
**Northern Alberta
Development
Council**

Annual Report
1995-96

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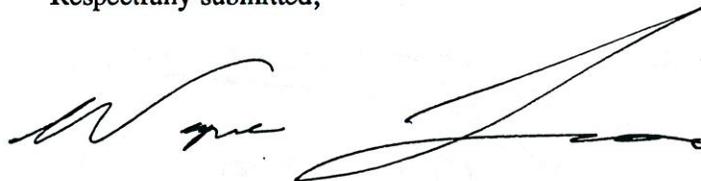
September, 1996

Honourable Ralph Klein
Premier of Alberta
Minister Responsible for
Northern Development
Edmonton, Alberta

Sir:

It is my honour to present the thirty-second annual report of the Northern Alberta Development Council, covering the fiscal year from April 1, 1995 to March 31, 1996.

Respectfully submitted,



Wayne Jacques, MLA
Grande Prairie-Wapiti
Chairman



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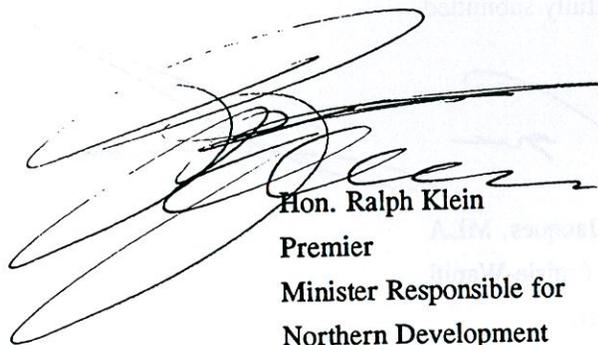
September, 1996

The Honourable H.A. "Bud" Olson
Lieutenant-Governor of Alberta
Edmonton, Alberta

Sir:

The undersigned has the honour to transmit herewith the thirty-second annual report of the Northern Alberta Development Council, covering the fiscal year from April 1, 1995 to March 31, 1996.

Respectfully submitted,



Hon. Ralph Klein
Premier
Minister Responsible for
Northern Development

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Chairman's Report

During the past year our organization has gone through a considerable process of renewal. We focused our work on the economic development portion of the Council's mandate. We selected this focus considering how best to create the highest impact for our region with our reduced resources. We believe that the northern economy offers enormous potential for increased participation by northerners.

We re-thought our mission concluding that our role should be *to contribute to economic development in northern Alberta by leveraging our resources in partnership with the private sector and community-based organizations.*

We identified three priority goals:

- *to promote emerging development opportunities in northern Alberta*
- *to strengthen northern Alberta's economic competitiveness; and*
- *to identify and increase northern skill levels to take advantage of economic opportunities.*

This new focus has translated into many new initiatives for our Council which are outlined in this report. I invite you to review this report in detail. If you have comments or ideas for the work of our organization please contact a member of Council or our offices in Peace River.

Northern Alberta Development Council

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. The Council reports to Cabinet through Premier Klein, the Minister responsible for Northern Development.

The NADC Region

The NADC region includes 60% of Alberta's area and 10% of its population. Much of the region is still developing its resource base.

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. 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.

Northern Development's Business Plan

Each department and agency of government produces a three year business plan to guide its operations. The highlights of Northern Development's current plan are:

- promote emerging economic development opportunities by implementing initiatives in partnership with the private sector, community-based agencies and government agencies to develop and implement strategies.
- Strengthen the region's competitiveness by carrying out working sessions,

workshops and conferences with the private sector and affiliated groups to target opportunities and requirements for development.

- Continue to assist people to increase their skill levels to take advantage of opportunities.
- Continue to advise government focusing on practical ways to take advantage of the opportunities for development in the region.

Northern Development Performance Measures

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

The customer satisfaction survey targets our partners and clients as well as representatives of other northern economic groups. They rate their satisfaction with our contribution to economic development in the north. This year, 84% said that the NADC made a positive contribution to northern economic development.

Through the bursary program, we track the number of students who receive bursary assistance and their rates of return service in the north. We also measure our performance in leveraging funding for our Bursary Partnerships Program.

Rate of return service is a measure of the applicability of training to a student's employability. This year, the rate was 72%, which is on target to meet our goal of 75% by 1998/99.

The Bursary Partnerships Program leveraged \$93,000 this year, up from \$60,000 last year. This is on target to meet our goal of \$150,000 by 1998/99.

Council Members

Each Council's membership reflects the geographic, cultural and vocational diversity of northern communities. Members for the 1995/96 fiscal year were:

Wayne Jacques, MLA, Grande Prairie-Wapiti, Chairman

Don Lussier, Athabasca, Deputy Chairman

Elmer Anderson, High Prairie

Jim Carbery, Fort McMurray

Louise Faulkner, McLennan

Floyd McLennan, Grande Cache

Don Wieben, Fairview

Charles Wood, Saddle Lake

Northern Alberta Development Council Activities

Summary of Major NADC Projects

Transportation Development in Northwestern Alberta

In July 1995, the NADC initiated a major review of rail transportation and truck-to-rail service in northwestern Alberta. This review was in response to northern companies and communities identifying the following factors:

- Handling and transportation costs consume too much of the value of grain and other products
- Removal of Western Grain Transportation subsidies has doubled the costs of transportation for some grain producers in the Peace Region.
- Grain companies are consolidating their operations which will increase efficiency in grain handling but reduce local competition.
- Anticipated expansion in the forestry sector that will increase the opportunities for the transportation sector.
- Transportation problems such as access to cars, speed and capacity of trains, and turnaround time in port facilities have increased transportation costs.
- Northern producers lack information about the transportation system.

Background Study

The NADC commissioned independent research on the topic. The study:

- examined the transportation needs of agriculture and forestry businesses in northwestern Alberta
- provided an overview of the transportation system
- and produced a pre-feasibility analysis of solutions.

Workshop

Eighty-five delegates attended a workshop held in Grande Prairie on November 15-16, 1995. Participants reviewed the study and made the

following key suggestions for follow up:

- Examine cooperative shipping opportunities
- Produce economic projections
- Facilitate communication between shippers and carriers

The NADC continues to explore transportation solutions primarily related to agriculture.

The Northern Labour Market Information Clearinghouse

The Clearinghouse is a joint initiative of the NADC and five northern Alberta colleges: Grande Prairie Regional College, Fairview College, Keyano College, Lakeland College and AVC - Lesser Slave Lake. All of the partners contribute equally to the project's annual budget. The Northern Development Branch manages the project on behalf of the partners. The Clearinghouse project began in July 1995 with three goals.

Goals

To improve the information base that post-secondary institutions use to develop training programs which suit the northern economy.

To improve the information base that the NADC uses to advise government and northern organizations on labour market and economic circumstances in northern Alberta.

To foster co-operation among the member institutions in program planning and delivery.

Results

The Clearinghouse project combines statistical research, literature searches and interviews with experts to produce reports for the partners. In 1995-96, the project produced 10 reports including economic sector profiles, occupational profiles and training opportunity reports. Topics have included forestry, health professions and customer service training, among others.

Value-Added Agriculture Opportunities in Northeastern Alberta

In January 1995, the NADC responded to local interest regarding the need to stimulate more value-added agriculture development in northeastern Alberta. A regional steering committee was formed as the mechanism to review ideas and begin projects which they believe would enhance the local economy.

To begin the project, the regional steering committee initiated four information exchange/gathering workshops in Lac La Biche, St. Paul, Bonnyville and Smoky Lake. These workshops helped to spur local interest and began to list business ideas and opportunities based on sub-regional strengths and weaknesses.

Generally, the major developmental barriers included the availability of low interest rates and capital, and lack of opportunity awareness and expertise. The committee felt it important to focus on efforts aimed at local producers, businessmen, agricultural service organizations and industry associations so they could gain an awareness of the opportunities and become motivated to pursue specific initiatives.

A report titled Agriculture Value Added Development in Northern Alberta has been completed. The report provides regional, market and sector information, community meeting findings and makes recommendations to help stimulate more value-added agriculture activity in the region. The recommendations made by the report are:

- Infrastructure needs - Investigate the creation of value-added kitchen(s) or enterprise centres
- Communication needs - a sustained defined process to raise awareness and interest at the community level.

These recommendations will guide the steering committee in its future work. The committee plans to follow up on these recommendations in hopes of creating more regional growth in the value-added agriculture sector.

Regional Action Plan to Address Downsizing at 4 Wing, Cold Lake

In the 1995 budget, the Federal Government announced cost cutting measures in the Department of National Defence. Responding to requests, the NADC assisted the communities of Cold Lake, Grand Centre, Bonnyville and the Municipal District of Bonnyville with the formation of a regional committee to address the economic impacts of the reductions.

A research project was developed and funding for the research was obtained from the Federal Government. The objectives of the research are to:

- identify mitigation strategies and economic opportunities related to the changes in the airbase's operations, and
- document the impacts on the regional economy resulting from the reductions at the airbase.

A draft report has been completed. Some of the key developmental strategies include activities related to aerospace, tourism, knowledge base and a flying training centre.

In regards to the flying training centre, this concept is timely considering that NATO is currently seeking proposals to train fighter pilots. Representatives of the committee and other community members are working with 4 Wing Cold Lake, to promote the base as a training site.

On the Threshold Trade Show and Conference

In response to issues raised by communities and industry regarding continuing resource development in the Regional Municipality of Wood Buffalo, the NADC planned a trade show and conference in conjunction with the Municipality and the Northeastern Alberta Aboriginal Business Association. It was scheduled for April 17-18, 1996 in Fort McMurray.

The purpose of the trade show and conference was to encourage development in the Municipality to proceed in an expeditious and orderly manner, that

maximizes social and economic benefits to the region and its people. The focus was on improving linkages between industry and the aboriginal and local business community. It was primarily aimed at industry and aboriginal and other local business representatives.

The objectives for the event were to:

- Increase information about planned and proposed resource development in the region, thereby increasing awareness of opportunities for aboriginal and other local business partnerships flowing from resource development.
- Increase industry awareness of aboriginal and other local business capacity to contribute to and partner in resource development.
- Create an ongoing communications process among industry, aboriginal and other local business and government regarding resource development opportunities and constraints.

A steering committee made up of regional stakeholders was established. The Regional Municipality of Wood Buffalo, the Northeastern Alberta Aboriginal Business Association, Suncor, Syncrude, local business and the NADC were represented.

Public Meetings and Briefs

The NADC held two community meetings in this fiscal year. A meeting was held in Kinuso in April 1995 and a meeting was held in Grande Cache in June. Northern residents and groups presented 23 briefs at these two meetings. This process of public meetings to receive briefs was discontinued as the NADC refocused its business plan on the economic development portion of its mandate.

Northern Alberta Development Council Bursary

Return Service Bursaries

In the 1995/96 year, 127 return service bursaries of \$3000 were awarded to Alberta students. To be eligible for the bursary a student must commit to return to work in northern Alberta for a specified time. Recipients were chosen from among 369 applications. Over 23% of recipients were studying for occupations in natural sciences and environmental studies. This is a significant increase from last year.

Occupational categories and number of bursaries 1995/96

Education	22
Medical Professions	10
Health Care/Nursing	10
Social Services	16
Business/Administration/Law	11
Engineering/Technical	24
Natural Sciences/Environment	29
Humanities /Social Sciences	5
Total	127

Monitoring return service among bursary recipients is an ongoing activity. The return service rate among 1994 recipients is presently 69%.

Bursary Partnership Program

The Bursary Partnerships Program offer community organizations and industry the opportunity to participate in northern students' educational financing. The program saw a year of growth with 80 bursaries for a total value of \$166,900. Eighteen sponsors contributed \$93,300 towards the bursaries:

Return Services Bursaries 1995/96		
Organization	Community	No.
Alberta Vocational College	Lac La Biche	2
Buchanan Lumber	High Prairie	3
Council of Community Education Committees of AVC, Lesser Slave Lake	Northern Alberta	2
Daishowa Marubeni International	Peace River	2
Chamber of Commerce	Fairview	1
Fairview College Academic Staff Association	Fairview	5
Agricultural Society	Fort Vermilion	1
Grande Prairie Regional College Foundation	Grande Prairie	13
Chamber of Commerce	Grand Centre	1
International Colin Energy	Calgary	1
Metis Settlements Education Society	Northern Alberta	29
Mighty Peace Petroleum Association	Peace River	2
Northland School Division	Peace River	1
Peace Regional Health Authority	Peace River	4
Lions Club	St. Paul	3
Syncrude Canada	Fort McMurray	5
Travellers Motor Hotel	Peace River	1
Versa Campus Services	Fairview	4

Federal/Provincial Agreement

Northern Alberta Agreement

The Canada/Alberta Cooperation Agreement on Northern Development (known as the Northern Alberta Agreement) is one of the Federal/Provincial Western Economic Partnership Agreements. The partners in the Northern Alberta Agreement are Industry Canada and the Northern Development Branch. The Agreement was a \$9 million program, however in accordance with federal and provincial government expenditure cost-cutting goals, the program was reduced by more than 20 per cent.

The provincial partner administers the Agreement through an administration unit and reports to a Federal/Provincial Management Committee.

Applications for assistance were accepted until December, 1994 and all funding decisions were made by March 31, 1995. Approved projects must be completed by March, 1997. Funding for approved projects will continue to be expended over the next fiscal year.

As at the end of the Agreement (March, 1995) 128 projects were approved. Two of these applicants have since decided not to proceed.

Northern Development Branch

The Northern Development Branch is a small staff based in Peace River. The main role of the Branch is to support the work of the Northern Alberta Development Council to advance the development of the northern economy.

The Branch provides the administrative and technical support required by the Northern Alberta Development Council.

Staff carry out projects on behalf of Council. Their work includes project planning and communication with industry, communities and government. The Branch carries out research, coordinates Council project activities and conducts NADC events and workshops.

The Branch also administers the federal-provincial Northern Alberta Agreement on behalf of both governments.

1995/96 Financial Statement

Expenditures by Program

	Approved Budget	Actual Expenditures
Northern Alberta Development Council	1 009,000	981,895
Canada/Alberta Partnership Agreement (Northern Alberta Agreement)	<u>1 959,000</u>	<u>1 376,656</u>
TOTALS	<u>2 968,000</u>	<u>2 358,551</u>

Expenditures by Category

	Approved Budget	Actual Expenditures
Manpower	757,000	650,819
Supplies/Services	496,000	382,292
Grants	1 700,000	1 310,305
Other Expenditures	<u>15,000</u>	<u>15,135</u>
TOTALS	<u>2 968,000</u>	<u>2 358,551</u>