



Saskatchewan
Ministry of
First Nations and
Métis Relations



Enterprise Regions in the North: What We Heard

A report on community and stakeholder consultations

April-July 2009

Ministry of First Nations and Métis Relations
Northern Economic Programs and Policy,
Northern Affairs Division
Box 5000, La Ronge, SK, S0J 1L0

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A report on community and stakeholder consultations

EXECUTIVE SUMMARY

The Northern Affairs Division of the Ministry of First Nations and Métis Relations (FNMR) recently engaged northern Saskatchewan stakeholders in a dialogue about how best to support and implement the new Enterprise Regions (ER) program in the Northern Administrative District (NAD).

A total of five public meetings were held from April to July 2009, with a purpose of explaining the new initiative and gathering feedback from individuals representing industry and business, communities, First Nations, and Métis organizations. From these public meetings, a total of 50 people indicated their willingness to volunteer in the development of ERs across the North.

The feedback that FNMR heard during the course of the dialogues was:

- Overall, participants have a sense of increased prosperity and feel there is increased opportunity and potential in their regions, and in northern Saskatchewan as a whole;
- At the same time, the level of growth and prosperity is uneven across the regions. There are a number of challenges and issues that need to be addressed;
- There is a sense of urgency about addressing changes in the economy. Priorities discussed focused on enhancing regional communication and collaboration, transportation and infrastructure needs, training and employment, social issues, quality of life, developing new business opportunities, and continued sector development;
- Participants at each dialogue indicated that their region is willing and ready to participate in the ER program. They felt it was time for the North to receive fair and equitable treatment as compared to the southern half of the province;
- Concern was brought forward on the need to maintain the Regional Development Corporation (RDC) program until ERs were up and running in order to avoid a gap in economic development planning and service delivery;
- Disparities between the northern and southern regions of the province, rural and urban centers, aboriginal and non-aboriginal peoples, and young and old were identified by the participants;
- There was some concern that a funding formula designed for the entire province may not meet the needs of the North due to the large geographic distances for board and committee meetings, strategic planning and business networking;
- Great debate ensued around the options of having one, two or three regions. The overall consensus was that three ERs for the NAD were

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- necessary and appropriate for efficient organizational purposes, and to effectively facilitate economic development planning and service delivery;
- Issues arising within the defined regions will be settled through collaboration and consultation with the parties involved (e.g. communities near borders, such as Green Lake, Pinehouse, and Cumberland House, with respect to their relationships, commuter patterns and alignment with the NAD and proposed ER boundaries).

The purpose of this document is to provide further information about the ER program, and to capture and present the findings from the consultations for a made-in-the-North approach to implement the program.

Input from the consultations was collected, and presented to FNMR for review and approval of the number of ERs to be developed in the North, and the resulting operating budgets required.

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INTRODUCTION

Acknowledgements

The Ministry of FNMR wishes to thank all of the stakeholders who participated in the dialogues and dedicated their time to support the development of Enterprise Regions and to continued prosperity in northern Saskatchewan.

About First Nations and Métis Relations

The mission of FNMR is to strengthen relationships between First Nations and non-First Nations peoples in the spirit of the Treaties and ensures that First Nations and Métis peoples are consulted on provincial legislation and policies that may impact their legal rights and interests. The Ministry works with and beside First Nations, Métis and northern peoples, other provincial Ministries, the Federal Government, local governments, and business to ensure that Saskatchewan First Nations, Métis peoples and northerners have opportunities to participate in and benefit from economic and social development.

The Northern Affairs Division mandate is to stimulate and support business and employment development in northern Saskatchewan; promote maximum benefits and opportunities for northerners from northern development; work with northerners and partner agencies to provide leadership and support for regional economic planning and sector development in northern Saskatchewan; and advance northern perspectives and interests within government decision making processes.

Purpose of the Document

The Ministry of FNMR first presented the ER program to northern Saskatchewan on April 21, 2009, in La Ronge. East- and west-side meetings were held on May 26, 2009, in Beauval and May 28, 2009, in Air Ronge to provide more information, elicit feedback and to establish Multi-Stakeholder Working Groups, for the west side and east side. Another meeting was held with the board of the Athabasca Economic Development and Training Corporation (AEDTC) on May 29, 2009, to get a better understanding of the far North's concerns and recommendations. A final meeting was held July 7, 2009, with past participants from the east, west and far North meetings for a focused discussion on the number of regions required in the North for program effectiveness. All meetings garnered good overall support for the ER program.

The purpose of this document is to provide further information about the ER program as well as capture and present the findings from the consultations to

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best implement the program in the North. Input from the consultations was collected, reviewed and presented to FNMR for approval on the number of ERs to be developed and the resulting operating budgets required.

New Economic Development Approaches Are Required

The nature of what drives the provincial economy is changing rapidly. Saskatchewan is poised to enjoy tremendous economic growth, and must adapt to strengthen its competitive position during these changing times. Long-term survival in today's competitive business environment requires facing a number of important considerations including: global competitiveness; the need for focus and specialization; the need for differentiation; and the challenge to be world-class producers, manufacturers, and service providers. Industry will require a world-class environment in which to do business.

The new economic reality is that business is a game of survival of the smartest and fittest, with a competitive environment challenging us to be stronger and faster every day. There is great potential for investment opportunities within and from outside the North. It is imperative that a new approach to regional economic development is implemented to reorganize and strengthen industry, business and community competitiveness.

Input in recent years from communities, economic developers, industry, and businesses identified a variety of items needed for economic development improvement: consistent service in all areas of the province, stable and equitable funding, and clear governance to improve regional development. The Ministry of FNMR is working to expand the ER program in Northern Saskatchewan with intentions to implement in 2010. The new ER program, once implemented will replace the existing RDC program.

Summary of the Enterprise Regions Program

Mandate

The goal of the ER program is to help businesses, communities and regions adapt to change, and become more entrepreneurial and competitive, while striving to foster innovation to succeed in the global economy. The new ER program will help implement an industry/community and regionally driven approach that helps local stakeholders cross boundaries and build on existing strengths. It is a move to a regionally-integrated economic planning and decision-making model that includes infrastructure, training and development, branding and marketing, business retention and attraction, and investor network building.

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The ER mandate is to assist each region to increase business and industry competitiveness, realize its economic potential, and compete globally. ERs are proposed to be organized around statistically recognizable commuter-shed patterns along with consideration of natural boundaries, road patterns, reasonable geographic sizes, and presence of a main urban/community centre.

Enterprise Regions will be new not-for-profit entities, or acceptable equivalent existing organizations, with representation from diverse regional economic stakeholders in key sectors of the region's economy, communities, and other organizations, providing the focus and leadership necessary to build high performing regions. It is suggested that new board membership will be composed of at least one-third business interests, one-third local community leaders, and one-third other key groups from the regions (e.g. aboriginal economic development, local post secondary, local co-ops, financial institutions, transportation, and other interests). Each region will be governed by a strong effective board of directors that represents the diversity of membership along with a balanced mix of skill sets. ER boards are responsible to provide direct oversight of expenditures, and to maintain appropriate staff and services to implement the annual business plan and multi-year strategic plan. A Chief Executive Officer (CEO) will report to the board and will be responsible for the operations and activities of the ER and its economic development staff.

Enterprise Regions will be able to access a package of provincial funding under the Northern Affairs Division of First Nations and Métis Relations, in addition to funds from other sources and levels of government. Multi Stakeholder Working Groups (MSWGs), with adequate representation, partnerships, interest and expertise will follow a defined application process in the proposed northern ER guidelines. MSWGs will work with professional organizational development facilitators to establish effective non-profit legal entities based on clear governance to deliver consistent service for all communities. Additionally, stakeholders will help establish a common understanding and commitment to establish viable ERs in the North. A number of committees, policies, and plans will be formulated including strategic analysis, recruitment and transition strategies for key staff, business plans, multi-year strategic plans, identification of service locations, and implementation strategies.

To accomplish this, the ER program has been provided with an increase in funding to build more capacity in professional resources and in core operating dollars to help execute priorities and lessen the anxiety and time spent on sourcing funds. The ER program also challenges regions to build a strong value proposition that engages stakeholders to partner for matching resources.

Ultimately, this is a quantum leap forward for the northern regions of the province. They have worked hard in the past, and will now match that hard-won

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experience with the backing of a powerful new vision – the ER program – to achieve the growth and potential they deserve.

Strategic Directions

It is important for ERs to assess and take action on the needs of business and key sectors within their respective regions. There are four strategic directions proposed for the ERs to follow. The ERs in the North will follow the same strategic directions, but the exact strategies and priorities for each of the regions will be determined by the region itself. With each regional board comprising a diversity of local groups, a bold new strategy can be undertaken, involving stakeholders from many different sectors, backgrounds, and perspectives. This will collectively build a grassroots strategy for the entire North.

The four strategic directions of the ER program are: building regional economies; fostering a culture of enterprise and innovation; building on competitive advantages; and engaging leadership and effective regional governance. They are further defined as follows:

- 1. Building Regional Economies:** ERs are built around natural regional economies, which are essentially commutersheds (that suggest a level of economic integration occurring within the region itself) – the areas in which people live and/or travel to work, do business, and obtain goods and services. New relationships, new collaboration and new partnerships should be pursued, formed, and developed within these commutersheds to achieve and sustain economic growth. Development of regional capacity to generate new ideas to increase investment, resources, and businesses is essential.
- 2. Fostering a Culture of Enterprise and Innovation:** Enterprise and innovation is at the foundation of any successful regional economic strategy. Successful regions have a business environment conducive to attracting, creating, retaining, and expanding business. Many regions seeking new ways to prosper will be best served by fostering an entrepreneurial climate and pro-business attitude to encourage local business start ups, innovation, expansions and investment attraction. ERs must be investment-ready and move from a reactive to a proactive mode to create opportunities.
- 3. Building on Competitive Advantages:** All regions must be able to identify, assess, improve or create advantages to maintain a competitive position in the face of global markets. An integrated economic, social and environmental approach will capitalize on a region's natural attributes to sustain and enhance regional wealth. Areas of competitive advantage include: innovation, human resources, investment/finance,

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infrastructure, information, business climate, marketing, and quality of life.

- 4. Engaging Leadership and Effective Regional Governance:** To ensure that regional development and economic growth are maintained, new leaders within business, communities and organizations must be identified and developed. As well, ERs must engage leaders and encourage new ideas to effectively govern and co-ordinate the economic development of the region.

The opportunity is here for dedicated people to provide critical services for business development, retention, attraction, investment, and growth opportunities across the North. Progress emerges from engagement of a strong mixture of skill sets and expertise at the Board, staff, and committees who can: lead large scale business projects and strategies for key sectors of the economy; coordinate business, community and market-based stakeholder involvement; work with entrepreneurs and leaders of industry to develop business; become experts on emerging trends, challenges, and opportunities in their area; and find new ways to generate investment growth and create jobs.

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SUMMARY OF WHAT WE HEARD

Regional Dialogues

A team from the Northern Affairs Division within the Ministry of FNMR led the northern dialogues to present information on the new ER program as well as gather feedback on issues and opportunities to best facilitate economic development planning and service delivery in the North. The regional consultations included the following:

- Initial meeting to present the ER program in the North: April 21, 2009, presentation by FNMR to invited stakeholders;
- Westside: May 26th, 2009, public meeting at the Beauval Arena Mezzanine, 7 PM – 9 PM;
- Central – Eastside: May 28th, 2009, public meeting at the Elks Hall in Air Ronge, 7 PM – 9 PM;
- Athabasca area: May 29th, 2009, private meeting with AED&TC at the Travelodge Prince Albert, 10 AM – Noon; and
- All regions combined: July 7th, 2009, public meeting with all three regions invited, Elks Hall in Air Ronge, 12 PM - 4 PM.

Each dialogue/presentation covered the following items:

- New economic realities and opportunities for growth in the North;
- The ER program mandate and strategic directions;
- Defining the multi stakeholder working group / board representation and stakeholder involvement;
- Potential boundaries for enterprise regions and supporting rationale;
- Ministry of FNMR support and resource materials;
- Available funding for regions;
- Next steps in the process; and
- Questions and answers.

The key message presented at the meetings was that it's all about collaboration. The ER program approach to regional competitiveness emphasizes mobilizing stakeholders, completing rigorous analysis, and engaging industry and key institutions to produce realistic collaborative actions and strategies, and building the implementation partnerships needed to sustain ongoing action and prosperity in the North.

All of the players in each region – business/industry, public institutions, economic development organizations, and others – need to work together to identify issues and make plans to address them. They also need to examine the region's key

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economic input foundations (innovation, human resources, investment, infrastructure, business environment, marketing, quality of life) and ensure that these provide competitive advantages.

In each regional meeting FNMR opened with a two regions model. No attempt was made to align new ER boundaries with any other provincial and local administrative regions in the province. Instead, the regions were developed reflecting regional trading patterns and natural boundaries, and where successful economic development organizations some initiatives existed. The boundaries presented at the meetings were a starting point only, and were open to review and discussion. This was done in recognition that lines on a map do not adequately reflect the flows of people, goods, and services from region to region. Various other models were presented by participants at each regional meeting. In the end, it was decided to have all the MSWG members meet July 7, 2009 at the Elks Hall in Air Ronge, to discuss the number of regions and their respective boundaries.

What FNMR heard during the course of the dialogues was that:

- Participants have a sense of increased prosperity and feel there is increased opportunity and potential in their regions and in particular northern Saskatchewan as a whole;
- At the same time, the level of growth and prosperity is uneven across the regions and there are a number of challenges and issues that need to be addressed;
- There is a sense of urgency about addressing changes in the economy. Priorities discussed centered on enhancing regional communication and collaboration, transportation and infrastructure needs, training and employment, social issues, quality of life, developing new business opportunities, and continued sector development;
- Participants at each dialogue indicated their region is willing and ready to participate in the ER program, and it is time for the North to receive fair and equitable treatment as compared to the southern half of the province;
- Concern was brought forward on the need to maintain the RDC program until the ERs were up and running, in order to avoid a gap in economic develop planning and service delivery;
- Disparities between the northern and southern regions of the province, rural and urban centers, aboriginal and non-aboriginal peoples, and young and old were identified by the participants;
- There was some concern that a funding formula designed for the entire province may not meet the needs of the North due to the large geographic distances for board and committee meetings, strategic planning, and business networking;

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- Great debate ensued around the options of one, two, and three regions. Consensus was achieved that three ERs for the NAD were necessary and appropriate, for efficient organizational purposes, and to effectively facilitate economic development planning and service delivery; and
- Issues arising within the defined regions will be settled through collaboration and consultation with the parties involved (i.e. communities near borders such as Green Lake, Pinehouse, and Cumberland House) with respect to their relationships, commuter patterns, and alignment with the NAD and proposed ER boundaries.

Breakdown of Stakeholder Participation

A broad range of stakeholders were invited to attend the dialogue in their respective regions including: Regional Development Corporations, Community Futures Development Corporations, New North and northern community representatives, financial institutions, educational institutions, key business/industry people, Chambers of Commerce, First Nations and Métis (including tribal councils and First Nation-owned businesses), tourism organizations, provincial sector and business associations, local economic development officers, and other community leaders.

Breakdown of Participants in the Regional Meetings

	West	Central/East	Athabasca
	May 26	May 28	May 29
Businesses	8	13	2
Government	1	6	
Community Based	1	5	2
Market Based			
- First Nations			3
- Métis Nation – SK	1	1	
- Other	4		
Economic Development Agencies	7	3	2
Media	2	3	
Consultants	5	3	
Other	1	1	
Total	30	40	9

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Composition of MSWG Volunteers

	West	Central/East	Athabasca
Businesses	6	5	2
Government		3	
Community Based	2	3	2
Market Based			
- First Nations			3
- Métis Nation – SK	1	1	
- Other	6	5	
Economic Development Agencies	4		2
Media			
Consultants	5		
Other			
Total	24	17	9

Breakdown of Participants to the Combined Meeting July 7th

Businesses	9
Government	5
Community Based	3
Market Based	
- First Nations	2
- Métis Nation – SK	1
- Other	5
Economic Development Agencies	14
Media	1
Consultants	3
Other	1
Total	44

Determining Consensus

During the combined MSWG meeting of stakeholders from across the North (July 7, 2009) participants were asked a series of questions. Questions related to projects and priorities for collaboration, similarities and differences in each region, the advantages and disadvantages of one, two or three regions, and determining consensus on the number of regions and their proposed boundaries. There is considerable variation within and across the regions according to their geography and natural resources, existing and potential economic drivers,

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economic input foundations, and leadership. There is also considerable variation in the way participants viewed their respective regions.

The questions and resulting dialogue from the participants is recorded below, and attempts to capture common themes, as well as challenges and differences of opinion. The feedback captured appears in the words used by the participants. There is some overlap between the categories.

1. What projects/priorities can the North immediately work on?

Projects:

- Infrastructure: highways, natural gas, education & skill development;
- Economic development – entrepreneurship training;
- Work with industry – existing capacity;
- Collaborate resources;
- Repair & upgrade roads, build new roads to remote communities;
- Training that leads to employment;
- Training for employed people, not just unemployed people;
- Water & sewer infrastructure;
- Value added – nuclear energy;
- Build the traditional economies;
- Forestry – value added with energy focus;
- Explore other energies: wind, sun, oil, gas;
- Tourism – eco tourism – build ties to traditional economies;
- Skills sharing – development;
- Reduce regulations – currently not conducive to development;
- Centre of Excellence in the North – education system upgrades;
- Traditional resources expanded, re-introduced and revitalized;
- Review existing stalled projects, help to move forward: (i.e. Fort McMurray road and Athabasca roads);
- Identify gaps within the region: water and sewer, bands, 3 phase power requirements, natural gas;
- Boreal forest: inventory, develop and market;
- Encourage business start ups, and training needs;
- Branding northern Saskatchewan;
- Inventory of assets;
- Tourism development;
- Understanding an inventory of regional strengths (SWOT Analysis);
- Training of economic development officers;
- Review government policies conducive to northern economic development and North in general;

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- Building better relationships between First Nations and Métis, school divisions, training institutions, government, etc.;
- Identifying green economic development opportunities;
- Board training and development;
- Leadership training;
- Branding northern products;
- Tourism product development;
- Educating government about the North; and
- Build and support the commercial fishing industry.

Priorities:

- Road maintenance, training to lead to employment or connected to employment;
- Make all communities accessible by all season roads;
- Infrastructure (water and sewer) for those that don't have it;
- University or training centre in the North;
- High schools in far northern communities;
- Barge in stony very costly;
- Commercial fishing, tourism infrastructure, entrepreneurial training;
- Capitalize on regional strengths and knowledge;
- Transportation that's supportive of goods and services; and
- Training: becoming competitive and building capacity.

2. How can the North better collaborate to achieve community and business competitiveness? What has to happen to ensure success? What do we need to stop doing? What actions or new approaches do we need to take immediately?

- Skills development;
- Working together;
- Economic development officer for the region: expertise, bring in someone from the outside;
- Partner with different lenders;
- Consult with the public and communities before decisions are made;
- Open land for development – with community consultations;
- Stop the paternalistic attitude in government;
- Stop the lack of trust attitude;
- Regional protectionism, jurisdictional issues, federal, provincial, First Nation and Métis;
- Stop working in pockets or stove pipe isolated methods;
- Work with business more and politicians less;
- Industry needs to be the driving force;

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- Expand dialogue of leaders – different regions share information; and
- Inclusive decision making with emphasis on youth.

3. What are the similarities and differences in each of the proposed regions?

Similarities:

- Training needs are huge across all regions;
- Lack of Government commitment to support initiatives (i.e. Government changes or politician changes);
- No university in the North;
- Infrastructure is decades behind the rest of the province;
- Quality of life below standard;
- Infrastructure needs to improve to encourage economic development;
- One major industry;
- Employment issues;
- Large aboriginal population;
- Harvesting, fishing, trapping, nuclear;
- Resources – lack of training;
- Road conditions;
- Lack of early childhood development;
- Labour – low employment;
- Social problems;
- Lack of affordable housing;
- Traditional economies;
- Recruiting and retaining professional medical staff;
- Mining industry employs northerners from across the North; and
- Build on similarities.

Differences:

- Comparing the North:
 - Eastside – slim pickings and opportunities
 - Central – government and other services
 - Far North – remoteness, good working relations between communities.
 - Westside – opportunities for employment in Alberta and in the Oil Sands ;
- Demographics and cultures are different across the North;
- Cultural differences between regions;
- Medical services;
- Athabasca - isolation and uranium mines;

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- Westside – Métis, Alberta, forestry;
- Athabasca is united through Athabasca Economic Development and Training Corporation (AEDTC);
- La Ronge – Government based and Kitsaki;
- Public transportation stops are limited in the North;
- Quality of life is dependent on employment opportunities;
- Infrastructure needs;
- East – West road routes;
- Resources – no Athabasca regional training trades school;
- Some communities have banking institutions;
- Health services;
- Education levels; and
- Limited roads and infrastructure in remote communities.

4. What are the advantages and disadvantages of one, two and three regions?

Supporting information from FNMR, for the purposes of discussion, was provided at each regional dialogue to suggest how ER boundaries could be developed in northern Saskatchewan.

In setting up the southern ER boundaries in Saskatchewan four principles were developed, and to be applied to the entire province. This exercise could be characterized as a mixture of science and art.

The “science” was the choice of the regions according to the following principles:

1. Each region should contain a major urban centre.
2. Regions would not cross “natural” boundaries like rivers.
3. Regions would encompass the “commuter shed” for the major urban centre. That is, regions would be chosen in such a way that they included the population that commutes regularly into the central urban centre to work.
4. To the extent possible, regional economic development initiatives that were successful would not be unduly disrupted by the formation of the new ER.

The “art” came in interpreting these principles and managing situations where they were in conflict. It makes sense to apply the same principles in northern Saskatchewan, and a similar mix of art and science is needed.

There are unique characteristics in the North that make a direct application of these principles to ERs in the North difficult. The two most important for this

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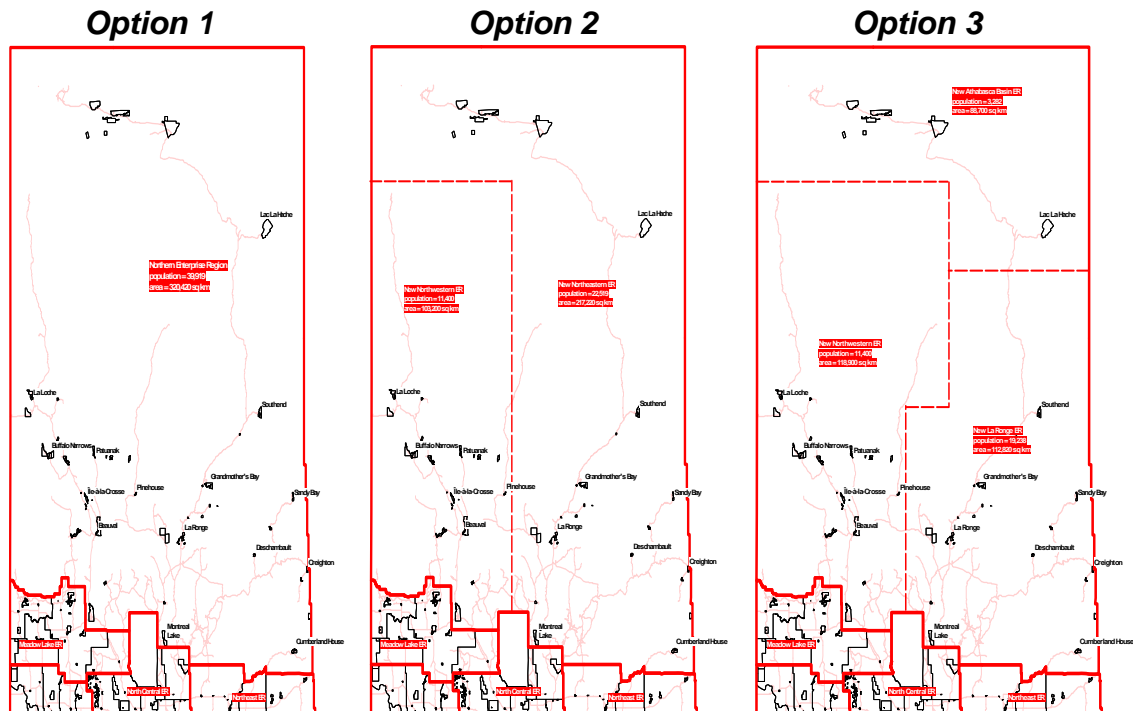
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exercise are the jurisdictional issue and the relative scarcity of population. The jurisdictional issue is the fact that the NAD has a provincial program delivery cutting across Ministries via the Northern Affairs Division of FNMR. The NAD line is also used by Statistics Canada for data dissemination making the North a single “census division”.

Secondly, the population in the North is widely dispersed over a very large area and there is really only one major urban centre – the complex of towns/villages and First Nations around La Ronge. Averaged over the NAD, the population density is 0.1 persons/km² compared with 2.9 persons/km² for southern Saskatchewan. The total population of 33,919 (based on 2006 census data) is about twice the size of the smallest ER in southern Saskatchewan (Meadow Lake) with a population of 15,390.

Other aspects of the North are not that much different from the south. The natural boundaries still exist and are compounded by a lack of roads; some commuting is necessary by air. There are existing economic development initiatives which some have argued should not be disrupted by a new ER. We should also be cognizant of the two northern Tribal Councils and avoid splitting the member First Nations in different ERs, unless necessary.

The three options proposed by FNMR for discussion purposes included:



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Option 1: In this option, the entire NAD is an Enterprise Region.

Option 2: This option has the NAD divided into two regions that follow the Community Futures boundaries as well as the split between Meadow Lake Tribal Council and Prince Albert Grand Council.

Option 3: This option divided the NAD into three regions including one in the Athabasca Basin, Westside, and Central/Eastside.

All regional representatives were asked to break out into table discussions to provide their opinions on how many ER regions would be required for success. The discussion presented the following pros and cons for each region:

	One Region	Two Regions	Three Regions
Pros	<ul style="list-style-type: none"> • This is the simplest option. • The region would have significant amount of base funding. 	<ul style="list-style-type: none"> • The boundaries are close to the Community Futures Development Corporations. 	<ul style="list-style-type: none"> • This option best reflects how the North operates. • The Athabasca Basin has separate commuting patterns in the sense that the communities are all effectively fly-in. • Keeping the Athabasca Basin separate avoids disrupting the initiative. • There are three different resource bases in each region. • Spreads the development around. • Can work on specific projects together. • Facilitate a North wide annual conference. • Allows for continuation of projects in all regions. • Share resources and ideas.

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Cons	<ul style="list-style-type: none"> Using the principle of commuting patterns, there is really no statistical basis for treating the NAD as a single ER. One region would get bogged down with many projects that need too many resources. Physical size of the region would make administration difficult. There are too many different industries. 	<ul style="list-style-type: none"> The physical size of the Central East region would make administration difficult. Athabasca area has very few connections with Central East. Existing RDC is well established, this scenario would be a setback. Using the principle of commuting patterns, fly in communities in the far North should be treated separately from communities in La Ronge. 	<ul style="list-style-type: none"> The Athabasca Basin has only 3,300 residents which is smaller than some large towns in southern Saskatchewan, and only a bit larger than the town of La Ronge Athabasca is small and remote with low population.
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Note: Other suggestions for ER organization and boundary development were provided by the participants and included: One ER with three to five sub-offices.

Stakeholder Consensus on Number of Regions

Through consensus on the July 7, 2009, stakeholder meeting, it was agreed that three regions were the most appropriate number of regions to establish as ERs in the North. Having only one or two regions in the North posed administration challenges; and was not seen as an appropriate solution to meet the needs of the entire North and achieve economic development success. It was determined that a three region concept was best for: effectiveness and efficiency due to the large geography; regional differences, and industry needs for each region. Each region also had different priorities; and required different strategies to achieve business and industry competitiveness.

A discussion on boundaries for three ERs in the North also took place, resulting in the map that follows. Please note that this is not a final or approved map for ERs in northern Saskatchewan. It has only been developed for visual and discussion purposes for northern stakeholders and the Ministry of FNMR.

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Proposed Boundaries for Enterprise Regions in the North

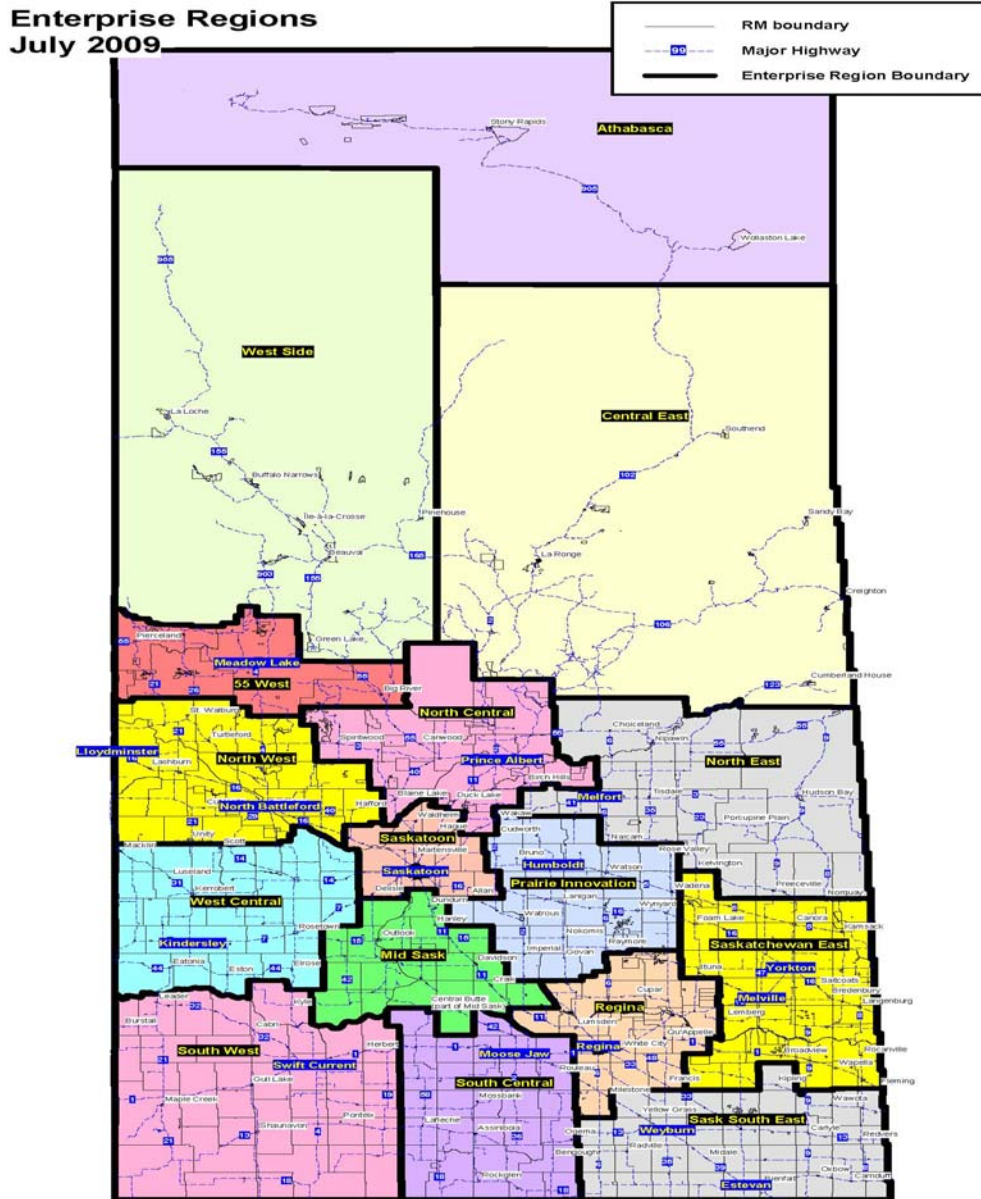


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Proposed Map of Enterprise Regions in Saskatchewan

Note: This is a proposed map of Enterprise Regions to be developed in Saskatchewan. To date, only the 13 ERs and their respective boundaries in the south, below the NAD have been established.



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FUNDING IMPLICATIONS

Funding Formula

The Ministry of FNMR has developed a funding formula based on a flat amount, the physical area of the region and the population. This is the same funding formula that has been applied to the establishment of the southern ERs. Each approved ER receives: \$100,000 in base funding, with up to an additional \$100,000 of matching funding, if local sources are found; plus \$3.25 per person; and \$1.164 per square km.

Funding Level	Operating Funding Item
\$100,000 each region	Annual Base Funding
\$3.25 per capita	Population Funding
\$1.164 per square km	Geography Funding
\$100,000 each region	50-50 Matching Funding

With the implementation of three ERs in the North, the funding implications for each would be represented as follows (kilometer and population calculations per region were prepared by Doug Elliot of SaskTrends Monitor and based on 2006 Census Data).

Regional Allocation

Westside

Annual base funding	\$100,000
Population 11,405 @ \$3.25	\$37,066
Area: 108,900 km ² @ \$1.164	\$126,759
Matching funding	\$100,000

Total	\$363,825
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Central East

Annual base funding	\$100,000
Total population 19,013 @ \$3.25	\$61,792
Area: 122,300 km ² @ \$1.164	\$142,357
Matching funding	\$100,000

<i>Total</i>	\$404,149
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Athabasca

Annual base funding	\$100,000
Total population 3,501 @ \$3.25	\$11,378
Area: 88,700 km ² @ \$1.164	\$103,246
Matching funding	\$100,000

<i>Total</i>	\$314,624
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THE NEXT STEPS

Enterprise Region Formation Process

The next steps to be taken in the development of Enterprise Regions in the North are determinant upon Enterprise Region program funding for 2010-11.

Staff from FNMR will be available to work with the MSWGs to carry through the three phases required in the formation of an ER. Support materials will be made available to the MSWGs and also will include:

- How-to Guide/ER Development Kit, containing operating application and program requirements, sample documents and templates (business plan, multi year strategic plan, needs assessment, implementation plan, communication and marketing plan, and community investment profiles).
- Governance Kit with sample forms (board nomination process, code of ethics, and declaration of interest), by-laws and policy manual.
- Human Resources Kit containing sample documents (job descriptions, human resources policy with compensation and training schedules, interview guides and performance appraisal forms) which will be provided to designated representatives of the MSWG.

With the aid of a professional facilitator, each MSWG will be required to develop an industry needs assessment, strategic plan and operating plan for the ER, establish effective governance, recruit human resources, and develop operation policies.

Each MSWG will determine their own operating requirements such as frequency of meetings, location of meeting, use of conference calls, sub committees, etc. Depending on the number of individuals involved, the MSWG will determine what committees it desires (e.g. governance, human resources, finance, stakeholder engagement, planning, etc.).

The MSWG will act and work towards getting the initial ER board in place. Best effort will be made to engage a balance of regional stakeholders from key business sectors, community-based entities, and market based entities. Each ER board will determine their membership structure, fees, and method of representation. The ER board of directors will have final authority on approval of documentation that meets the program guidelines. Start-up time for implementing an ER will vary from region to region based on the readiness of the region. Groups may advance faster or slower depending on their needs and adopted development process.

The three stages in the ER formation process are as follows:

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Stage One - Regional identification and establishing partnership

- Working group formation
 - Representation
 - Key business sectors
 - Community-based entities
 - Market based entities
- Initial point of contact for initial working group selected
- Establishing partnerships
 - Inclusiveness to seek MSWG participation and representation
 - Drawing on key stakeholders expertise and involvement
- Service delivery boundaries identified

Update:

To date five northern consultations have been completed, and a number of community, business and institutional leaders have come forward and signed up/volunteered to be part of the MSWG to complete the development of the ER formation process in their respective area.

The development of three ERs in the north has been approved. However, the required operational budget has yet to be obtained by FNMR. Meetings of each initial working group will take place in the near future, and additional representation will be sought out to balance the mixture of stakeholders and skill sets. The MSWG will then be tasked to complete the steps in proceeding with an ER application.

Stage Two - Organizational development and needs assessment (followed by the operating funding application review)

- Engage an independent third party facilitator
- Planning and strategy development
 - Strategic SWOT analysis and past strategies review
 - Strong governance structure
 - Establishing policies, committees, and assigning responsibilities
 - Needs assessment for key sectors within the region
 - Multi-year strategic plan
 - Business plan – implementation strategy
 - Human resources plan, including a recruitment strategy
- Appoint or elect a balanced board of directors
- Submit application to FNMR for approval of core funding from the ER program

Stage Three – Implementation (start-up and establish regular operations of the Enterprise Region)

- Start-up activities
 - First ER board meeting

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- Execute, adopt, authorize, and approve key documents
- Recruitment and hiring of CEO and staff
- Open offices / service locations
- Training for the CEO, Economic Development Officer, board and staff
- Commence regular operations
 - Ongoing stakeholder engagement and fulfillment
 - Adopt strategies and activities for growth
 - Direct, refine, and implement plans
 - Develop investment materials
 - Performance management and accountability

Application submissions to form an ER will be assessed by:

- The completeness of the documentation provided.
- The inclusiveness of activities to seek participation and MSWG representation from key business sectors, community-based entities, and market-based entities.
- A clear recognition and strategy to provide service to the entire region.
- Documentation confirming the participation and firm levels of commitment from key business sectors, community based entities including RDC's, CED agencies, and market-based entities such as post secondary institutions.
- The Ministry of FNMR internal review committee will advise on the level of changes, if any, required to revise the application in order to receive written authorization recognizing the MSWG and enabling the formation process to proceed to the next stage.
- Once the incorporation process of the ER is complete and operating funding approval has been received, implementation of the ER will begin.

Conclusion

Participants from the ER dialogues are invited to review this document and let FNMR know if their views have been adequately represented. A place will also be provided on the Ministry's website for participants and others to provide comments and input. Feedback from participants and other stakeholders will be will continue to be used by the Ministry to expand on its strategy to build high performing ERs in the North.

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