

Economic Development 101

Developing the right path for your
community and how to see it through

Outline

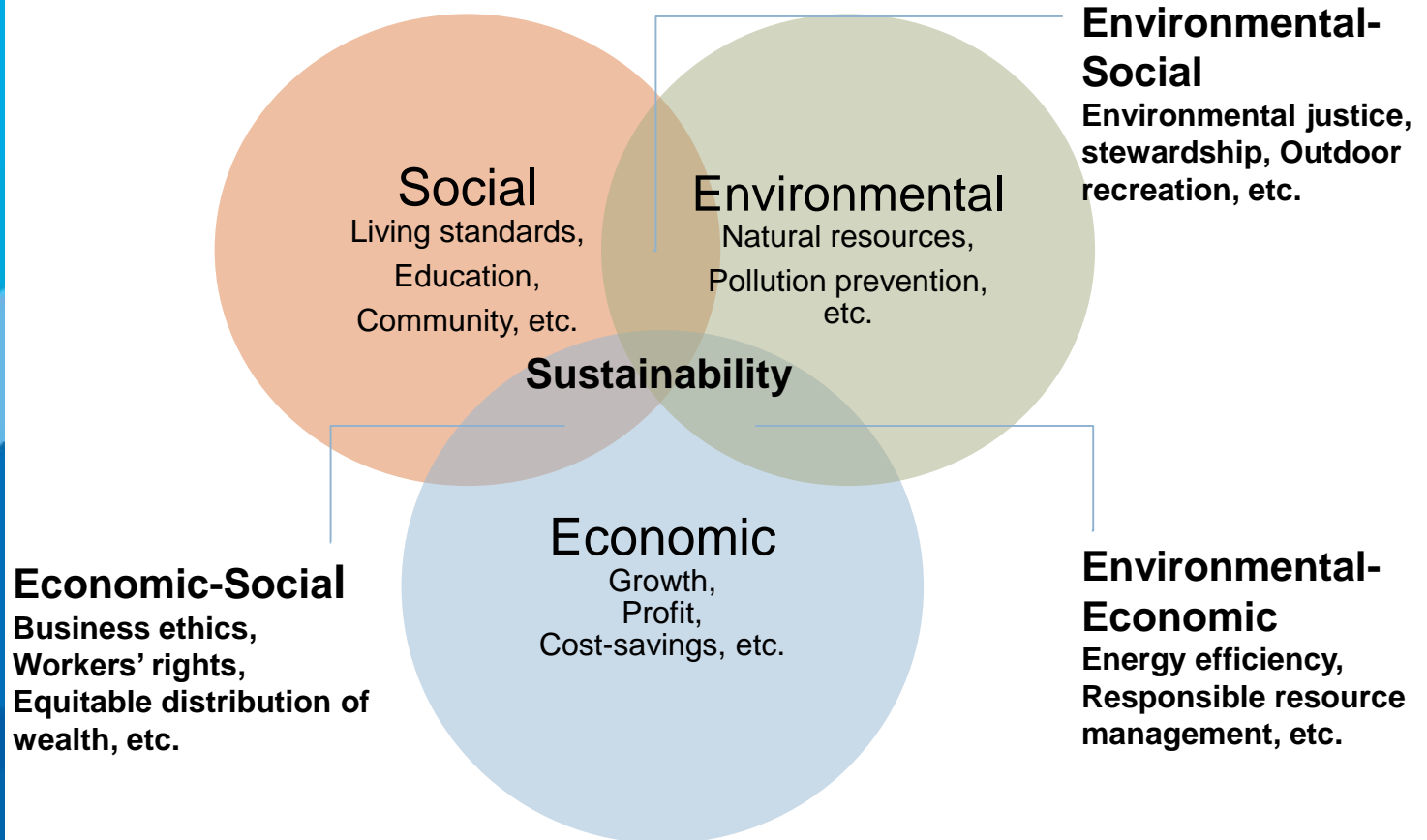
- What Is Economic Development?
- The Importance of Good Governance
- Case Study: Inuvialuit
- Breakout: EcDev and Governance in Your Community
- Economic Development Strategic Plans
- Case Study: Carcross/Tagish
- Breakout: EcDev Strategies in Your Community
- AEPP and Close

What is Economic Development?

- Effort to improve community well-being and quality of life by increasing economic activity
- Broad scope and distinct from business development - focused on big picture, not management of businesses
- Goals vary by community, but often include:
 - Supporting new and existing businesses for success
 - Increased productivity and self-sufficiency for community and members
 - Increased income for the community
 - More and better jobs for members
 - Improved quality of life for members
- Characterized by long-term planning and care for broad community interests

Economic Development – 3 Pillars of Long-term Planning

If we only think about today, we may leave nothing for tomorrow. Thinking long-term is about giving our future selves, and our children, more to work with than we have today.

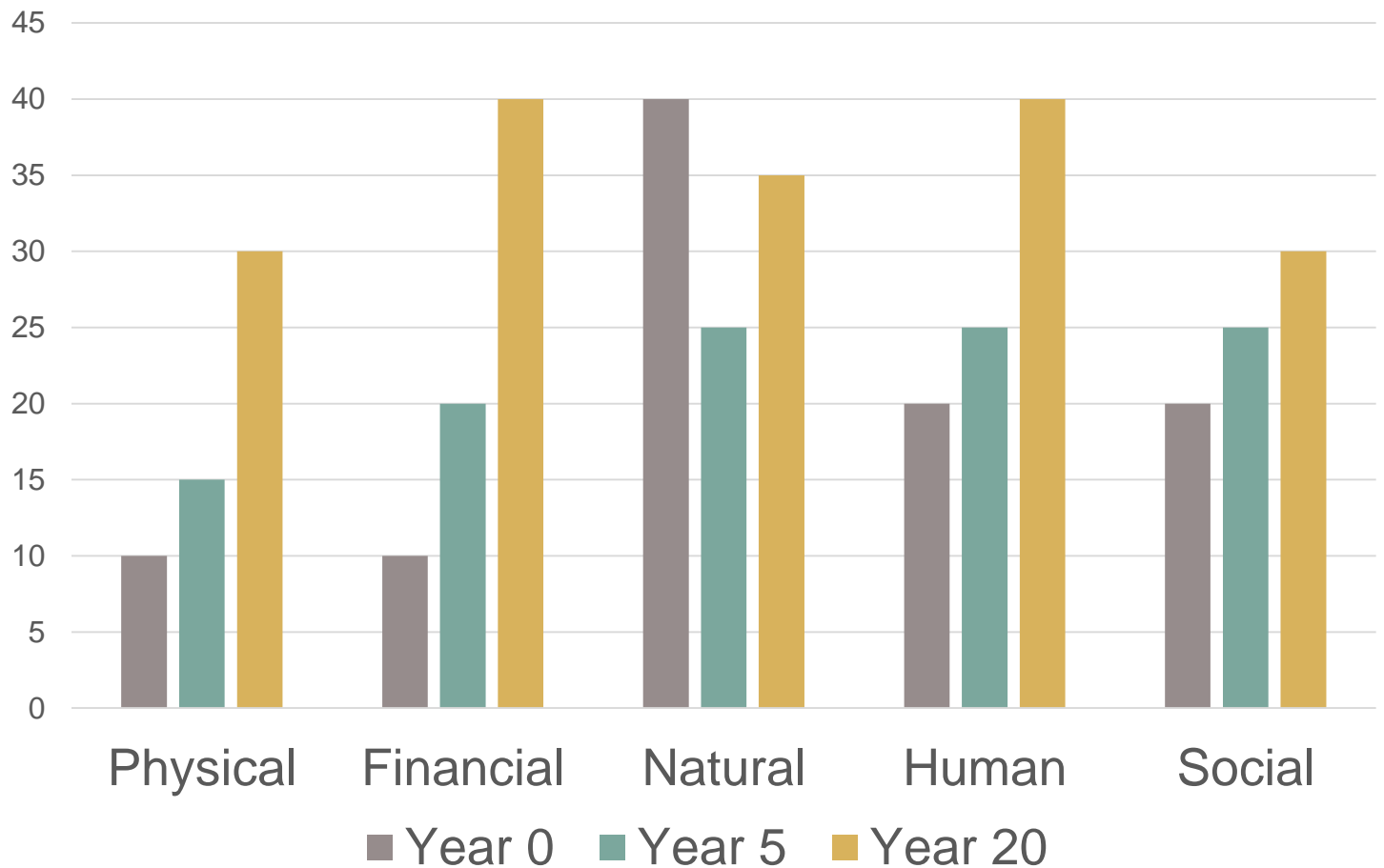


The “Leaky Barrel” Analogy

- Revenue flows into community (jobs, investments, etc.)
- Leakage takes resources out of community
- Cost:benefit guides whether to increase flow or “plug holes”
 - Money
 - Time
 - Opportunity
- Decisions should be made according to plan, but plans can change



The “Capital Accounts” Analogy



Good Governance Community Support

“There is no reason to believe that bureaucrats and politicians, no matter how well meaning, are better at solving problems than the people on the spot, who have the strongest incentive to get the solution right.”

-Elinor Ostrom

Community involvement is needed to:

- Set the direction of economic development, especially the vision, goals, and guiding principles
- Provide the political support needed to get going, and to continue long-term
- Start the businesses, work the jobs, develop the skills, and set-up future generations for success

Good Governance

Separating Politics and Economics

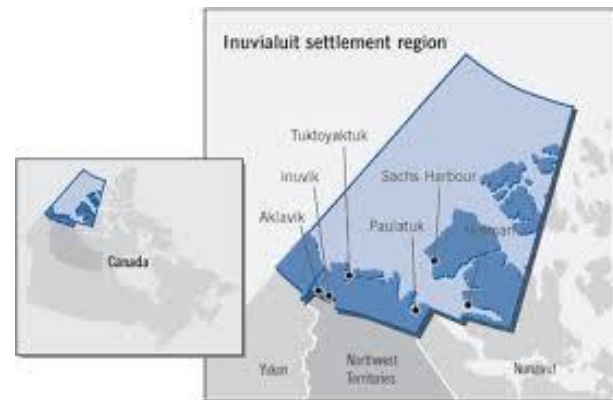
Governance is the bridge between community input and economic development. Done well, it keeps development efforts on track to reach a community's goals without getting too involved with how to get there.

- ✓ Where possible, establish a separate group who can focus exclusively on economic development (e.g. dev corp, trusts, etc.)
- ✓ Develop clear goals, purpose, and authority for that group, and hold it accountable to them
- ✓ Support technical development of that group
- ✗ Tie political leadership too closely to economic development efforts
- ✗ Allow broader politics and ambitions to interfere with the activities of the economic development group

Community Example



INUVIALUIT
REGIONAL CORPORATION



The Inuvialuit Story

- In the early 1980s, there were six small and independent Inuit communities in what is now the Inuvialuit region:
 - They lacked political autonomy
 - Social issues, such as substance abuse and suicide, were abundant
 - Communities struggled to advocate for their interests
- In 1984, the six communities signed an agreement committing to work together to obtain collective self-governance – establishing the Inuvialuit Region Corp.
 - IRC focused on public accountability, clear division of responsibilities and an openness to collaboration
- In 2003, IRC and Gwich'in Tribal Council signed a self-governance agreement in principle with Canada

Why Governance mattered for the Inuvialuit:

In addition to social programming and community services IRC has four wholly owned, but independently managed, corporate subsidiaries:

- Development Corp., Investment Corp., Petroleum Corp. Land Corp.
- IRC's business portfolio is diverse, including dozens of businesses across numerous sectors.
- Today they are one of the largest employers in NWT and the largest private land owner in the region, with 91,000 sq km of fee simple lands
- Community wealth and well-being has increased significantly in all six communities
- IRC has a strong relationships with key partners in the region

EcDev Governance in Your Community

- Group up-and discuss (10 mins):
 - Your experiences with ecdev governance in your community
 - How independent is it from political involvement?
 - What challenges and successes have you had?
 - Do you think more work is needed on ecdev governance in your community?
 - Questions/suggestions about ecdev governance
- Report back to everyone (10 mins)

Economic Development Strategic Plans

Where decisions are made and courses are set. This is when our assets and skills are combined with our best opportunities and a plan is drafted to take us from where we are today to where we want to be in the future.

Each community will have a strategic plan that will likely present:

- clearly stated goals
- inventory of assets/skills
- strengths, weaknesses, opportunities, and threats
- high level strategy and basic organization
- operational planning and key action items,
- measures of success and process for continual improvement

Economic Development Strategic Plans

A good economic development strategic plan should include descriptions of:

- Vision/Goals (where we want to go)
- Purpose (why we want to get there)
- Objectives (what we will do to get there)
- Guiding Principles (the values that will guide our way)
- Asset/Skills Inventory (what we have to work with)
- Assessment of Opportunities (the options we have)
- Action Plan (what steps we will take)
- Decision Making Process/Governance
- Accountability/Communication to Members
- Monitoring and Evaluation Mechanisms (e.g. key performance indicators (KPIs))

Community Example



The Carcross/Tagish Story

- After signing Self-governance the Nation established an the Carcross/Tagish Development Corp. tasked with developing and implementing an economic development strategic plan.
- CTDC began by engaging community members to identify priorities:
 - Three main priorities: youth retention, cultural revitalization and environmental stewardship.
 - Eco-tourism was highlighted as a potential activities
- CTDC, in partnership with key community stakeholders, developed a strategic plan to utilize the community's limited resources and leverage partnerships with industry, government and the media

Why Strategic Planning Mattered for the Carcross/Tagish

- The initiative began small, but good planning and community buy-in supported steady growth
- Today the nation garners international attention as true economic development success story:



EcDev Strategic Planning in Your Community

- Group up-and discuss (10 mins):
 - Your experiences with ecdev strategies
 - Are they/could they be valuable?
 - Do they/could they help your community?
 - Questions/suggestions about ecdev strategies
- Report back to everyone (10 mins)

Aboriginal Economic Partnerships Program (AEPP)

- AEPP is a flexible GoA program that supports Indigenous communities, businesses and organizations to foster economic development and contribute to improved social outcomes for Indigenous Albertans
- Can support non-capital costs (i.e. “soft costs”) on a range of activities, including:
 - economic governance development
 - economic development strategic plans
 - asset inventories
 - opportunity assessments
 - feasibility studies
 - business plans
 - market assessments
 - business valuations
- Additional GoA and other programs exist to support the above, plus capital costs, green energy development, and climate leadership

Thank You

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