

**Alberta**

**NORTHERN ALBERTA  
DEVELOPMENT COUNCIL**



# **Advancing**

**THE DEVELOPMENT OF  
THE NORTHERN ECONOMY**

**Northern Alberta  
Development Council  
Annual Report**

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**1998 - 99**

October, 1999

## Message from the Chair

The Northern Alberta Development Council (NADC) is pleased to present its annual report for 1998 – 99.

The Council focuses its efforts to advance the development of the northern economy. In 1998 – 99 initiatives were carried out in the following areas:

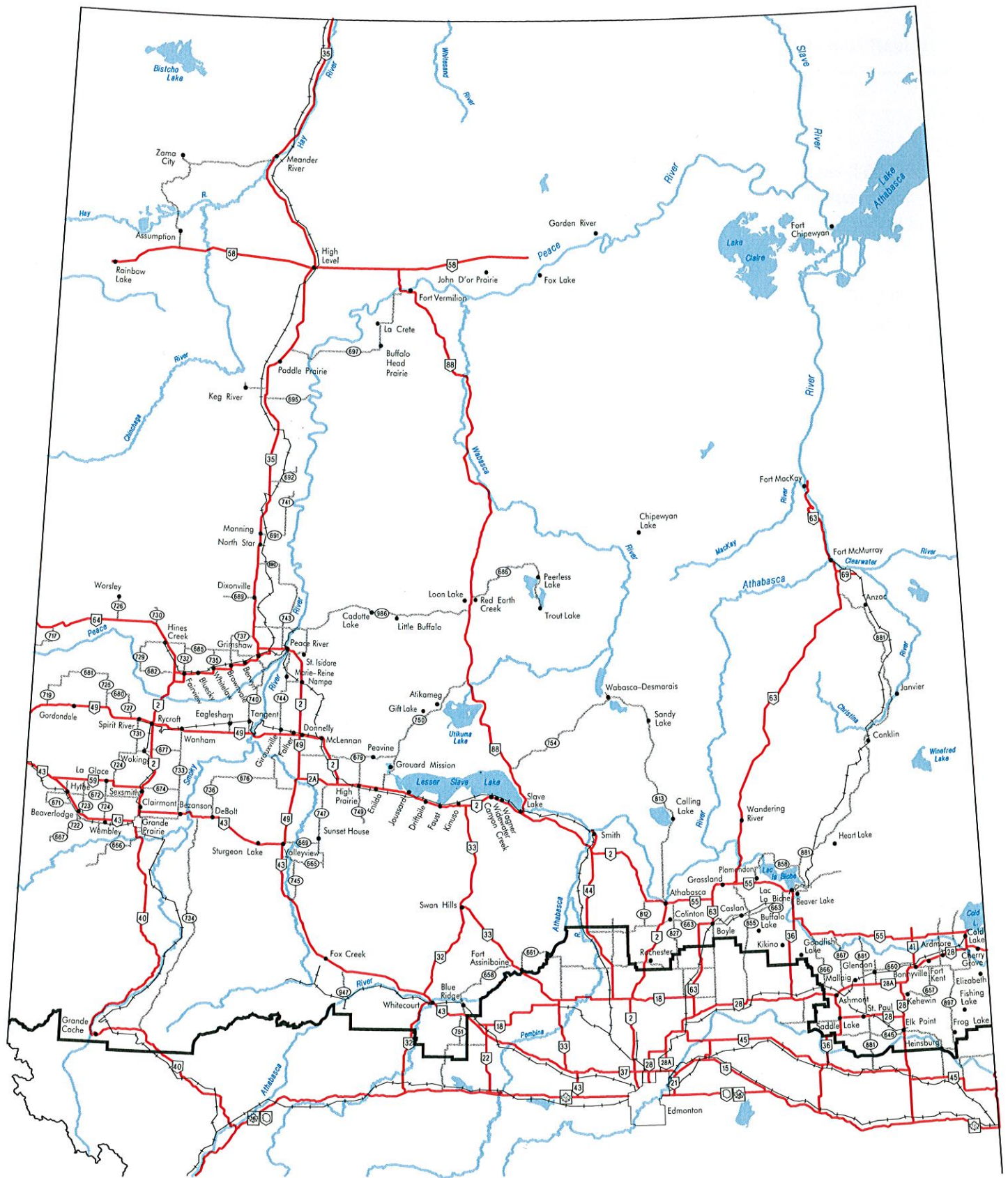
- Promoting emerging development opportunities
- Addressing barriers to economic growth
- Increasing northern skill levels to take advantage of economic opportunities.

The NADC's success is based on the contributions of our project partners and input from stakeholders in northern development. Together we will continue to build a strong northern region.

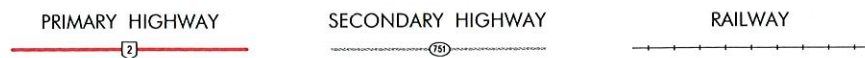
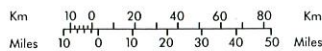


Mike Cardinal, MLA





## NORTHERN ALBERTA DEVELOPMENT COUNCIL AREA



Produced by Resource Data Division, Alberta Environmental Protection  
Base map provided by Spatial Data Warehouse  
February 1999

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## Operational Overview

**The Act** - The mandate of the Northern Alberta Development Council (NADC) as outlined in the Act of Legislature is to “investigate, monitor, evaluate, plan and promote practical measures to foster and advance general development in northern Alberta.”

The Council consists of seven public members and one elected member of the legislative assembly. In 1998-99 Council reported to Cabinet through Premier Klein, the Minister Responsible for Northern Development.

**The NADC Region** - The NADC region includes 60 per cent of Alberta's area and 10 per cent of its population. The region has a strong natural resource base which is still developing. For example, the North has all of Alberta's oilsands and most of the province's forest resources. The primary markets for our resources include the United States and Pacific Rim. The issues of distance to markets and delivery of services in this vast part of Alberta are challenges that northerners address on a daily basis.

The North's population is younger than the provincial average. Education, literacy and income levels are below the provincial average. Many small Aboriginal communities face significant development challenges.

**Council Members** - Council membership reflects the geographic, cultural and vocational diversity of northern communities. In 1998-99 Council was chaired by Athabasca-Wabasca MLA Mike Cardinal. Private Council members were:

Greg Lindsay, Fort McMurray, Deputy Chair

Alvin Billings, High Prairie

Don Erno, Sexsmith

Gerald McIvor, Whitecourt

Doug Sklar, Athabasca

Floyd Thompson, Lac La Biche

Don Wieben, Fairview

**Northern Development Branch** - The Northern Development Branch has a small staff based in Peace River. The main role of the Branch is to support the work of the Northern Alberta Development Council. The Branch provides the administrative and technical support required by the NADC.

Staff carry out projects on behalf of the Council. Their work includes project planning and implementation, and consultation with industry, communities and government. Typical activities include carrying out research, organizing events and coordinating/facilitating northern responses to regional issues and opportunities.



**Northern Development's Business Plan** - The NADC's mission is to advance northern development through regional initiatives in partnership with the private sector and community-based organizations. Northern Alberta has tremendous potential for growth. The NADC supports government's commitment to prosperity by facilitating the development of a thriving and progressive northern economy. In 1998-99, NADC focused on three goals:

- to promote emerging development opportunities
- to address barriers to economic growth
- to increase skill levels to take advantage of economic opportunities.

## 1998-99 Key Activities

### Goal 1

#### To promote emerging development opportunities

The NADC consults with northerners, researches information and carries out strategic initiatives to promote emerging development opportunities.

**Leaders' Roundtables** - The NADC initiated a new consultation process to help identify development opportunities and barriers in the north. These roundtable consultation sessions provide key business and community leaders with an opportunity to raise issues and opportunities they believe are critical to the growth of the region. This approach also helps the NADC to develop strategies aimed at long standing northern concerns and to focus our resources in support of our current business plan.

In 1998-99 roundtable meetings were held in High Prairie, High Level, and St. Paul. Meetings were well attended and a broad range of issues such as telecommunications needs, training needs, regulations, tourism opportunities, municipal infrastructure, transportation needs, fishery management concerns and entrepreneurial training were discussed. All participants received a meeting summary and information on NADC's actions as a follow up to the concerns raised.

**Challenge North Survey** - NADC began preliminary work on "Challenge North: Planning for Progress," a major conference on northern development. The purpose of this event is to bring stakeholders in northern Alberta's development together to discuss priorities for action on further development. NADC sponsored a major survey of northern leaders to provide focus for the conference. The conference survey was distributed to over 250 participants. Responses to the survey will be compiled and the results included in a conference background report.

**Economic and Demographic Research and Reports** - Economic and demographic data is collected from federal, provincial and industry sources as it becomes available. The NADC processes this information and makes northern reports available to any individual or organizations that requests it. Over the past year businesses and organizations have used this information to help them gain a better understanding of the economic and demographic make up of northern Alberta for the purposes of marketing, trend analysis and assessing community growth.

In the fall of 1998, the NADC prepared the 1998 Economic and Demographic Profile of Northern Alberta, a report that has been distributed to northern stakeholders and is available on our web site.

**Value-added Agriculture** - NADC continues to work with its many partners in the Peace Agriculture Value Added Strategy working group to promote value-



added agriculture in the north. The purpose of this initiative is to assist in the development of a viable value-added agriculture industry (new crop development, processing and product diversification) in the Peace region to strengthen our agriculture industry and improve the sustainability of rural communities. Regional agriculture service providers are developing and implementing a long-term five point strategy in co-operation with rural entrepreneurs and regional commodity associations.

The strategy's integrated components include: intergovernmental coordination, promotion and awareness, education, market development, and product development. The working group's current focus is on promotion and awareness. We are seeking funding to conduct baseline research to assess and catalogue the Peace region's comparative and competitive advantages and identify initiatives necessary to successfully achieve industry development and expansion. This information will be used in the awareness campaign to educate our target audience about the benefits and opportunities of value-added agriculture.

Some time ago, the NADC helped form a steering committee to work on the implementation of a food processing or value-added centre for Northeastern Alberta. The committee has grown into the Food Processors Federation of Northeast Alberta. They continue to meet and plan the construction of a food processing facility so that regional processors and entrepreneurs can access commercial food processing equipment and services, in a central location, on a fee for service basis. The NADC had a limited role in this project in 1998-99.

**Mackenzie Prospects Gathering** - The concept of this event, scheduled for High Level in May 1999, was developed from the NADC High Level roundtable meeting in November 1998. Following the meeting, visits were made to representatives from aboriginal communities, industry, and educational institutions. This led to planning of a workshop and trade show to bring stakeholders together to address employment and training issues and encourage prospective entrepreneurs. An advisory committee has been developed from regional aboriginal, educational, and industry leaders to provide input and direction to the event.

**Lakeland Aboriginal Business Association** - NADC hosted a conference in the winter of 1997, focusing on bringing together industry and aboriginal and local business. From this conference, aboriginal contractors from the Lakeland area developed the Lakeland Aboriginal Business Association (LABA). NADC provided assistance in the start-up phase. The association focuses on matching up aboriginal contractors in the area with potential employers. In 1998, LABA grew as an organization to over 50 members and established a database of aboriginal contractors and equipment available. Partnerships have been initiated with 4 Wing, the federal military base at Cold Lake.



**Tourism** - NADC continues to provide support to the northern tourism industry through ex-officio board participation with the Alberta North Tourism Destination Region Branch staff conducted research on opportunities and barriers to industry growth, which led to a consultant research project, *Structure of Tourism in Northern Alberta*. The information gathering process culminated with the NADC hosting the *Travel North 98: Tourism Excellence Through Cooperation* conference in Slave Lake December 3-4, 1998.

The purpose of the conference was to provide a networking and educational forum to assist delegates to identify objectives and strategies for northern tourism, and to explore cooperative approaches to tourism development. Information gathered from over 60 delegates has resulted in follow up work by our agency in priority action areas identified by delegates, specifically in encouraging coordinated support service delivery and product development.

#### Goal 2

#### **To address barriers to economic growth in northern Alberta.**

The NADC works with other jurisdictions as well as within the region to address barriers to economic growth.

**Northwestern Ministers** – Northern economies have enormous development potential and generate significant wealth. They also face many challenges to development, such as high transportation and service delivery costs. To meet these challenges, the Western Premiers created the Northern Economic Trade Forum for northwestern Ministers in 1997. The NADC Chair was appointed Alberta's representative to the Forum. The NADC participated in two initiatives:

- Coordinated the northwestern regions in development of a Northwestern Canadian Integrated Conceptual Road Plan. This plan was accepted by the Premiers at their 1998 Western Premiers annual conference.
- In 1998-99 NADC participated in a Yukon-led initiative called "Northwest Online". This resulted in a proposal to the northwestern ministers for an internet-based entrepreneur training program, targeting rural residents in northwestern Canada.

In March 1999, due to significant overlap in the mandates of the Western Economic Ministers and the Northwestern Ministers, the two groups agreed to recommend to the Western Premiers that they be amalgamated.

**Alberta - NWT Memorandum of Understanding (MOU)** - In October 1998 Alberta signed a MOU with the Northwest Territories to address shared priorities. NADC was appointed the Alberta co-chair. Further progress awaits appointment of the NWT co-chair and completion of a terms of reference.

**WEPA** - NADC participated in the Western Economic Partnership Agreement (WEPA) between Alberta and the federal department of Western Economic



Diversification for the second straight year. NADC successfully accessed funding for telecommunications infrastructure and bison research in the north.

**Transportation** - The NADC has been active in addressing transportation issues and opportunities of significance to northern Alberta. Transportation is important as the bulk of the region's commodities are exported. Our strategy, has to do with gathering and sharing information about production, profiling northern markets and opportunities, and building relationships. Highlights include:

Completed a pre-feasibility study of grain handling and transportation alternatives for the Alberta Peace Region.

Followed up the submission of an issue paper to the federal Grain Review Secretariat by meeting with Justice Estey and his staff, and after consulting with northern producers, responded to the Secretariat's recommendations.

Continued to participate in Northwest Corridor Task Force (route to Prince Rupert).

**Telecommunications** - In northern Alberta, long distances between small scattered populations make the delivery of services more difficult. There are opportunities to improve services using telecommunications, but the costs are prohibitive for communities that are most in need of services such as long distance education and remote medical consulting. We are working with northern organizations to improve community access to and use of telecommunication technology. One such approach is through participation on the provincial advisory committee for Industry Canada's Community Access Program to increase public access to the Internet.

The NADC also proposed an initiative that would assist a few northern communities to install basic digital telecommunication services. The federal-provincial Western Economic Partnership Agreement approved the initiative and provided funds. With our partners, we are overseeing a project that will install a wireless system linking schools at Fairview, Hines Creek, Worsley, Cleardale and Bear Canyon. This system will allow the schools and libraries in these communities access to better Internet, data transfer and long distance education services. We are also reviewing other similar projects for funding.

**Commercial Fishing** - Throughout NADC's consultations in the past year, fisheries management has been an important ongoing issue. The NADC has encouraged Alberta Environmental Protection to continue their efforts for better fishery management strategies to address concerns such as harvest levels, habitat restoration and poor water quality. The NADC supported the proposed voluntary buy-out program for commercial fishermen to ensure a viable commercial fishery and a better managed resource.

### Goal 3

**To increase northern skill levels to take advantage of economic opportunities**



The NADC provides financial and other support to students and supports development of needed training programs in the north.

**Northern Student Supplement** - The Northern Student Supplement is a new bursary available to first and second year northern post-secondary students. The bursary is a joint initiative between NADC and Alberta Advanced Education & Career Development. It is supplemental to the Alberta Opportunities Bursary, a province-wide bursary program. In this first year of the Northern Student Supplement, 344 students received an award, for a total of \$377,500. Three-quarters of these students were in their first year, attending 24 Alberta post-secondary colleges and universities.

**Northern Alberta Development Council Bursary** - The NADC Bursary is a \$3000 return service bursary (\$1500 for a half year of study). In the 1998-99 year, 120 Alberta students were awarded the bursary. They were chosen from among 355 applicants. As preparation for bursary selection, the NADC conducted the 1999 Professional Workforce Survey. Eighty-eight employers in a variety of employment sectors were surveyed to determine occupations in high demand and upcoming employment trends. An increased number of students in the engineering and technical fields received the bursaries. Bursaries were given to students in the following occupational categories:

<i>Occupational categories</i>	<i>Number of bursaries</i>
Engineering/Technical	26
Education	22
Natural Sciences/Environment	19
Social Services	17
Health Care/Nursing	15
Business/Administration/Law	14
Humanities/Social Sciences	5
Fine & Applied Arts	2
Total	120

**Bursary Partnerships Program** - Through Bursary Partnerships, the NADC co-sponsors bursaries for post-secondary students with industry, small businesses and community organizations. Last year the number of sponsors grew from 33 to 38. These sponsors contributed over \$122,000 and supported 116 bursaries. The total value of the bursaries is close to \$230,000.

<i>Type of sponsor</i>	<i>Number of bursaries</i>
Business/Industry	57
Community/Other Organizations	37
School Divisions & Colleges	22
Total	116



**Stay in School Initiatives** - The NADC participated in a small industry/community group in the Fort McMurray region which developed a student mentorship proposal. Representatives from the Regional Municipality of Wood Buffalo, the Athabasca Tribal Council, Syncrude, and Suncor have also participated in this initiative. The NADC provided background socio-demographic information and assisted in preparing the proposal. The project has recently received funding through the Regional Infrastructure Working Group in the Wood Buffalo region.

**Northern Labour Market Information Clearinghouse** - The Northern Labour Market Information Clearinghouse is a joint initiative of the NADC and five Northern Alberta colleges (Grande Prairie Regional College, Fairview College, AVC - Lesser Slave Lake, Lakeland College and Keyano College). The Clearinghouse provides the partners with future-oriented information designed to help the colleges match their programs to the needs of industry, communities and students in our region.

In 1998-99 the Clearinghouse produced 16 reports including a major survey of northern Alberta high school students which was conducted in partnership with Alberta Advanced Education & Career Development. In addition, the Clearinghouse produced quarterly newsletters for academic leaders in the partner institutions and other interested persons.

**Northern Bachelor of Social Work (BSW) Degree** - The NADC provided support to the Northern BSW Council of Stakeholders, which includes representatives from Children's Services regions, Aboriginal communities, Alberta Family & Social Services, private employers of social workers and northern post-secondary institutions. This group successfully worked toward development and northern availability of a BSW degree program that reflects northern rural and Aboriginal needs. The program will be delivered by the University of Calgary, which received ACCESS funding to deliver it in the north.

## Performance Measures

The NADC measures its performance through an annual customer survey and by tracking statistics related to our bursary programs.

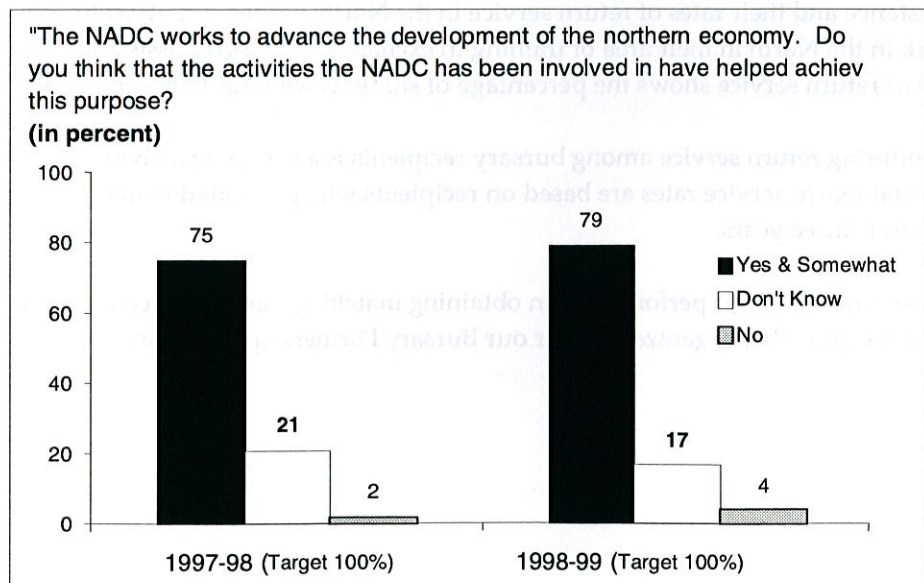
### Customer Survey

The NADC conducts an annual customer survey to measure the success of its development projects. The results for projects under each of our three goals are aggregated, to allow for statistically significant reporting.

The NADC is changing its customer survey to allow for better comparison of responses year to year. The tables below reflect results as reported last year, and results as they will be reported from now on. The 1998-99 results reflect telephone interviews with northern leaders and NADC partners and clients. Respondents were randomly selected from the population pool. The margin of error in a sample of this size is plus or minus 5%, 19 times out of 20. The surveys were conducted by an independent contractor between April 19 and May 27, 1999.

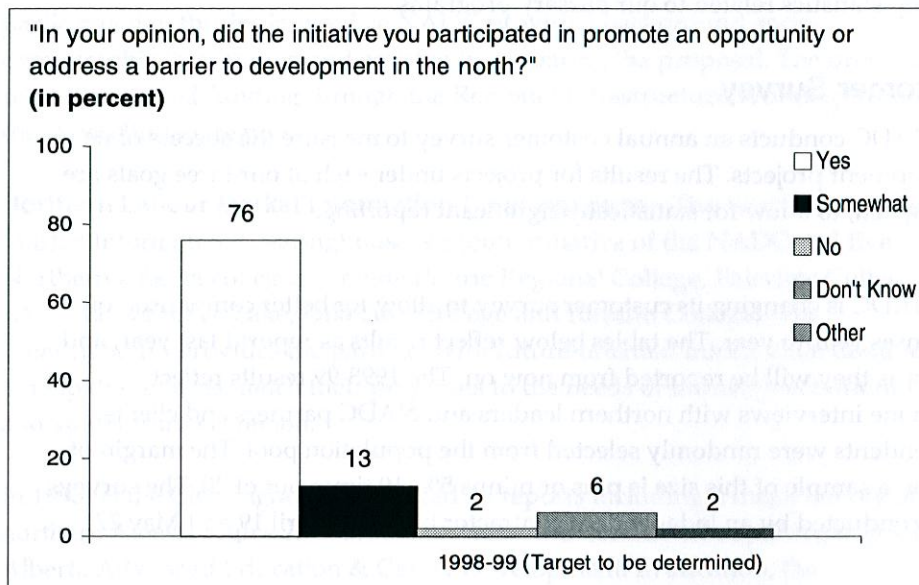
**Previous question:** 145 of a total population of 208 northern leaders and NADC project partners and clients were surveyed to determine their responses to the following question:

The NADC piloted a new consultation process in 1998-99. The trend toward more certainty regarding the NADC's contribution to advancing the development of the northern economy is a positive result of this process.





**Future question:** 83 of a total population of 126 NADC project partners and clients were surveyed to determine their responses to the following question:



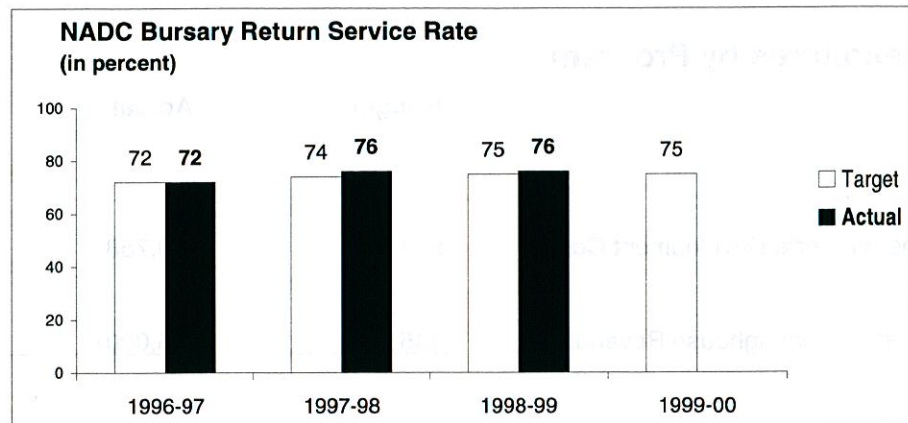
This question was developed to more accurately reflect our project achievements based on the experience of our project partners and clients. In previous years we also relied on the perceptions of northern leaders. In the future, northern leaders' satisfaction will be measured under our new consultation goal, through consultation evaluations. Targets for both questions will be developed from this baseline data.

### Bursary Program Measures

We measure the success of our bursaries under Goal Three at the program level. For the NADC Bursary, we track the number of students who receive bursary assistance and their rates of return service in the North. Students contract to work in the North in their area of training in exchange for bursary assistance. The rate of return service shows the percentage of students who fulfill this obligation.

Monitoring return service among bursary recipients is an ongoing activity. Annual return service rates are based on recipients who graduated in the previous three years.

We also measure our performance in obtaining matching funds from community, industry and other organizations for our Bursary Partnerships Program.



\*The target has been adjusted from \$160,000 based on the actual trend of partners contributions in the past three years. Significant Metis and forestry contributions have been lost due to increased federal funding for Metis students and a downturn in the provincial forest industry. This new target more appropriately reflects partners future financial decisions.



## Financial Results 1998/99

### Expenditures by Program

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Northern Alberta Development Council	984,710	960,758	23,952
Dedicated Clearinghouse Revenue	<u>(45,000)</u>	<u>(45,000)</u>	<u>0</u>
<b>NET TOTALS</b>	<b><u>939,710</u></b>	<b><u>915,758</u></b>	<b><u>23,952</u></b>

### Expenditures by Category

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Manpower	603,710	611,241	(7,531)
Supplies/Services	366,000	299,983	66,017
Grants <sup>(1)</sup>	0	34,399	(34,399)
Other	15,000	15,135	(135)
Dedicated Clearinghouse Revenue	<u>(45,000)</u>	<u>(45,000)</u>	<u>0</u>
<b>TOTALS</b>	<b><u>939,710</u></b>	<b><u>915,758</u></b>	<b><u>23,952</u></b>

<sup>(1)</sup> Treasury Board approved an ex gratia payment to Alberta Pensions Administration on behalf of an employee.