), a tree nursery, a wild rice processing operation, and a company making environmentally friendly cleaning supplies. They have also lead in the development and delivery of the Two Feathers project. There are also a number of community services (residential electrician, restaurant, community store, mobile repair service) which have been started from within this community.

Education – The community has focused on education as a main way of improving opportunities, with much of their current success coming from a youth multi-media club, which was extended to the adult population. There is now a strong emphasis on adult education, in partnership with the Seven Generations Educational Institute. The band school is also very successful and “on a par” with achievement levels by schools in the province, and the community has recently sent 6 students off to college and 1 to university.

Weaknesses

While the previous section outlined the strengths on which to base economic growth, this does not necessarily ensure that a community is ready or able to capitalize on these opportunities. The following sets out some of the weaknesses or competitive disadvantages that may be constraining the Wabigoon Lake Ojibway First Nation.

Not discussed

Opportunities

External factors can also play a significant role in determining the possibilities for an economic development strategy. This can include structural changes in the broader economy, shifts in demographics and technological changes, etc. The following summarizes some of the major factors that were identified as influencing the outcome of the economic development strategy.

Two Feathers – Wabigoon Lake Ojibway First Nation was instrumental in getting this project up and running and though the two production facilities for this are in other First Nation communities, Wabigoon will house the administrative office of the project.

Awaiting their 5 year strategy to identify the community’s opportunities.

Threats

The obvious measure of success for any economic development strategy will be how well a jurisdiction capitalizes on its opportunities in order to drive economic prosperity. Equally important however, is how they address or manage the internal and external threats that may keep it from achieving their vision of a vibrant and healthy community. The following discussion lays out the key threats facing the Wabigoon Lake Ojibway First Nation in implementing an effective economic development strategy.

Vision

Awaiting their 5 year strategy to identify the community's vision.

Summary of Economic Development Priorities

Through the interview conducted with both those communities with existing economic development strategies and those who have not formally developed plans, a number of common themes or priorities arose. The table below summarizes the priorities for each of the communities in the Patricia Area region.

Appendix A contains a complete listing of the strengths, weaknesses, opportunities and threats for each of PACE's eight member communities.

Figure 13 – Summary of Economic Development Priorities/Themes

Priority/Theme	Dryden	Ignace	Machin	Wabigoon First Nation	Eagle Lake First Nation	Sioux Lookout	Lac Seul First Nation	Pickle Lake
Education / Training / Skills	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Business Retention & Expansion	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Investment Attraction & Development Sectors:								
Manufacturing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Agriculture	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>			
Forestry/Value-Added Wood	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			
Mining	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Health & Social Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Transport	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Energy/Bio-Energy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>	
Retail/Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Arts and Culture	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Tourism	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Entrepreneur / Small Business Support	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Infrastructure development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Revitalization / Beautification	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		
Residential development / cottage lots		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

Summary of Suggestions for PACE's Role

The discussions with the communities of the region have also highlighted areas that they believed PACE had a role to play within their community and regionally. The table below summarizes the areas where they believe PACE has a role to play in local and regional economic development.

Note that these are NOT the report's recommendations. Recommendations are made in Section 4.

Small Business Support – This is recognized across the region as PACE's 'bread and butter' and most participants were well aware of the service. At the same time, there was mention that the organization could enhance its efforts at reaching out to the diverse communities and stimulate even more interest in their programs. Seemingly small efforts, such as placing PACE's logo on the front door of the Sioux Lookout Municipal Building, all add up and help to build the organization's reputation.

In terms of activities it was felt that PACE needs to support small business and entrepreneurs looking to set up businesses by continuing to run workshops and provide training with the possibility of adding a formal mentoring program. Their role as a "high risk" lender is very important in the region, though some would like to see them giving out more money to businesses. It was suggested that PACE could house a one-stop-shop of information on setting up and running a business.

Partnerships Building – There is a crucial role for PACE in bringing together and building a strong regional partnership that will deal with issue common to all communities, as well as helping communities learn from each other and identifying joint projects to work on. This might be around specific issues, like loss of health care facilities, or around identification and development of regional opportunities, such as tourism. The Regional EDO Forum is an excellent example which could be extended for specific purposes. Of particular importance is for PACE to play a role in brokering relationships between the First Nations and the region's Municipalities where there is already an interest in a closer working relationship.

Attracting Funding – PACE should continue to identify Federal and Provincial funding sources that can be utilised by the municipalities and First Nations. This could be done whether PACE or a municipality/First Nation identify specific projects (e.g. attract funding for the development of tourism infrastructure within the region). Although PACE cannot be the lead for applications, it can continue to be proactive at identifying sources of funding and encouraging municipalities and First Nations to develop projects that meet community needs.

Business Retention and Expansion – As part of PACE's support for small businesses they should be working with the partner Municipalities and First Nations to undertake and maintain a business retention and expansion program. Through this, PACE and its partners will be informed about the concerns and issues impacting on business performance and competitiveness. It will also provide them with ideas and opportunities to exploit to develop further growth in the region. Lastly, it will also provide the municipal partners with greater links to and awareness of the needs of their businesses. The rationale for the initiative is explored in further detail within Section 4.2.

In partnership with its municipal and First Nations partners, PACE carried out a BR+E project in 2005. Despite this (or, to some degree, because of this), there is significant merit in conducting the project again. Reasons include:

- Being able to assess overall economic indicators such as how the economy has changed
- Individual business indicators – how have individual businesses changed (can be intelligence for the business owner as well as PACE)
- Re-establishing and re-energizing relationships with business leaders
- Introduction or re-introduction of PACE services to key clientele
- Identification of changes in business owner needs
- Identification of how the local business environment has improved or become less attractive

Grant Writing – Related to attracting funding is the idea that PACE can provide some expertise on writing bids for grant funding. The process of bidding for grants funding tend to be long and complicated and it was felt that the community might be able to get more money for projects if they had this assistance. Whether it is for community projects or for individual businesses, it was believed that PACE could provide assistance in writing applications for grants from Federal and Provincial programmes.

Economic Development Support and Education – PACE could be supporting economic development functions in each of its communities by educating them in economic development or bringing in specialist, either on short-term placements or seminars, this could be supplemented by helping to identify best practices for these smaller communities.

Leading on Regional Projects – They are really the only agency who can lead on truly regional projects and programs. For example, mining is going to be huge across the region but it needs a co-ordinated approach to government and business rather than each community chasing their own projects and competing with each other.

Investigating New Opportunities – The region has a role in investigating and identifying new growth sectors or opportunities that would suit the region's strengths. PACE should develop an effective scanning and analysis function which can identify opportunities for the region and be discussed with the partner Municipalities and First Nations. The tourism investment attraction initiative as described in Section 4.1 and commercial gap analysis/commercial recruitment projects are excellent examples of how PACE can support this.

Regional Branding Marketing – Northwest Ontario and the Patricia Region needs to have a better and clearer brand, in particular where it relates to attracting new investment to the region. PACE could be responsible for developing, maintaining and promoting this brand to provincial, national and international markets. This should be linked to the investigation of new opportunities so that PACE is developing the marketing messages and promoting the region to new growth sectors or sectors of opportunity. This is not intended to be about tourism marketing, though it does related to the attraction of new tourism investment or operations, but the regional branding should be linked to and related to the Ministry of Tourism's Tourism Marketing Strategy for Northwestern Ontario.

These broad functions identified by the partners can be summarised into eight broad categories:

- Supporting entrepreneurs and small businesses through advice and funding
- Partnership building among the partner Municipalities and First Nations
- Business retention and expansion
- Economic development education, training, best practise
- Investigating and identifying new opportunities and sectors
- Regional branding and marketing
- Advocating on behalf of its member Municipalities and First Nations with an aim to attracting Federal and Provincial funding to the region
- Assistance with grant writing

Support for these varied across the Municipal and First Nation partners. The table below sets out the support by partner.

Figure 14 – Summary of Potential Roles for PACE Based on Local Consultations

Role	Dryden	Ignace	Machin	Wabigoon First Nation	Eagle Lake First Nation	Sioux Lookout	Lac Seul First Nation	Pickle Lake
Supporting entrepreneurs / Small businesses – advice and funding	✓	✓	✓		✓	✓	✓	✓
Partnership Building (including First Nations)	✓	✓	✓	✓		✓	✓	
Business Retention & Expansion	✓	✓	✓			✓	✓	✓
Economic development education, training, best practise	✓	✓	✓			✓	✓	
Investigating and identifying new opportunities/sectors	✓	✓		✓	✓	✓		
Regional Branding / Marketing		✓				✓	✓	✓
Advocating and attracting Federal and Provincial funding to the region and assistance with grant writing		✓	✓				✓	✓

PACE's Role in Delivering Local Priorities

Sections 3.3 and 3.4 identify economic development priorities of the partner Municipalities in PACE as well as the Municipalities views on the roles that PACE should be taking. To define PACE's actual role in these we need to combine these two areas to identify where PACE should be involved. Figure 5 takes the 10 sectors identified as priorities for the Municipalities (Figure 3) and combines it with the eight roles they suggested for PACE (Figure 4) to identify for each sector the types of roles/activities that PACE could be undertaking to assist the communities with developing these sectors.

In a similar way Figure 6 takes the broader economic development themes identified in Figure 3 (Education / Training / Skills; Business Retention & Expansion; Entrepreneur / Small Business Support; Infrastructure development; Revitalization / Beautification; and Residential development / cottage lots) and merges it with the roles they believe PACE should have. To simplify this table we have grouped Infrastructure development; Revitalization / Beautification; and Residential development / cottage lots into one theme of physical regeneration and development.

In this table we have also provided more contexts for the types of activities PACE may undertake. It is important to note that not all of the possible roles for PACE may be appropriate in all areas, hence the gaps in some areas. Conversely, PACE may not be the lead agency in some of these areas, such as Workforce Development where the Northwest Training & Adjustment Board is the primary delivery agent, but because these issues are critical to economic development, PACE should be involved.

Figure 15 – Recommended Industry Sector Specific Roles for PACE

Role	Tourism	Manu- facturing	Mining	Transpor- tation	Energy / Bio	Agriculture	Retail	Forestry Value Added	Arts & Culture
Supporting Entrepreneurs and Small Businesses	✓	✓		✓	✓	✓	✓	✓	✓
Partnership Building	✓		✓		✓			✓	
Business Retention & Expansion	✓	✓		✓	✓	✓	✓	✓	✓
Best practice sharing / Capacity building	✓	✓					✓		✓
Intelligence gathering / identifying new opportunities		✓		✓	✓	✓		✓	
Regional branding / Marketing	✓	✓	✓		✓	✓		✓	
Advocacy / Attracting funding / Grant writing			✓		✓			✓	

These roles are wide ranging and aim to build off the opportunities that PACE embodies – a regional group that has the best interests of its communities in mind when it makes strategic choices. PACE has more experience in some of these roles, but they are nevertheless ALL important. The roles include being a supporter for entrepreneurs, a builder of partnerships between First Nations and municipalities, a sharer/disseminator of economic development best practices, an intelligence gatherer looking to identify new opportunities, a regional brander and marketer, an advocate and funding application writer.

How these roles interface with development priorities is outlined in the table below.

Figure 16 – Recommended Strategic Economic Development Priorities for PACE

Role	Workforce Development	Entrepreneurial / Small Business Support	Business Retention & Expansion	Physical Regeneration / Development (infrastructure, beautification)
Supporting Entrepreneurs and Small Businesses	Be a conduit for information to business owners regarding the myriad of available workforce development programs and incentives.	PACE has a key role to play in delivering direct support to small businesses through advice / guidance and financial support.	Directly fund businesses retention and expansion activities in partnership with the local communities.	Support applications by First Nation and Municipal partners.
Partnership Building	Support applications by First Nation and Municipal partners.	Delivering support to businesses across the region needs to be done in partnership, and PACE is not just a deliverer of business support, but also has a significant role to play in bringing together the partners into a one-stop-shop.	Get the municipalities to develop a partnership approach to regionally significant industries, such as mining, tourism and forestry to grow and expand these industries.	
Best practice sharing / Capacity building	PACE can identify best practice in terms of workforce development for small resource dependent communities.	Share best practices amongst the partners and other jurisdiction to develop entrepreneurs and small businesses and to help the communities build their capacity to deliver.	Share best practice amongst the partners and other jurisdiction on how to support and retain existing businesses.	Work with the communities to share best practice on infrastructure development and assist the communities in developing their capacity to undertake physical development and regeneration projects.
Intelligence gathering / identifying new opportunities		A regional initiative to identify the gaps in the local economy that the current retail and services sector are not meeting.	Undertake a BR+E initiative to identify good quality investment fund opportunities.	Coordinate the sector based opportunities analysis, identifying the demand for cottage lots, and other community infrastructure.
Regional branding / Marketing		Shop Local programs have met with mixed success in the region. PACE's support should be given to ensure dollars stay in the region rather than specific communities.	Produce regional marketing material which can be used to promote the future of the region and opportunities to existing investors to ensure that they remain and seek opportunities to grow in the region.	
Advocacy / Attracting funding / Grant writing	Promoting the educational and workforce development needs of the region at provincial and federal levels.	Promoting the business support needs of the region to provincial and federal levels to gain funding.		Promote the need for investment in the region's communities, with one specific action being the release of crown land for cottage lot development.

Appendix B: List of Interviewees

City of Dryden

Stakeholder One-on-One interviews

Ari Hoogenboom, City Manager, City of Dryden
 Anne Krassilowsky, Mayor, City of Dryden
 Melina Jansen, Manager, Dryden & District Chamber of Commerce
 Vicki Kurz, Economic Development Manager, City of Dryden

Eagle Lake First Nation

Stakeholder One-on-One interviews

Andy Sky – Economic Development Officer

Group Stakeholder interview

Pam Pitchenese – Chief
 Ken Cripps – Councillor

Township of Ignace

Stakeholder One-on-One interviews

Ted Frisby – Manager, Abitibi-Bowater
 Lionel Cloutier – Mayor, Township of Ignace
 Line Woods and Sylvie Maurice – Owners Temple Hill Truck Stop

Group Stakeholder interview

Chicki Pesola – Owner, North Winds Motor Hotel
 Dianne Loubier – Councillor, Township of Ignace
 Sophie Cameron – Owner, Lone Pine Motel
 Dennis Smyk – Community Adjustment Partnership Co-ordinator
 Wayne Hanchard – Admin/Treasurer, Township of Ignace
 Gloria Casey – Executive Director, Mary Bergland Community Health Centre

Discovery Session Attendees:

Elizabeth Russell	Lionel Cloutier	Jean Maurice
Catherine Penney	Yvon Romas	Kevin Sewlook
Don McIntosh	Warren Clark	Line Woods
Ron Woolner	Lynn Clark	Dennis Smyk
Wayne Hanchard	Serge Cossais	

Lac Seul First Nation

Stakeholder One-on-One interviews

Roger Bull, Manager, Mahkwa Lodge
 Sam Manitowabi, General Manager, Obishikokaang Development Corporation

Municipality of Machin

Stakeholder One-on-One interviews

Garry Parkes – Mayor, Municipality of Machin
Stannis Montgomery – Councillor, Municipality of Machin
Marcia Philipshen – Member of Community Development Committee, Municipality of Machin
Carol Eady – Member of Community Development Committee, Municipality of Machin

Discovery Session

Bryan Brown, Administrator, Municipality of Machin
Stannis Montgomery, Councillor, Municipality of Machin
Linda Anderson, Councillor, Municipality of Machin
Gord Bastable, Owner, Vermilion Bay Lodge

Township of Pickle Lake

Discovery Session

Debbie Chartrand, Councillor, Township of Pickle Lake
Karl Hopf, Town Superintendent, Township of Pickle Lake
Graeme Mackechnie, PACE Director
Joseph Millar, Councillor, Township of Pickle Lake
Paul Panciw, Clerk-Treasurer, Township of Pickle Lake
Jan-Dirk Verburg, Councillor, Township of Pickle Lake
John White, Councillor, Township of Pickle Lake

Municipality of Sioux Lookout

Stakeholder One-on-One interviews

Florence Bailey, Economic Development Officer, Municipality of Sioux Lookout
Neil Carbone, Community Development & Communications Officer, Municipality of Sioux Lookout
Bill Hochstetler, Chair, Sioux Lookout Airport Commission
Brad Hyslop, Member, Economic Development Commission, Municipality of Sioux Lookout
Kathy Poling, Mayor, Municipality of Sioux Lookout

Discovery Session

Joe Carbone, Business Owner, Downtown Sioux Lookout and PACE Director
Ché Curtis-September, Housing Manager, Nitawin Community Development Corporation

Wabigoon Lake Ojibway First Nation

Stakeholder One-on-One interviews

Terri Favelle – Councillor, Wabigoon Lake Ojibway First Nation

Local Small Business Owners

Patty Lambkin, 1st Choice Janitorial
Allan Romas, Al's Meat and Greet
Holly Toews, Dave Toews Contracting
Nancy Roy, Roy Lane Gift Shop
Virginia Jonasson, Square One Printwear