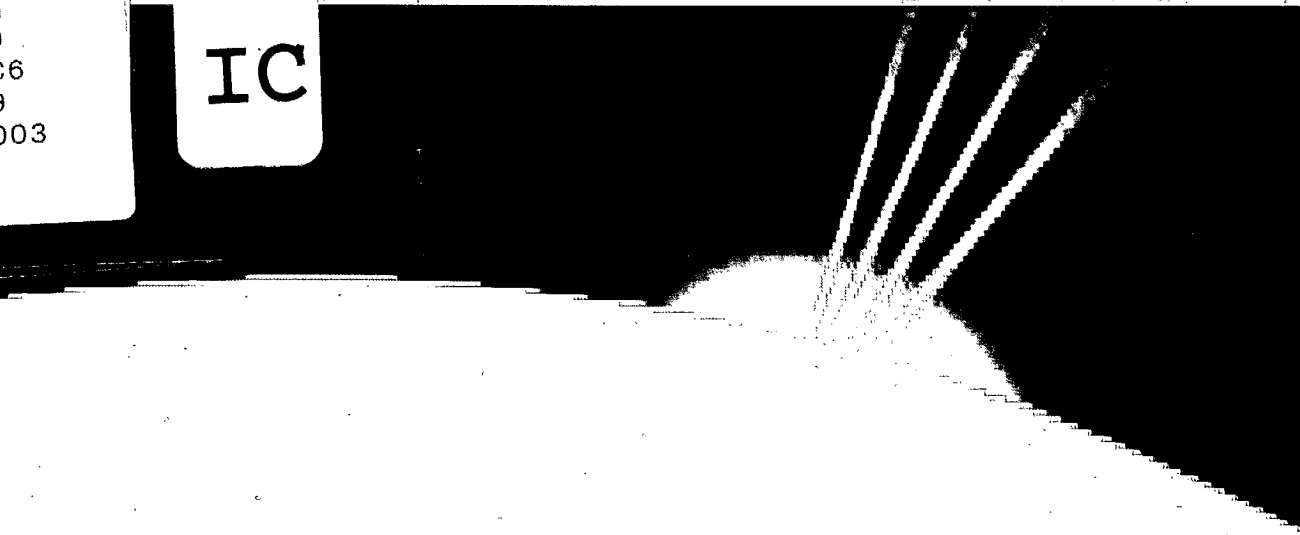


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**- Final Report -**

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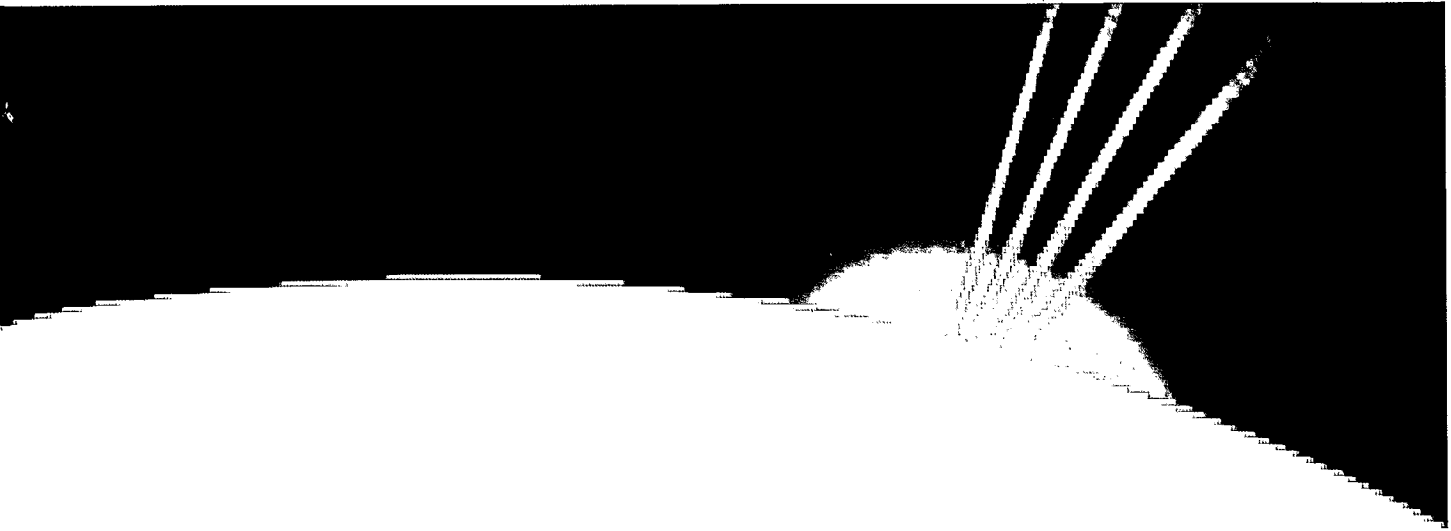
Performance Management Network Inc.

**March 31, 2003**



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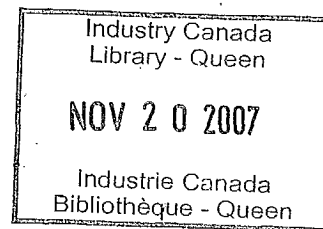


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## **List of Acronyms**

The acronyms used throughout this report are provided below, in alphabetical order.

AAFC	Agriculture and Agri-Food Canada
ABC	Aboriginal Business Canada
ACOA	Atlantic Canada Opportunities Agency
BDC	Business Development Corporation
BEDO	Band Economic Development Officer
CAP	Community Access Program
CED	Community Economic Development
CED-Q	Community Economic Development for the Regions of Quebec
CF	Community Futures
CFDC	Community Futures Development Corporation
COBSC	Canada-Ontario Business Service Centre
EDC	Export Development Corporation
EDO	Economic Development Officer
EI	Employment Insurance
FTE	Full-Time Equivalent
HRDC	Human Resources Development Canada
IC	Industry Canada
INAC	Indian and Northern Affairs Canada
IRAP	Industrial Research Assistance Program
KBE	Knowledge-Based Economy
LLMP	Local Labour Market Partnerships
MEDT	Ministry of Economic Development and Trade
MP	Member of Parliament
NEBS	New Exporters to Border States Program
NRC	National Research Centre
OACFDC	Ontario Association of Community Futures Development Corporations
OMAFRA	Ontario Ministry of Agriculture, Food and Rural Affairs
RCBDI	Regional Centre for Business Development and Innovation
RDA	Regional Development Agency
SEB	Self-Employment Benefit Program
TBS	Treasury Board Secretariat
TEA	The Exceptional Assistant Software
WD	Western Diversification

## **Executive Summary**

### *Summary Overview of Conclusions and Recommendations*

This study involved a fairly long list of issues which were developed to ensure that consistency in coverage of evaluation issues could be ensured across all organizations administering the Community Futures (CF) program. In order to summarize the findings, conclusions and recommendations for these issues, even the Executive Summary is fairly long and detailed. This summary overview therefore presents the reader with a very brief summary overview of the conclusions and recommendations under the three issue categories outlined in the recently revised Treasury Board Secretariat Evaluation Policy, that is according to relevance, success, and cost-effectiveness.

▶ **Relevance:**

The overall conclusion regarding relevance is that ***the program is relevant***. There is a need for the CF program to provide community capacity building at the community level through Community Economic Development (CED) and strategic planning services, business development services to SMEs, entrepreneurs and individuals, as well as access to capital. These needs are best filled by the CFDCs because of their local knowledge and presence as well as their ability to provide services that address the range of aforementioned needs. Given the blend of services offered through the CF program and the low or lack of local presence of other governmental and non-governmental organizations in the areas covered by the program in Ontario, the program does not duplicate or overlap others. It does, however, complement a wide range of federal as well as some provincial initiatives.

▶ **Success:**

Again, the overall conclusion regarding this issue category is that ***the program is successful***. The program is becoming more visible through enhanced promotional activities. It is reaching youth, women, Aboriginal people, Francophones where there has been an identified need to reach these groups. Its geographic coverage is adequate. And, most importantly, the program is making a difference: it has resulted in new businesses being created, others being maintained or expanded; it had resulted in new jobs being created (over a period of less than three years, the jobs created as a result of the CF program in Ontario represent almost 1% of the total labour force in non-metropolitan regions of Ontario!) and in jobs being maintained. Those benefiting from the services of the Community Futures Development Corporations (CFDC) are well satisfied with these services. In addition, there were no significant negative impacts and effects identified. In

summary, there does not appear to be much wrong with this program from the perspective of success.

► **Cost-Effectiveness:**

Again, the overall conclusion is that this *program is cost-effective*. While there are areas of improvement, the program does not duplicate others. Its delivery, through a network of 57 CFDCs throughout Ontario, relies on hundreds of volunteers giving thousands of hours of their time to help this program be successful. This makes the program cost-effective. The program has undergone some growing pains as a result of its delivery structure, implementation of a performance measurement system, and other federal requirements, such as meeting the requirements of the *Official Languages Act*. However, it appears that Industry Canada / FedNor management, in collaboration with the CFDCs, has implemented solutions to many of these problems.

The key recommendations stemming from the evaluation are therefore *to continue the program with its existing delivery structure and range of services through CFDCs and to ensure that it is appropriately resourced to do so*. Other recommendations resulting from this evaluation are aimed at helping management improve in specific aspects of design and delivery and thus be more successful.

***Evaluation and CF Program Overview***

In 1995, the Community Futures (CF) program was transferred from Human Resources Development Canada to Industry Canada (IC) and to the three regional development agencies (Atlantic Canada Opportunities Agency – ACOA, Community Economic Development for the Regions of Quebec – CED, and Western Diversification – WD) and FedNor. An evaluation framework was developed for the CF program in Ontario in 1998.

Additional funding for the CF program was approved in May 2000 for \$90 million over five years. As a condition of approval, the Treasury Board Secretariat (TBS) required that the Regional Development Agencies (RDAs) and FedNor provide TBS with an evaluation framework by May 18, 2001 and a program evaluation before May 18, 2003.

The CF program, a community economic development program, helps rural communities to develop and implement a long-term community strategic plan leading to the sustainable development of their local economy. In Ontario, the program is administered by Industry Canada / FedNor and supports the Community Futures Development Corporations (CFDC) which provide services at the local community levels. At the time of this evaluation, there were 57 CFDCs throughout non-metropolitan Ontario.

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CFDCs are incorporated non-profit organizations governed by local volunteer boards of directors that represent various community interests. With federal contributions and the guidance and support of Industry Canada / FedNor's Community Economic Development (CED) officers, local CFDCs pursue their own priorities and strategies for development by creating and implementing a community strategic plan in co-operation with their partners. CFDCs employ professional staff to work with their partners to assemble and co-ordinate the necessary skills and funds to plan and complete projects that build the foundation for a stronger local economy as envisioned in the community plan. They also provide advice, information and referral service to local businesses and entrepreneurs. CFDCs also provide access to capital for small business financing by operating locally governed investment funds, that can provide loans, loan guarantees or equity investments for business start-up, expansion or stabilization.

*(For more information on the CF program, please refer to Section 1.0 of the report.)*

### ***Methodology***

The issues included in this evaluation were those identified in a Generic Evaluation Framework developed to establish a common basis on which to roll-up / aggregate performance information and results for the CF program as a whole. Issues of particular importance to Industry Canada / FedNor management were also included.

The specific methodologies included in the evaluation of the CF program in Ontario were:

- ▶ review of documents received from Industry Canada / FedNor;
- ▶ a survey of a sample of 417 clients from 44 of the 57 CFDCs;
- ▶ in-depth telephone interviews with 26 chairpersons or other Board members and 35 CFDC managers or other key representatives;
- ▶ in-depth in-person or telephone interviews with 22 Industry Canada / FedNor managers and staff;
- ▶ in-depth telephone interviews with 20 stakeholders with an interest in the CF program, CFDCs, or Community Economic Development (CED) who are not directly involved in the program; and,
- ▶ 5 case studies highlighting the success of CED / community strategic planning initiatives.

*(For more information on the evaluation issues and methodologies, please refer to Section 2.0 of the report.)*

***Issue 1: Rationale / Relevance***

**Questions:**

Is there a need for the CF program?

Does the CF program complement, duplicate or overlap other federal government programs?

**Findings:**

The information gathered from all sources provided consistent evidence that there is a great need for the Community Futures program to provide: community capacity building through Community Economic Development (CED) and strategic planning services; business development services to SMEs, entrepreneurs and individuals; and access to capital. There is also a need for promotion, information and access to government services to SMEs, entrepreneurs, individuals and communities. These services are deemed as complementary.

The survey of CFDC clients provided evidence that there is a great need for all three of these key services provided by CFDCs. On an importance scale of 1 (not at all) to 10 (extremely), the lowest rating was for business or information services, which received an average rating of 9.2. Community strategic planning and implementation received an average rating of 9.5. The highest average importance rating was given for access to capital (9.7 out of a maximum of 10).

CFDC managers and Board members, Industry Canada / FedNor managers and staff, and stakeholders all agreed that the three services were extremely important for a wide range of reasons. Community strategic planning was deemed to be an important role of the CFDCs because: many municipalities do not have this capacity; the planning exercise coordinated by the CFDCs is not focussed on the individual municipalities but rather on the entire region served by the CFDC, therefore resulting in more coordinated efforts and less duplication; and the CFDCs have the credibility and capacity to bring together parties who otherwise would not participate in joint community strategic planning.

The provision of business services was also deemed important by all groups interviewed for a wide range of reasons. It was, for example, consistently noted that these services were often not available through any other local source, particularly in smaller or more remote communities. In addition, these services were noted to be important in the context of other CF program services such as access to capital.

Finally, access to capital was deemed critical because traditional financial institutions were often not there (both physically and in their support) for the businesses in the communities served by

CFDCs. In addition, these other sources of business financing often supplemented the financing provided by the CFDCs. A key point made regarding the strength of CFDCs in addressing this need was the fact that the decisions were made by local individuals who were in a better position to understand the circumstances affecting the individual businesses.

The study results also indicate that the CF program does not duplicate or overlap other federal (or even provincial) programs. Rather, CFDC representatives, Industry Canada / FedNor staff, and stakeholders alike believed that the CF program complements others such as the National Research Council's Industrial Research Assistance Program (NRC's IRAP), Human Resource Development Canada's Self-Employment Benefits (HRDC SEB) program, as well as several within Industry Canada. In addition, the program does not compete with financial institutions; rather, it complements these services.

### **Conclusions and Recommendations:**

There is a need for the CF program to provide community capacity building at the community level through Community Economic Development (CED) and strategic planning services, business development services to SMEs, entrepreneurs and individuals, as well as access to capital. These needs are best filled by the CFDCs because of their local knowledge and presence as well as their ability to provide services that address the range of aforementioned needs. That is, one critical success factors to the CF program is the fact that CFDCs can offer local solutions to local problems, whether these problems are macro (community capacity building at the community level) or micro (business development services and access to capital). Another critical success factor to the CF program is the broad range of services offered through one local organization (i.e., the CFDC). That is, access to capital is better done in the context of the needs identified in the community strategic plans; business development services complement access to capital and thus enhance the likelihood of success of the individual business; etc.

**Recommendation 1: It is recommended that the CF program in Ontario be continued with its existing delivery structure and range of services offered through CFDCs.**

Given the blend of services offered through the CF program and the low or lack of local presence of other governmental and non-governmental organizations in the areas covered by the program in Ontario, the program does not duplicate or overlap others. It does, however, complement a wide range of federal and some provincial initiatives as well as the services provided by financial institutions.

**No new recommendation is required (see recommendation 1).**

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*(For more information on the issue of rationale / relevance, please refer to Section 3.0 of the report.)*

***Issue 2: Objectives Achievement***

**Questions:**

Are the objectives of the CF program still relevant?

To what extent has the CF program achieved its objectives?

- ▶ To what extent has the program been promoted?
- ▶ To what extent has the program undertaken youth initiatives?
- ▶ To what extent has the program developed rural / local partnerships?
- ▶ To what extent has the program provided geographic coverage?
- ▶ To what extent has the program implemented new CED initiatives?

Are the objectives of the CFDCs consistent with the objectives of the CF program, Industry Canada and FedNor?

How in tune are the CF program objectives with other government priorities?

**Findings:**

The overall CF program objectives are to support community economic development by assisting communities to develop and diversify through community strategic planning, business or information services, and access to capital. The survey of CFDC clients indicates that these objectives are extremely important and, therefore, relevant. CFDC managers, Board members, Industry Canada / FedNor management, staff and stakeholders all believe that these objectives are critical. Community strategic planning was believed to still be relevant because of a lack of other capacity in the communities and this is an ongoing need. Business or information services were deemed relevant by all groups of interviewees because they: are the only business or information services; are better than the existing ones; or complement others. Finally, access to capital was believed to still be relevant given the lack of other such services and / or the difficulty for small businesses in accessing capital through financial institutions.

According to CFDC representatives, the CF program is well promoted through word of mouth, participation in community events, and numerous other promotional activities. The majority of CFDC representatives indicated that the common identifier initiative has helped them promote the program in their communities. Industry Canada / FedNor management and staff indicated

that, at the CFDC level, program promotion was greatly dependent on the individual CFDC and its Board. On the other hand, at the provincial level, Industry Canada / FedNor representatives noted that a lot was being done (common identifier initiative, advertising campaign in collaboration with the Ontario Association of CFDCs (OACFDC), Small Business Week, marketing funds for communications strategy, etc.) but that a lot of this was more recent. There was some expressed concern that if too much was invested into promotional efforts, CFDCs may not be able to meet the resulting new client demands.

The results from the Industry Canada / FedNor and CFDC interviews indicate that the level of efforts in terms of youth initiatives varies from one CFDC to another. Both groups of interviewees indicated that in some cases a lot was being done whereas in other cases youth were integrated with all other clients and no special initiatives were in place. Nonetheless, the findings are that there are a lot of different types of youth-related activities undertaken by some CFDCs. Some are financial (lower interest rates, micro loans), some are counselling / training (young entrepreneurship training, special mentoring, youth camps), and others are work related (HRDC, youth interns). There are also awards programs (Junior Achievement Awards, bursary programs) and school-based activities (visits to schools).

The CFDC, Industry Canada / FedNor and stakeholder interview findings regarding the development of local partnerships are quite positive. All groups agree that the CFDCs have been very successful in this regard as demonstrated through a wide range of examples of partnerships with federal, provincial and municipal governments as well as community groups. All groups noted that the CFDCs had been critical in many instances in bringing together partners who otherwise would never work together. Two of the case studies illustrate this particularly well (the Regional Centre for Business Development and Innovation in Lanark North Leeds which brings together five separate federal and provincial agencies to serve the region; and the First Nations Business Development Officer Training which involves community leaders and chiefs from 27 First Nations).

It is believed by CFDCs, Industry Canada / FedNor and stakeholders alike that, in general, the program's geographic coverage is adequate. With the advent of the goal of universal rural coverage, significant inroads have been made, according to many. Nonetheless, there was expressed concern from some CFDC and Industry Canada / FedNor representatives that there were inequities in some of the catchment areas from two perspectives. First, some cover very large, geographically dispersed areas and this is noted as a problem because of the costs involved in bringing together the Boards of Directors as well as in reaching clients. Second, some CFDCs are providing services to a population of less than 25,000 people whereas others have more than 100,000 people in their catchment area. It was, however, noted by some Industry Canada / FedNor representatives that these larger catchment areas were normally close to large



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metropolitan areas and, as such, there were other business services available to complement those CFDCs.

The CFDC managers, Board members, Industry Canada / FedNor management, staff and stakeholders all noted that the program had been extremely successful in implementing new (incremental) CED initiatives. Several examples were provided by the interviewees in this regard.

CFDC managers, Board members, Industry Canada / FedNor management and staff all noted during the interviews that they believed that the objectives of the CFDCs were consistent with the objectives of the CF program, Industry Canada and FedNor. In addition, Industry Canada / FedNor management and staff believed that its objectives must also be aligned with other government priorities such as economic development and innovation since the program has been around for more than 15 years.

### **Conclusions and Recommendations:**

The objective of the CF program is to support community economic development by assisting communities to develop and diversify their communities through community strategic planning, business or information services, and access to capital. This objective is not only relevant, but significant progress has been made towards its achievement through promotion of the program, youth initiatives, the development of rural / local partnerships, adequate geographic coverage as well as the implementation of CED initiatives.

#### **No new recommendation is required (see recommendation 1).**

CFDC-specific promotional activities are sometimes excellent and at other times poor. Industry Canada / FedNor is making efforts, through such initiatives as providing marketing funds and clearer agreements with CFDCs regarding communications, to improve the quality of promotional activities undertaken by the individual CFDCs across the province. It is too early to assess the success of these initiatives. Program-specific promotional activities, while limited in the past, are now starting to be more evident as a result of the common identifier initiative, a more active role played by the OACFDC, as well as other Industry Canada / FedNor marketing initiatives. It is too early to fully assess the effectiveness of these initiatives but at this early stage they are well received.

**Recommendation 2: It is recommended that Industry Canada / FedNor continue to make efforts, both at the program level and with individual CFDCs, to help improve the quantity and quality of promotional activities. Existing promotional activities at the provincial level should continue to be offered and enhanced.**

**Recommendation 3:** It is also recommended that Industry Canada / FedNor monitor the effectiveness of some of the newer promotional initiatives such as marketing funds, clearer agreements with CFDCs, and the common identifier initiative to gauge their impacts at the program level as well as for individual CFDCs.

The quantity and quality of youth initiatives are inconsistent across CFDCs. Some CFDCs do not believe that they should be targeting youth while others do not feel there is a need to do so. Nonetheless, a significant number of CFDCs recognize the importance of youth initiatives, particularly given the extent of youth out-migration, and have therefore successfully implementing a wide-range of youth initiatives.

**Recommendation 4:** It is therefore recommended that Industry Canada / FedNor encourage more emphasis on youth by providing opportunities for sharing best practices in regard to youth-related initiatives and integrating youth initiatives into reporting requirements.

The development of rural / local partnerships and the implementation of CED initiatives are an integral part of this program and the CFDCs have been extremely successful at this. This is due to hard work within the community and the credibility of the CFDCs in the communities they are serving.

**No new recommendation is required (see recommendation 1).**

Particularly with the advent of the goal of universal rural coverage, Industry Canada / FedNor has been successful in providing adequate geographic coverage. However, there are challenges with the size of some of the catchment areas (land or population base) which appear to have implications for successful delivery.

**Recommendation 5:** Industry Canada / FedNor should continue to monitor the appropriateness of the size (geographic area or population) of individual CFDC catchment areas and, where required, either provide additional resources or change the geographic boundaries.

The objectives of the CFDCs are consistent with those of the CF program, Industry Canada and FedNor. In addition, the CF program objectives are well aligned with other government priorities.

**No new recommendation is required (see recommendation 1).**

*(For more information on objectives achievement, please refer to Section 4.0 of the report.)*

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***Issue 3: Program Design / Delivery***

**Questions:**

Has the CF program contributed to an increased awareness of government programs and services by businesses, business intermediaries and communities?

Has the CF program contributed to an increased awareness of local issues?

Are the objectives and desired outcomes of the CF program clearly identified and agreed upon?

What activities have been added, modified or discontinued in terms of the CF program? Are there adequate resources for these activities?

What has worked in the CF program and what could be improved?

To what extent is there federal visibility in the delivery of programs / services?

What factors have facilitated / impeded implementation of the CF program?

Is the CF program the most appropriate approach to achieve the objectives and intended results?

Has Industry Canada / FedNor taken the necessary measures to meet its intended objectives (i.e., planning and training)?

**Findings:**

Feedback received from CFDCs and Industry Canada / FedNor indicates that the CFDCs are helping increase awareness of government programs and services in several ways. First, they are delivering some of these programs (e.g., Canada-Ontario Business Service Centre – COBSC, Community Access Program – CAP, SEB). In other cases, interviewees noted that the CFDCs are partnering with other government programs while in other cases still they are referring clients to others. Some of the programs and departments that have benefited from CF program activities include Industry Canada / FedNor, Environment Canada, and AAFC (Canadian Rural Partnerships).

CFDC representatives noted that, through their direct involvement in community strategic planning, they were able to help raise the profile of some of the specific issues affecting the local communities. Industry Canada / FedNor representatives noted that CFDCs played a major role in, not only raising the profile of the issues which affected the communities, but in also working

with the communities to find and implement solutions to these issues. The stakeholders also noted that the CFDCs helped increase awareness of local issues.

The CFDCs and Industry Canada / FedNor consistently indicated that they believed the objectives and desired outcomes of the CF program were clearly identified and agreed upon. It was noted by one Industry Canada / FedNor staff that no one ever argued about the objectives of the program.

According to CFDCs, Industry Canada / FedNor and stakeholders, there have been a wide ranging number of activities added or modified in terms of the CF program. While many have been discretionary, most have been added and few have been discontinued. Some of the discretionary ones added include the common identifier initiative, the investment pool in the Northeast region, export development opportunities, the support for innovation and knowledge-based economy (KBE) activities, and others. Some of the non-discretionary ones include the need to provide bilingual services for some CFDCs, the goal of universal rural coverage, and others. It was agreed by all groups of interviewees that it was difficult to provide all the services required within the available resources. The extensive contribution of the volunteer Board members in being able to deliver more than CFDCs otherwise would be able to within the allocated resources was consistently noted. There was concern expressed that these efforts were not always sufficiently recognized or appreciated.

According to CFDC clients, some of the aspects of this program that work particularly well are its staff, the fact that the CFDCs are locally driven / community focussed, as well as the access to capital. CFDC representatives agreed that the community focus of this program is what makes it work. Industry Canada / FedNor management and staff also concurred with clients that program staff (CFDC and Industry Canada / FedNor), volunteers, and the community focus were strong aspects of this program. The stakeholders provided similar feedback. On the other hand, areas of improvement were identified by all. CFDC clients had few suggestions for improvements, but the most predominant ones were the need for lower interest rates (13% of all respondents), more money in general (9% – this was also noted by CFDCs, Industry Canada / FedNor and stakeholders) and more advertising (9% – this was also noted by some stakeholders). CFDCs, Industry Canada / FedNor and stakeholders also noted that the reporting requirements needed to be better coordinated. CFDCs also noted the need to provide more opportunities for sharing, whereas Industry Canada / FedNor noted some difficulties with some Boards of Directors and with geographic distributions.

CFDC and Industry Canada / FedNor representatives consistently indicated that CFDCs were doing as much as they could to ensure that the federal government was visible in the delivery of the CF program. This was done through federal government acknowledgements in pretty well

everything the CFDCs did that was related to the program. It was also noted by staff that, through the delivery of other federal programs, CFDCs were increasing federal visibility.

CFDC manager and Board members generally reported similar facilitating and impeding factors to those noted by Industry Canada / FedNor management and staff. In terms of facilitators, the following key points were made by the two groups:

- ▶ partnerships are key (CFDCs with others, Industry Canada / FedNor with CFDCs);
- ▶ promotion has helped (common identifier initiative in particular);
- ▶ local decision-making is key (grassroots program, local Boards of Directors); and,
- ▶ the complementarity of services provided.

The key points made regarding the impeding factors were:

- ▶ the costs involved with implementation of the *Official Languages Act*;
- ▶ aspects of the relationship between Industry Canada / FedNor and the CFDCs;
- ▶ the lack of resources to offer the wide range of services needed;
- ▶ problems with implementation of new software (The Exceptional Assistant (TEA)); and,
- ▶ challenges in finding and keeping the right staff complement.

The interviewees all believed, regardless of which group they represented, that the CF program, as currently designed and delivered was the most appropriate way of achieving the stated objectives and intended results. While challenges were identified with the current approach, all groups agreed that there was no better way of delivering this program, that is through local decision-making.

Both CFDC and Industry Canada / FedNor representatives indicated during the interviews that, while more could be done, Industry Canada / FedNor had taken numerous measures to meet its intended objectives through planning and training. Key initiatives in this regard were identified, including the regional networks, the work done by the OACFDC, and the Pan Canadian website, to name a few. Industry Canada / FedNor was noted to have contributed to many of these initiatives. However, some need for more training opportunities were identified by CFDC representatives as well as Industry Canada / FedNor management and staff.

### **Conclusions and Recommendations:**

The CF program, through the CFDCs, has contributed to an increased awareness of government programs and services in the communities served through direct delivery of programs, partnering with government initiatives, and / or providing referrals or information on these programs or services.

**No new recommendation is required (see recommendation 1).**

Particularly through community strategic planning initiatives, CFDCs are contributing to an increased awareness of local issues.

**No new recommendation is required (see recommendation 1).**

The objectives and desired outcomes of the CF program are clearly identified and agreed upon by CFDCs and Industry Canada / FedNor. In fact, in many cases the program objectives are the same as the objectives of the CFDCs.

**No new recommendation is required (see recommendation 1).**

Many activities have been added: some discretionary, others not; some for the program as a whole, others for individual CFDCs. Some activities have been modified. Few have been discontinued. Some of these additions or modifications have been positive, for example the common identifier initiative. On the other hand, some have been burdensome, for example the requirement to deliver bilingual services. In many cases, the resources to deliver on basic program activities, let alone enhanced ones, are deemed inadequate. In fact, if this program did not have the support of the large number of volunteers on the Boards of Directors (and those supporting other initiatives) of the 57 CFDCs, who provide an incredible amount of time, the program would be much less effective in delivering within the current resources allocated to the Ontario CF program.

**Recommendation 6: It is recommended that new non-discretionary activities be added to the CF program only as they are directly related to the specific objectives of the program or required because of government policies. Additional resources should be sought to fully cover the costs associated with new activities such as bilingual services as well as ongoing services.**

**Recommendation 7: It is also recommended that Industry Canada / FedNor develop and implement a mechanism to enhance recognition of the work done by the large number of volunteers serving on the Boards of Directors of this program.**

The aspects of this program that are most effective are its staff and network of volunteers. In addition, the fact that it is a community-based program delivered by people in the community who make decisions on issues that affect their community has made the program particularly effective. There are, however, some areas that require improvements. These include the aforementioned need for more resources, the need for more advertising (which is, however being

addressed by some of the more recent promotional initiatives), and more balanced paperwork requirements.

**Recommendation 8: It is recommended that a more clearly defined structure for requesting reports and other information from CFDCs be put in place. This structure should identify one central point of contact for specific information requirements to avoid excessive and / or duplicate reporting requirements from the CFDCs. This does not alleviate the need for reporting, since it is recognized that such information is critical.**

CFDCs have been effective in ensuring federal visibility in the delivery of programs and services through acknowledgements and the delivery of other federal programs.

**No recommendation is required (see recommendation 1).**

There are many partnerships involved with this program. These included Industry Canada / FedNor's partnership with the CFDCs, their partnerships with the communities, other programs, other levels of government, and business associations. These partnerships have been key to the successful implementation and delivery of the program. In addition, the common identifier initiative has facilitated promotion of the program as a whole in the province. As previously noted, the underlying principles of this program, that is that it is a grassroots program with local decision-making, has been key to successful delivery. Finally, it is critical that the wide range of services which are offered through the program be recognized as key to its overall success.

**No new recommendation is required (see recommendation 1).**

Some of the factors impeding effective delivery of this program include the costs involved with compliance with the *Official Languages Act* – this cost has been borne by Industry Canada / FedNor as well as the affected CFDCs. While it is recognized that the relationship between Industry Canada / FedNor and the CFDCs has not always been smooth, it appears to be on the road to recovery, as shown by some of the more recent initiatives undertaken in partnership by the two parties. The Exceptional Assistant (TEA) software is one such endeavour which has been extremely frustrating for all; however, most realize that improvements are in sight. Insufficient financial and human resources are also factors that have impeded greater success for this program.

**Recommendation 9: Industry Canada / FedNor, in cooperation with the OACFDC and the individual CFDCs, should continue ongoing work on improving The Exceptional Assistant software to ensure that the reporting burden continues to be managed as much as possible, as well as to maximize the access to high quality timely information for decision-making purposes.**

There is little doubt that local community-based delivery, through the network of CFDCs across Ontario, is the most appropriate approach to achieve CF objectives and intended results. The community driven aspect of this program is what makes it successful and an integral requirement to objectives achievement, particularly the program's objectives.

**No new recommendation is required (see recommendation 1).**

While more could and needs to be done, Industry Canada / FedNor has taken the necessary measures to help the CF program meet its intended objectives through planning and training. Successful initiatives have been undertaken with the help of Industry Canada / FedNor, the OACFDC, and the regional networks, which have been a welcomed addition to the program structure.

**Recommendation 10: It is recommended that Industry Canada / FedNor continue to support the existing planning and training endeavours in place, such as the annual OACFDC conference and the meetings of the regional networks. In addition, Industry Canada / FedNor should continue to gauge the need for new or renewed training for all involved with this program, be they Industry Canada / FedNor staff, CFDC staff, or CFDC Board members.**

*(For more information on program design and delivery, please refer to Section 5.0 of the report.)*

#### ***Issue 4: Performance Monitoring / Data Capture***

##### **Questions:**

To what extent have realistic targets / performance measures been established?

What are the key results indicators for the CF program?

##### **Findings:**

According to Industry Canada / FedNor staff, the performance indicators for the program are clearly outlined in the agreements with the individual CFDCs. According to CFDCs, these are set through their annual planning process where specific targets are set for the program. Generally, CFDCs felt reasonably comfortable in terms of their ability to monitor and report on results achieved with respect to business services and access to capital. However, the CFDCs and Industry Canada / FedNor staff felt that performance was more difficult to assess for community strategic planning and CED activities.



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CF program documents identify a wide range of quantitative results indicators as well as some client satisfaction indicators. CFDCs indicated that their key results indicators are established on an annual basis. According to the CFDCs and Industry Canada / FedNor staff, performance on the Industry Canada / FedNor-defined indicators is reported through the quarterly reports.

**Conclusions and Recommendations:**

Performance targets, measures and indicators are first established by the CFDCs through their annual planning process. These are confirmed by Industry Canada / FedNor in the agreements with the individual CFDCs. There are also standard / common indicators for all CFDCs which are reported through quarterly reports to Industry Canada / FedNor. This process appears to be effective in establishing realistic targets and measures for each CFDC as well as in being able to establish a basis for measuring performance by CFDC, region, and for the program through the common indicators for the business services and access to capital. However, performance targets and measurement for the community strategic planning and CED component of the program are less clearly defined.

**Recommendation 11: It is recommended that Industry Canada / FedNor in collaboration with the OACFDC and the individual CFDCs define more relevant and useful indicators of performance for CED / community strategic planning initiatives.**

*(For more information on performance monitoring / data capture, please refer to Section 6.0 of the report.)*

***Issue 5: Results / Impacts and Effects***

**Questions:**

To what extent has the CF program increased take-up / utilization of programs / services / information?

To what extent have CFDCs assisted businesses to take better advantage of commercial opportunities and increased leverage of additional financing for clients?

How many new businesses have been directly established due to the CF program?

How many jobs have been directly created due to the CF program?

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To what extent has the CF program supported community economic development and assisted communities to develop and diversify through community strategic planning, business services, and access to capital?

To what extent have CFDCs provided enhanced / focussed services to special target groups and communities (e.g., youth, women, Aboriginal people, and Francophones)?

Have there been any unintended impacts and effects?

Are the results being achieved in the most cost-effective manner within existing resource levels?

How do clients rate specific aspects of the services received?

To what extent are CFDCs reaching their intended audiences / target groups?

**Findings:**

The CFDCs and Industry Canada / FedNor staff indicated that the CF program has increased the take-up and utilization of other government programs, services and information through the business counselling services, referrals to other federal and provincial programs and often through joint financing arrangements. This was demonstrated in two of the case studies included in this study: the First Nations Band Economic Development Officers (BEDO) Training and the creation of the Regional Centre for Business Development and Innovation (RCBDI).

The CFDC client survey provided evidence that CFDC assistance has resulted in the creation of commercial opportunities. CFDCs and Industry Canada / FedNor also indicated through some examples that the program had helped businesses take advantage of commercial opportunities and helped leverage other investments. The increased leverage is best illustrated by the information reported through the quarterly reports. Over the last three fiscal years, the quarterly reports indicate that leverage for the program in Ontario is approximately one. That is, for every program dollar invested in the communities, another dollar from another source is invested. This leverage was as high as 1.43 in fiscal year 2002/03, but only partial data was available for that year.

The CFDC representatives and Industry Canada / FedNor management and staff indicated that the program had resulted in the establishment of new businesses and the creation of jobs. The survey of CFDC clients indicated that 41% of the loan clients had started a business and that the clients had, on average, created 3.2 new jobs as a result of CFDC assistance. The trend is better confirmed through the results of the quarterly reports. From these reports, it can be noted that, over a period of less than three fiscal years, 2,387 new businesses have been established and

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6,753 new jobs created. Based on labour force statistics for Ontario (rural and small towns only), the jobs created through the program over the last three years represent almost 1% of the total labour force in areas targeted by the program.

According to CFDCs, the three core activities of the program were deemed essential to CED. According to Industry Canada / FedNor management and staff, most of the work done by CFDCs in the context of the CF program contributed to CED and assisted communities to develop and diversify. A range of examples were provided.

While there were some CFDCs that indicated that they had specific initiatives to provide enhanced services to youth, women, Aboriginal people and Francophones, many reported they did not specifically target these groups. Industry Canada / FedNor representatives confirmed that some CFDCs did a lot whereas others did very little in the context of enhanced services for these target groups. A wide range of examples of the types of initiatives undertaken were provided by both CFDC and Industry Canada / FedNor representatives.

CFDC representatives, Industry Canada / FedNor management and staff, as well as stakeholders had difficulties identifying unintended impacts and effects of the program. Each group identified some positive impacts, and Industry Canada / FedNor and CFDCs identified a few negative impacts. However, everyone noted that this was a good program that was doing what it was intended to do.

The findings outlined throughout this report show that CFDC representatives, Industry Canada / FedNor management and staff, and stakeholders believe that this program is achieving its intended results and doing so in the most cost-effective manner. The contribution of the large number of volunteers on the Board of Directors was noted as the most evident way in which this program was cost-effective.

CFDC clients were asked to assess their satisfaction with a series of CFDC service features on a scale of 1 (not at all satisfied) to 10 (extremely satisfied). The average satisfaction ratings were extremely high in all cases. Courtesy of staff was given the highest rating at 9.8 out of 10 and response time the lowest at 8.8 out of 10.

CFDC clients believed that the services of the CFDCs were fairly well known in their communities. CFDCs indicated that they believed they were reaching their intended audiences. Industry Canada / FedNor management and staff were generally of the opinion that, while CFDCs were not bad at reaching their intended audiences, most could improve their reach.

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**Conclusions and Recommendations:**

The CF program has resulted in increased take-up or utilization of federal and provincial government programs, services or information. It has also helped businesses take better advantage of commercial opportunities, increase leverage of additional financing, establish new businesses and create jobs.

**No recommendation is required (see recommendation 1).**

The program has also supported community economic development and assisted communities to develop and diversify through community strategic planning, business services and access to capital. This range of services is essential to CED and diversification. The program would be less effective without this.

**No new recommendation is required (see recommendation 1).**

While some CFDCs have provided enhanced or focussed services to youth, women, Aboriginal people, and Francophone, overall, the CFDCs have not been as effective or consistent in this as they could be. While it is recognized that not all CFDCs have communities which need to target these four groups, some CFDCs do not believe that they should, in fact, target any group. Nonetheless, overall, CFDCs are fairly effective at reaching their intended audiences or target groups.

**Recommendation 12: It is recommended that Industry Canada / FedNor encourage inclusion of more specific targets in the annual plans of CFDCs, not only for youth as previously recommended, but also, as appropriate, for women, Aboriginal people, and Francophones as well as any other target group of the individual CFDCs. CFDCs should also be encouraged to report to Industry Canada / FedNor (through the quarterly reports) the extent to which they have reached these groups.**

The program has not resulted in any significant unintended impacts or effects.

**No new recommendation is required (see recommendation 1).**

Given the limited resources of this program, the significant contribution of the volunteer Boards of Directors, and the actual results achieved, this is the most cost-effective manner of delivering this program.

**No new recommendations is required (see recommendations 1 and 7).**

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CFDC loan and business clients are extremely satisfied with all aspects of the services provided by the CFDCs.

**No new recommendation is required (see recommendation 1).**

*(For more information on the CF program results / impacts and effects, please refer to Section 7.0 of the report.)*

***Issue 6: Lessons Learned***

**Questions:**

What specific lessons have been learned with respect to the CF program?

What specific best practices have been generated with respect to the CF program?

What factors have facilitated / impeded the implementation of the CF program, achievement of CF program objectives, ongoing performance monitoring / data collection, and obtaining results / success?

How and to what extent are best practices shared at the CF program delivery level with associations (provincial and regional), coordinating / portfolio partners, and CFDCs?

**Findings:**

The detailed findings illustrate that while a broad range of lessons learned and best practices were identified by CFDC and Industry Canada / FedNor representatives, none of these were identified by a significant number of interviewees. The two groups consistently noted that best practices were shared through the annual OACFDC conference, the regional network meetings held twice a year, the OACFDC website, the Pan Canadian website as well as through other means. Generally, it was believed that there were many, good opportunities for sharing lessons learned and best practices.

CFDC manager and Board members generally reported similar facilitating and impeding factors to those noted by Industry Canada / FedNor management and staff. In terms of facilitators, the key points made by both groups were related to partnerships, promotion, local decision-making and the complement of services provided. The key impeding factors were the costs involved with compliance with the *Official Languages Act*, aspects of the relationship between Industry Canada / FedNor and the CFDCs, the lack of resources to offer the wide range of services

needed, implementation of The Exceptional Assistant (TEA) software, and challenges in finding and keeping the right staff complement.

**Conclusions and Recommendations:**

CFDCs and Industry Canada / FedNor have learned a number of lessons with regards to the CF program, however, it is difficult to generalize the lessons learned in the context of this evaluation. The same applies for best practices. However, there are several worthy fora for sharing lessons learned as well as best practices. These include the OACFDC annual conference, the meetings of the regional networks, the OACFDC website, individual CFDC websites, the Pan Canadian website as well as several other fora that provide opportunities for networking and thus, for sharing best practices and lessons learned.

**No new recommendation is required (see recommendation 10).**

Given the structure of this program, it is not surprising that the key factors that have facilitated implementation of the program, achievement of objectives, ongoing performance monitoring / data collection and obtaining results / success are its partnerships, community-based decision-making, and wide range of complementary services. In addition, multi-year agreements will help in terms of implementation and obtaining results, particularly for CED / community strategic planning initiatives which require more than one year to implement and thus achieve results. While the TEA software should eventually facilitate performance monitoring tasks, at this stage it is an impeding factor. There are other impediments such as the cost of providing bilingual services. However, the most significant impediment is the limited resources available for this program in Ontario.

**Recommendation 13: It is recommended that Industry Canada / FedNor continue to negotiate new agreements with CFDCs that are more than one year in length.**

*(For more information on lessons learned, please refer to Section 8.0 of the report.)*

***Issue 7: Sustainable Development***

**Questions:**

Does the CF program contribute to the goal of sustainable development (economic, environmental, social)?

**Findings:**

The CFDC clients surveyed report that the program has contributed to the economic and social sustainable development capabilities. However, some also report that the program has contributed to their environmental sustainable development capabilities. Several CFDCs reported that the long term viability or sustainability of a business or economic development initiative is always a major criterion used in investment decisions. While CFDCs reported legal environmental obligations, most noted that environmental development did not play a major role in the decisions made. Industry Canada / FedNor management and staff confirmed that sustainable development was an integral part of the CF program. From Industry Canada / FedNor's perspective, this was mostly economic, but closely linked to social development. Stakeholders commented that the CF program contributes to the goal of sustainable development by virtue of its design.

**Conclusions and Recommendations:**

By virtue of design, the CF program contributes to the goal of sustainable development. The emphasis is on economic development but social and environmental factors are integral components of some of the program endeavours in some communities.

**No new recommendation is required (see recommendation 1).**

*(For more information on the sustainable development issue, please refer to Section 9.0 of the report.)*

## **1.0 Introduction**

### **1.1 Overview**

In 1995, the Community Futures (CF) program was transferred from Human Resources Development Canada (HRDC) to Industry Canada (IC) and to the three regional development agencies (Atlantic Canada Opportunities Agency – ACOA, Community Economic Development for the Regions of Quebec – CED-Q, and Western Diversification – WD) and FedNor. An evaluation framework was developed for the CF program in Ontario in 1998.

Additional funding for the CF program was approved in May 2000 for \$90 million. As a condition of approval, the Treasury Board Secretariat (TBS) required that the Regional Development Agencies (RDA) and FedNor provide TBS with an evaluation framework by May 18, 2001 and a program evaluation before May 18, 2003.

A Generic Evaluation Framework, based in large part on the Ontario CF program evaluation framework, was developed in response to the TBS request and to establish a common basis on which to roll-up / aggregate performance information and results for the CF program as a whole. The aggregation was based on the adoption of core generic evaluation issues and the tracing of generic results indicators by RDAs and FedNor.

This report presents the findings and conclusions of the evaluation study of the CF program in Ontario, conducted for Industry Canada / FedNor, and makes recommendations for improvements to the program in Ontario. It is organized as follows:

- ▶ The remainder of this section provides a description of the CF program in Ontario.
- ▶ **Section 2.0** describes the methodology used to address the evaluation issues approved for this evaluation.
- ▶ **Section 3.0** addresses the issue of rationale or relevance. It discusses the evaluation findings in terms of the needs of the CF program target groups, the ability of the program to meet these needs, as well as the program's complementarity, duplication or overlap with other federal programs.
- ▶ **Section 4.0** deals with the issue of objectives achievement. It therefore discusses the relevance of the CF objectives and the extent to which these objectives have been achieved. In addition, the objectives of the Community Futures Development Corporations (CFDC) are compared to those of the CF program,



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Industry Canada and FedNor for consistency. This section also compares the CF program objectives with federal government priorities.

- ▶ **Section 5.0** examines program design and delivery. The section therefore addresses a series of questions such as: the program's contribution to increased awareness of government programs and services; change in program activities since 1996; ways in which the program could be improved; and many others.
- ▶ In **Section 6.0**, the program's performance measurement system is discussed.
- ▶ **Section 7.0** identifies the impacts and effects of the program. The section provides evidence regarding a wide range of results, including for example: commercial opportunities; leverage; establishment of new businesses; community development and diversification; and many others.
- ▶ **Section 8.0** discusses some of the lessons learned and best practices resulting from this program.
- ▶ **Section 9.0** examines the program's contribution to the goal of sustainable development (economic, environmental and social development).

## **1.2 Program Profile<sup>1</sup>**

The CF program, a community economic development program, helps rural communities to develop and implement a long-term community strategic plan leading to the sustainable development of their local economy. The program is administered by Industry Canada / FedNor and supports the CFDCs which provide services at the local community levels. At the time of this evaluation, there were 57 CFDCs throughout non-metropolitan Ontario.

CFDCs are incorporated non-profit organizations governed by a local volunteer board of directors that represent various community interests. With federal contributions and the guidance and support of Industry Canada / FedNor's Community Economic Development (CED) officers, local CFDCs pursue their own priorities and strategies for development by creating and implementing a community strategic plan in co-operation with their partners. CFDCs employ professional staff to work with their partners to assemble and

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<sup>1</sup> Sources: Ontario CF Program Evaluation Framework; [www.ontcfdc.com](http://www.ontcfdc.com); [www.fednor.ic.gc.ca](http://www.fednor.ic.gc.ca)

co-ordinate the necessary skills and funds to plan and complete projects that build the foundation for a stronger local economy as envisioned in the community plan. They also provide advice, information and referral service to local businesses and entrepreneurs. CFDCs also provide access to capital for small business financing by operating locally governed investment funds, that can provide loans, loan guarantees or equity investments for business start-up, expansion or stabilization.

### **1.2.1 Business Information, Referral and Counselling**

CFDCs provide access to a broad range of business information and services in forms such as:

- ▶ on-site library;
- ▶ on-site guided access to Internet based information; and,
- ▶ referral to other services and specialists as required.

Information available includes:

- ▶ how to plan, register and start a small business;
- ▶ government services and regulations affecting business;
- ▶ community profiles;
- ▶ economic and market information on communities, Ontario, Canada, and the world;
- ▶ labour market rates and statistics;
- ▶ guided access to Strategis, the Industry Canada Website for business;
- ▶ export advice and services; and,
- ▶ other specialized data bases.

The CFDCs provide, in their offices, a work station to give small business access to the Internet. Staff is available to guide in the exploration of this new tool. Many CFDCs are also regional access sites for the Canada-Ontario Business Service Centre (COBSC).

The CFDCs also provide counselling to support the start-up, expansion and diversification of small business, and to improve their competitiveness. They assist entrepreneurs in such areas as:

- ▶ problem solving;
- ▶ business planning;
- ▶ financial management;
- ▶ cost control;

- ▶ improving quality and service standards;
- ▶ inventory control;
- ▶ marketing;
- ▶ personnel management;
- ▶ making strategic alliances;
- ▶ new technology; and,
- ▶ and other key functions.

### **1.2.2 Business Financing**

Each CFDC has a local investment fund for the start-up, expansion, and / or stabilization of local business.

Canada can contribute up to \$3.05 million capital or in some cases up to \$6 million towards the Investment Fund. Local CFDC volunteer boards, professionals with business experience, and professional staff assess and approve or reject applications for financing.

CFDC investments are provided where financing available from personal investment, financial institutions and other sources is insufficient.

Investment details include:

- ▶ loans, loan guarantees, and share capital equity investments are available at market rates;
- ▶ normally up to \$125,000 maximum;
- ▶ reasonable security as available is taken by the CFDC;
- ▶ payment terms are negotiable to fit business needs; and,
- ▶ ongoing business information and advice are available from the CFDC.

### **1.2.3 Community Strategic Planning**

CFDCs create and implement strategic plans that guide local economic development. A broad cross section of community stakeholders that often include the private sector, non-profit organizations, municipalities, education, labour and First Nations cooperate to build a vision for their community. The planning horizon is usually five years, with detailed annual work plans leading to the long term goals.

Strategic planning is a continuous and systematic process where the various interests of a community come together to make decisions about intended future outcomes, how the outcomes are to be accomplished, and how their success is measured. Decisions, where

possible, are made by consensus. Economic, social, cultural, environmental and other factors important to the community are considered. The strategic plan unites the various stakeholders in the community toward a common purpose. People and other resources are then identified and mobilized. The community strategic plan provides a map to guide the work of a CFDC and its partners.

Community Economic Development (CED) is an overall approach to development whereby communities themselves take charge of their own economic futures and chart the course they will follow to make that future what they want it to be. In all of the activities and services they undertake, CFDCs are guided by the following CED principles:

- ▶ development of the community, by the community and for the community;
- ▶ based on community self-reliance and building local capacity;
- ▶ combines economic, social and environmental concerns, a holistic approach to sustainable development;
- ▶ involves partnerships that are inclusive of diverse interests and stakeholders;
- ▶ involves a strategic long-term approach;
- ▶ includes the public, private and voluntary sectors; and,
- ▶ supports local entrepreneurs and small businesses.

In addition to the other strategic planning and business development services listed, CFDCs can engage in a variety of other CED activities and projects. These will vary widely from one community to another, according to priorities established through the local strategic planning process. They can include:

- ▶ development of infrastructure to support economic development;
- ▶ sponsorship of business management and entrepreneurial training courses and seminars;
- ▶ promotion of the community for tourism or investment;
- ▶ organizing other partners to address telecommunication issues and promote use of the information highway;
- ▶ special initiatives to support entrepreneurship among specific groups such as women, youth, Aboriginal people and Francophones;
- ▶ support for micro-enterprise and home-based businesses; and,
- ▶ awareness and action on sustainable development.

## 2.0 Methodology

### 2.1 Evaluation Issues

The issues addressed in this evaluation study were adapted from the Generic Evaluation Framework as well as the Ontario Community Futures Program Evaluation Framework, as adapted after the first Evaluation Steering Committee meeting. **Table 1** below identifies the specific issues and the extent to which each of the methodologies contributes to reaching conclusions on the various issues.

Table 1: Contribution of Evaluation Methodologies to the Evaluation Issues						
Issue	Documents	CFDCs	IC / FedNor	Stakeholders	CFDC Clients	Case Studies
<b>Issue 1 – Rationale / Relevance (see Section 3.0)</b>						
1.1 Is there still a need for the CF program to provide:						
a) community capacity building at the community level through community strategic planning, business services and access to capital?		Medium	Medium	Medium	Low	Medium
b) development and implementation of community strategic plans?		Medium	Medium	Medium	Low	
c) business development services to SMEs, entrepreneurs and individuals?		Medium	Medium	Medium	Medium	
d) promotion, information and access to government services to SMEs, entrepreneurs, individuals and communities?		Medium	Medium	Medium	Medium	
e) access to capital for small business?		Medium	Medium	Medium	Medium	

Table 1: Contribution of Evaluation Methodologies to the Evaluation Issues						
Issue	Documents	CFDCs	IC / FedNor	Stakeholders	CFDC Clients	Case Studies
1.2 Does the CF program complement, duplicate or overlap other federal government programs?		Medium	Medium	Medium	Medium	Low
<b>Issue 2 – Objectives Achievement (see Section 4.0)</b>						
2.1 Are the objectives of the CF program still relevant?		High	Medium	High		Low
2.2 To what extent has the CF program:						
a) been promoted?	Medium	Medium	Medium	Medium		
b) undertaken youth initiatives?	Low	Medium	Medium	Low		Medium
c) developed rural / local partnerships?	Medium	Medium	Low	Low		Medium
d) provided geographic coverage?	Low	Medium-High	Medium-High	Medium	Medium	
e) implemented new CED initiatives?	Medium	Medium-High	Medium	Medium	Medium	
2.3 Are the objectives of the CFDCs consistent with the objectives of the CF program, Industry Canada and FedNor?	Low	Medium	Medium			
2.4 How in tune are the CF program objectives with other government priorities?			Medium			
<b>Issue 3 – Program Design / Delivery (see Section 5.0)</b>						
3.1 Reach / awareness:						
a) Has the CF program contributed to an increased awareness of government programs and services by business, business intermediaries and communities?		Low-Medium	Low-Medium	Medium		Medium

Table 1: Contribution of Evaluation Methodologies to the Evaluation Issues						
Issue	Documents	CFDCs	IC / FedNor	Stakeholders	CFDC Clients	Case Studies
b) Has the CF program contributed to an increased awareness of local issues?		Low-Medium	Low-Medium	Medium-High		Medium
3.2 Are the objectives and desired outcomes of the CF program (investment, strategic planning, and business counselling) clearly identified and agreed upon?	Low	Medium	Medium			
3.3 What activities have been added, modified or discontinued (including geographic locations / boundaries and in what area) in terms of the CF program? Are there adequate resources for these activities?		Medium	Medium			
3.4 What has worked and what could be improved?		Medium	Medium	Medium	Medium	Low
3.5 To what extent is there federal visibility in the delivery of programs / services?	Medium	Medium	Medium			
3.6 What factors have facilitated / impeded implementation of the CF program?		Medium	Low-Medium			
3.7 Is the CF program the most appropriate approach to achieve the objectives and intended results?		Medium-High	Medium-High	Low-Medium		
3.8 Has Industry Canada / FedNor taken the necessary measures to meet its intended objectives (i.e., planning and training)?		Medium	Medium			
<b>Issue 4 – Performance Monitoring / Data Capture (see Section 6.0)</b>						
4.1 To what extent have realistic targets / performance measures been established?	Low	Medium	Medium			

Table 1: Contribution of Evaluation Methodologies to the Evaluation Issues						
Issue	Documents	CFDCs	IC / FedNor	Stakeholders	CFDC Clients	Case Studies
4.2 What are the key results indicators for the CF program?	Low-Medium	High	Medium			
<b>Issue 5 – Results / Impacts and Effects (see Section 7.0)</b>						
5.1 To what extent has the CF program increased take-up / utilization of programs / services / information?		Medium	Medium	Low-Medium	Medium	Medium
5.2 To what extent have CFDCs:						
a) assisted businesses to take better advantage of commercial opportunities?		Medium	Low-Medium	Medium	Medium-High	Medium-High
b) increased leverage of additional financing for clients?	Medium-High	Medium	Low-Medium	Medium	Medium-High	Medium-High
5.3 How many new businesses have been directly established, expanded and / or stabilized due to the CF program?	Medium-High	Medium	Low-Medium	Medium	High	High
5.4 How many jobs have been directly created and / or maintained due to the CF program?	Medium-High	Medium	Low-Medium	Medium	High	High
5.5 To what extent has the CF program supported community economic development and assisted communities to develop and diversify through:						
a) community strategic planning?		Medium	Low-Medium	Medium		High
b) business services?		Medium	Low-Medium	Medium	High	High
c) access to capital?		Medium	Low-Medium	Medium	High	High



Table 1: Contribution of Evaluation Methodologies to the Evaluation Issues						
Issue	Documents	CFDCs	IC / FedNor	Stakeholders	CFDC Clients	Case Studies
5.6 To what extent have CFDCs provided enhanced / focussed services to special targeted groups and communities (e.g., youth, women, Aboriginals, and Francophones)?	Low	Medium	Low-Medium	Medium	High	High
5.7 Have there been any unintended impacts and effects?		Medium	Medium	Medium	Medium	
5.8 Are the results being achieved in the most cost-effective manner within existing resource levels?		Medium	Medium	Medium		
5.9 How do clients rate specific aspects of services received?					High	
5.10 To what extent are CFDCs reaching their intended audiences / target groups?	Low	Medium	Medium	Medium	Low-Medium	
<b>Issue 6 – Lessons Learned (see Section 8.0)</b>						
6.1 What specific lessons have been learned with respect to the CF program?		Medium	Medium	Medium	Medium	Medium
6.2 What specific best practices have been generated with respect to the CF program?		Medium	Medium	Medium	Medium	Medium
6.3 What factors have facilitated / impeded the implementation of the CF program?		Medium-High	Low-Medium		Low	
6.4 What factors have facilitated / impeded achievement of CF program objectives?		Medium-High	Medium	Low-Medium	Low-Medium	Low-Medium
6.5 What factors have facilitated / impeded ongoing performance monitoring / data collection?		High	High			
6.6 What factors have facilitated / impeded obtaining results / success?		Medium	Medium	Low-Medium	Medium-High	Medium-High

Table 1: Contribution of Evaluation Methodologies to the Evaluation Issues						
Issue	Documents	CFDCs	IC / FedNor	Stakeholders	CFDC Clients	Case Studies
6.7 How and to what extent are best practices shared at the CF program delivery level with associations (provincial and regional), coordinating / portfolio partners, and CFDCs?		Medium-High	Medium	Medium		Medium
<b>Issue 7 – Sustainable Development (see Section 9.0)</b>						
7.1 Does the CF program contribute to the goal of sustainable development (economic, environmental and social development)?		Medium	Medium	Medium	Medium	Medium

**2.2 Detailed Description of Methodologies**

As shown in the Table 1, the overall strategy for the evaluation was to ensure, to the extent feasible, that multiple lines of evidence were available to address each evaluation issue. A brief description of each of the methodologies used is provided below.

**2.2.1 Document Review**

The document review was based on documents obtained from Industry Canada / FedNor. These were reviewed and integrated into the report when they helped address specific evaluation issues. A list of documents reviewed is provided in **Annex A**.

**2.2.2 Survey of CFDC Clients**

Each CFDC in Ontario was asked to provide a list of approximately 25 to 50 clients who had accessed the CF program’s business information, referral and counselling services and / or business financing services.

Community strategic planning / CED clients were excluded from the survey since they were the subject of more in-depth analysis through the case studies (see Section 2.2.6).

A structured questionnaire was developed and pretested with 12 CFDC clients in actual field conditions. The questionnaire was then revised, translated and all field preparations were made. The final questionnaire is provided as **Annex B**.

In total, lists were received from 44 CFDCs before the survey was completed (unfortunately, some CFDCs provided their lists too late to be included in the survey). A total of 417 survey interviews were completed in the language of choice of the respondent. The sample was distributed as in **Table 2**.

<b>Table 2: Number of Completed Interviews by Region</b>	
<b>Region</b>	<b># of Interviews</b>
South Central Ontario	28
Southeastern Ontario	41
Eastern Ontario	52
Southwestern Ontario	59
Western Ontario	52
<b>Total Southern Ontario</b>	<b>232</b>
North Central Ontario	29
Timmins / James Bay	39
Northeastern Ontario	51
Northwestern Ontario	66
<b>Total Northern Ontario</b>	<b>185</b>
<b>Total Southern and Northern Ontario</b>	<b>417</b>

A sample of 417 provides overall results which are accurate to within plus or minus 5%, 19 times out of 20 (e.g., if 50% of the 417 clients surveyed answer yes to a particular questions, the actual response, if all CFDC clients in Ontario has been surveyed, would likely be between 45% and 55%). While the results are reliable for all clients combined, care must be taken when looking at specific sub-groups of clients (e.g., regional networks

or specific CFDCs), since these are less reliable<sup>2</sup>. For this reason, while the tables presented in **Annex C** are presented by regional network and type of client (loans vs counselling), this is only for the reader’s interest. In general, only total results are discussed in this report.

Care must also be taken in reviewing the survey results in that the sample was selected by the CFDCs themselves. There is therefore a risk that the actual sample was selected to include only the “best” clients.

**2.2.3 Interviews with CFDC Managers and Board Members**

A total of 61 in-depth telephone interviews were completed. There was at least one interview completed with a representative of each CFDC. These included managers or other staff as well as board members. In a few cases, interviews were completed with both. The number of completed interviews is presented in the table below.

**Table 3: CFDC Interviews by Type and Region**

Type of Interviewee	Northern Ontario	Southern Ontario	Total
Chairperson or other Board member	10	16	26
Manager or other key CFDC representative	16	19	35
<b>Total</b>	<b>26</b>	<b>35</b>	<b>61</b>

Using an open-ended interview guide, the interviews were between one hour and 1½ hours in length. They were scheduled at a time most convenient to the respondent and conducted in the language of choice of the respondent. In order to ensure that respondents had time to prepare for the interview, the interview guide was forwarded to the respondent as soon as the interview was scheduled. Nonetheless, the interview was quite long and there was evidence of interviewee fatigue near the end of the interviews. As such, the breadth and depth of the responses vary from one interviewee to the next as well as across questions.

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<sup>2</sup> For example, the results for Northwestern Ontario, where the largest number of interviews was completed, are accurate to within plus or minus 12% – the range for a 50% yes response could therefore be 38% to 62% – much less reliable than in total. Those for South Central Ontario are accurate to within plus or minus 18.5% – or a range of 31.5% to 68.5% – even less reliable.

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The list of people interviewed (including CFDC representatives) is provided in **Annex D**. The CFDC interview guide is included as **Annex E**.

#### **2.2.4 Interviews with Industry Canada / FedNor Management and Staff**

A total of 22 Industry Canada / FedNor managers and staff were interviewed. Those located in Sudbury were interviewed in-person whereas those located outside Sudbury were interviewed by telephone. Interviewees were chosen to cover all CF regional networks. The interviews were scheduled at a time most convenient to the staff member and was conducted in the language of choice of the respondent. In order to ensure that respondents had time to prepare for the interview, the interview guide was forwarded to the respondent as soon as the interview was scheduled. However, for some of the managers, the interview guide was not used; rather, questions of a more general nature were asked.

The list of managers and staff interviewed is provided in **Annex D**. The interview guide is provided in **Annex F**.

#### **2.2.5 Interviews with Stakeholders**

A total of 20 telephone interviews with stakeholders were completed. Stakeholders were defined broadly as those who had an interest in the CF program, CFDCs, or CED without being directly involved in the program. They therefore included community leaders, teachers, economic development officers, and others. The individuals interviewed were identified either by CFDC representatives or by Industry Canada / FedNor staff. The interviews were approximately one hour in length and were conducted in the language of choice of the respondent. Interviewees were forwarded the interview guide before the interview.

The list of stakeholders interviews is also provided in **Annex D**, while the interview guide is provided in **Annex G**.

#### **2.2.6 Case Studies**

Five case studies were carried out on projects selected to represent Northern and Southern Ontario as well as, as wide a range of characteristics as possible (e.g., target groups, types of projects, etc.). The case studies were selected from suggestions from CFDCs and Industry Canada / FedNor management and staff. They included only CED / community strategic planning initiatives. The five cases are:

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- ▶ **Picture This!** – a Southern Ontario community consultation and social progress / performance measurement study, which has led to “Action Groups” working on identified problem areas.
  - ▶ **Regional Centre for Business Development and Innovation (RCBDI)** – an Innovation Centre has been developed in Smiths Falls that brings together several federal, provincial and municipal government services for one stop shopping.
  - ▶ **University Satellite Campus** – a satellite campus of Wilfrid Laurier University was created in Brantford.
  - ▶ **Business Training for Aboriginal Officers** – Waubetek Business Development Corporation (WBDC) on Manitoulin Island conducted a learning program for First Nations Band Economic Development Officers (BEDO) in Northeastern Ontario to provide skills and tools to help them improve their ability to deliver Aboriginal business development services.
  - ▶ **Safe Communities** – the Rainy River community has had several projects over the past eight years. They recently received a World Health Organization award as one of the world’s safest communities.

The approach to developing the case studies included the review of documents as well as interviews with as many players as possible (e.g., CFDC representative, Industry Canada / FedNor staff, other partners or stakeholders, beneficiaries, etc.). Once the case was developed, it was sent to those who were interviewed for confirmation / feedback. The case study write-ups are provided in **Annex H**.

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### 3.0 Rationale / Relevance

#### 3.1 Research Questions

Is there still a need for the CF program?

- ▶ Is there a need to provide community capacity building at the community level?
- ▶ Is there a need to provide business development services to SMEs, entrepreneurs and individuals?
- ▶ Is there a need to provide promotion, information and access to government services to SMEs, entrepreneurs, individuals and communities?
- ▶ Is there a need to provide access to capital?

Does the CF program complement, duplicate or overlap other federal government programs?

#### 3.2 Overview of Findings

The information gathered from all sources provided consistent evidence that there is a great need for the Community Futures program to provide: community capacity building through Community Economic Development (CED) and strategic planning services; business development services to SMEs, entrepreneurs and individuals; and access to capital. There is also a need for promotion, information and access to government services to SMEs, entrepreneurs, individuals and communities. These services are deemed as complementary.

The survey of CFDC clients provided evidence that there is a great need for all three of these key services provided by CFDCs. On an importance scale of 1 (not at all) to 10 (extremely), the lowest rating was for business or information services, which received an average rating of 9.2. Community strategic planning and implementation received an average rating of 9.5. The highest average importance rating was given for access to capital (9.7 out of a maximum of 10).

CFDC managers and Board members, Industry Canada / FedNor managers and staff, and stakeholders all agreed that the three services were extremely important for a wide range of reasons. Community strategic planning was deemed to be an important role of the CFDCs because: many municipalities do not have this capacity; the planning exercise coordinated by the CFDCs is not focussed on the individual municipalities but rather on the entire region served by the CFDC, therefore resulting in more coordinated efforts and

less duplication; and the CFDCs have the credibility and capacity to bring together parties who otherwise would not participate in joint community strategic planning.

The provision of business services was also deemed important by all groups interviewed for a wide range of reasons. It was, for example, consistently noted that these services were often not available through any other local source, particularly in smaller or more remote communities. In addition, these services were noted to be important in the context of other CF program services such as access to capital.

Finally, access to capital was deemed critical because traditional financial institutions were often not there (both physically and in their support) for the businesses in the communities served by CFDCs. In addition, these other sources of business financing often supplemented the financing provided by the CFDCs. A key point made regarding the strength of CFDCs in addressing this need was the fact that the decisions were made by local individuals who were in a better position to understand the circumstances affecting the individual businesses.

The study results also indicate that the CF program does not duplicate or overlap other federal (or even provincial) programs. Rather, CFDC representatives, Industry Canada / FedNor staff, and stakeholders alike believed that the CF program complements others such as the National Research Council's Industrial Research Assistance Program (NRC's IRAP), Human Resource Development Canada's Self-Employment Benefits (HRDC SEB) program, as well as several within Industry Canada. In addition, the program does not compete with financial institutions; rather, it complements these services.

### **3.3 Detailed Findings**

#### **3.3.1 Is there still a need for the CF program?**

##### *CFDC Client Survey*

Since the client survey was limited to loans / loan guarantee and counselling clients, results are limited to those two program areas. When asked what specific needs they were trying to address when they approached the CFDC, a wide range of responses relevant to all CF program areas were identified. The responses were generally related to access to capital and / or business development services. However, there were a few responses related to access to government services (e.g., wanted to get Employment Insurance – EI benefits). The most frequently mentioned responses were:



- 
- ▶ To open a new business (35%) – this could fall under access to capital as well as business development services;
  - ▶ To expand a business / to renovate / to relocate (23%) – this also could be linked to access to capital as well as business development services;
  - ▶ To buy / lease a building, property, new equipment, supplies, inventory, etc. (17%) – access to capital and business development services;
  - ▶ To stabilize a business (14%) – access to capital and / or business development services; and,
  - ▶ Advice on how to start, run or expand a business (10%) – business development services.

The great majority of clients indicated that the CFDC had been able to address these needs. That is, on a scale of 1 to 10, where 1 means that the CFDC was not at all able to meet their needs and 10 means fully:

- ▶ 58% indicated that their needs had been fully met (rating of 10);
- ▶ the average (mean) rating was 8.9 out of 10; and,
- ▶ fewer than 5% rated it below 5.

Clients were asked to rate the importance of the support of CFDCs for community economic development by assisting communities to develop and diversify their communities through:

- ▶ community strategic planning and implementation. A 10 point scale was used, where 1 was not at all important and 10 were extremely important. The survey results show that clients find this extremely important, as demonstrated by the following:
  - ▶ no one (0%) rated this below 5 in importance;
  - ▶ the great majority (74%) gave it the highest importance rating (i.e., 10); and,
  - ▶ the overall average (mean) was 9.5 out of 10.
- ▶ business or information services. Again, the survey results show that this is extremely important, albeit less than community strategic planning and implementation, that is:

- ▶ two-thirds (67%) gave it a rating of 10;
  - ▶ the overall average was 9.2; and,
  - ▶ fewer than 3% rated this below 5 in importance.
- ▶ access to capital. This is the most important CFDC role, based on the following survey results:
- ▶ 82% gave it the highest rating possible (i.e., 10);
  - ▶ the average was 9.7 (out of a maximum of 10); and,
  - ▶ less than 1% gave it an importance rating lower than 5.

#### *CFDC Managers and Board Members*

Without exception, the CFDC managers and Board members across Ontario stated that there was a continuing need for the CF program. This was true for all aspects of the program; community strategic planning and economic development, business services and access to capital. Several commented that the CF program is unique in its involvement of volunteers who are very familiar with the realities of local situations and economic conditions. Decision-making at the local level by those with local knowledge is seen to be a critical success factor in terms of the program's overall credibility in the community.

Interviewees suggested that the need for community capacity building through the provision of assistance in the development and implementation of community strategic plans was particularly important in areas with no large urban centre. Many catchment areas are comprised of very small municipalities and rural communities. The smaller local government organizations often do not have the expertise, financial and staff resources to undertake CED. In the larger urban centres, the CFDCs also play a role in CED in partnership with other formalized economic development organizations. Another important comment made by several interviewees was that the local municipalities often take too narrow a view of economic development by focussing solely on their own municipality rather than taking a broader, more regionally based approach to economic development. Some CFDCs commented that the individual municipalities sometimes try to compete against each other on economic initiatives rather than thinking from a regional perspective. Several people commented that one of the strengths of the CF program is that the CFDCs can successfully bring several parties to the table to bridge this gap. They are seen as 'apolitical' and therefore able to play a facilitator role in developing economic initiatives that will benefit the broader needs of the region. Several interviewees also commented that the need for community strategic planning will always be an on-going

need as the needs of the communities are changing constantly. Economic diversification was cited as a key to the long term success and viability of most northern Ontario communities in particular if they are primarily a resource based economy.

With respect to the provision of business services such as access to information, counselling and referrals to SMEs, entrepreneurs and individuals, many CFDC managers and Board members commented that they are the only source of this type of information and services in their communities and catchment area. This is particularly true for smaller and more remote catchment areas. Several interviewees commented that the mentoring and advisory services provided to small businesses are often key to the long term success of these business enterprises. Some commented that the provision of practical business advice can greatly reduce the learning curve in establishing a successful business enterprise. The CFDCs role in assisting with the development of viable business plans is seen as an important component of their program delivery. It was also noted that these services were often critical in the context of the other CFDC services, in particular, access to capital. In such cases, the added value to the businesses of having access to the whole range of CFDC services resulted in higher likelihood of successful loan repayment.

Access to capital for small business is also seen as a critical need throughout Northern and Southern Ontario. The majority of interviewees responded that the traditional lending institutions such as chartered banks are pulling out of Northern Ontario and rural communities. They have little interest in serving the needs of small business where risk is often seen to be a major deterrent to providing financing. Several CFDCs commented that decisions on business financing are usually made in large urban areas not by the local bank managers. They also commented that they have been successful in undertaking joint financing arrangements with the traditional lending institutions, as well as local credit unions. In this instance, the banks take the first level of security and the CFDC would be in a less secured position. The CFDCs also make referrals to the Business Development Corporation (BDC) or undertake joint financing arrangements with them. Some interviewees also commented that access to capital is particularly important to young entrepreneurs who do not have any collateral or track record in business.

*Industry Canada / FedNor Management and Staff*

All those interviewed agreed that there was a need for the CF program to provide community capacity building at the community level through community strategic planning, business services and access to capital. Management and staff also agreed that it was important to promote, provide information and access to government services. Many reasons were cited for the need for each of these important program components.

For community strategic planning, it was noted by most that there is an ongoing need for this for many reasons. Many noted that plans need to be updated regularly and that, since there is often no capacity in the communities to do this, CFDCs need to be involved. It was also noted that many communities used to have Economic Development Officers (EDO) funded through the Ontario government; since the Ontario government no longer provides funding for EDOs, many communities do not have anyone to undertake economic development activities; they therefore rely on CFDCs for assistance in this area. Another important role of the CFDCs is that of contributing to regional community strategic planning rather than individual community planning; this brings about many benefits, including for example the lack of duplication and undue competition amongst communities in a particular region.

Some staff did note that some CFDCs are more effective and more involved in community planning than others; this could be due to the fact that there are other resources in the communities to be involved in these activities (in which case, it is not a problem) or because the CFDC has simply not made this a priority in their communities (in which case, it may be a problem).

Business development services were also deemed relevant and important roles for CFDCs for various reasons. Some of the more prevalent ones were:

- ▶ small businesses lack the entrepreneurship skills needed to succeed; this is therefore an important role for CFDCs to play;
- ▶ no one else in the communities offer such services (e.g., the Chamber of Commerce exists in name only; banks are not good at it, they are in the business of making money, not counselling).

However, some staff noted that there were others involved in this and that it was therefore important for CFDCs to offer these services in the context of their other services (e.g., to ensure that organizations maximized the benefits of CF loans) and avoid duplicating services offered by others in the communities. A few mentioned that while there may be others offering such services, CFDCs were better at it (e.g., CFDCs are more pragmatic than Export Development Corporations – EDC).

Access to capital was deemed critical for several reasons. An important reason is that traditional financial institutions are less likely to lend to those who become CFDC clients for several reasons including:

- ▶ they are more risk averse than CFDCs;
- ▶ unlike the CFDCs, decisions are not made locally (usually in Toronto) and are therefore not based on knowledge of the community, let alone of the individual organization requesting a loan;
- ▶ in some of the communities there is no bank or other financial institution; and,
- ▶ banks do not support SMEs, particularly if it is not an established business as well as businesses in some industry sectors (e.g., some banks will not lend to restaurants).

It was also noted that CFDCs were often the lender of last resort; yet, the loan loss was minimized due to the way in which decisions are made (community-based, usually people who know each other, etc.), the complementary services provided by the CFDC (business counselling and advise), the flexibility of repayment (more “patient” capital), and other reasons.

Some staff members did note that there was, however, uneven demand for access to capital among the various CFDCs and that it was unclear why this was happening.

Access to other government services was also, generally, noted to be an important role for CFDCs. This was due to the fact that, in some cases, the CFDC was the only “government” presence in the community (e.g., HRDC has left, the “Post Office” as it traditionally existed in the rural communities is gone, etc.). In addition, this provided clients with “one-stop-shopping” for business services, something more and more people are looking for (while others claim to provide this, staff noted that the CFDCs were doing it “best”). In addition, the CFDCs were well positioned to maximize their role in this regard since many are Regional Access Sites for the Canada-Ontario Business Service Centre (COBSC), Community Access Program (CAP) sites, and / or are delivering HRDC programs (e.g., SEB). However, several noted that CFDCs must be careful not to deliver services for other organizations to the detriment of their CF program responsibilities. That is, concern was expressed that some CFDCs were delivering other services to get more flexibility (or resources) from an operational perspective, and that sometimes these other services were not necessarily well matched to the CF program objectives.

#### *Stakeholders*

Opinions expressed by the stakeholders were very consistent with those of the CFDC and Industry Canada / FedNor representatives with respect to a continuing need for all aspects of the CF program: community strategic planning and economic development, business services and access to capital. Several commented that the CF program fills the gap

between a lack of capacity at the municipal level in rural communities and the need for community strategic planning. They indicated that, without the CF program, this function would simply not be done in many areas.

With a few exceptions the stakeholders also discussed the important role played by the CF program with respect to the provision of business services and access to capital. A few stakeholders from larger urban areas thought there might be alternate sources of business information from other organizations and through the Internet. The majority indicated that the one-stop shop for government services was very important to their communities.

*Case Studies*

The case studies provide specific examples of how CFDCs meet a range of needs of the communities they serve. **Table 4** identifies the types of needs being addressed through the five initiatives examined in the case studies.

Table 4: Needs Being Addressed	
Case Study	Community Needs being Addressed
Picture This! – Simcoe North Community Strategic Planning	<ul style="list-style-type: none"> <li>▶ community strategic planning</li> <li>▶ community capacity building</li> <li>▶ increasing community participation</li> <li>▶ developing solutions to identified needs (public health, youth training, recreation, transportation)</li> </ul>
Wilfrid Laurier Satellite Campus in Brantford	<ul style="list-style-type: none"> <li>▶ local access to university education for youth and adults</li> <li>▶ local access to social and cultural events</li> <li>▶ revitalization of downtown (renovation of buildings)</li> <li>▶ revitalization of local economy (increased local spending, new businesses)</li> </ul>
Co-location of Business Development Services in Leeds North Grenville	<ul style="list-style-type: none"> <li>▶ improved access to business services and capital</li> <li>▶ improved capacity to deliver economic development services</li> <li>▶ improved access to government services (information and advice) for SMEs, entrepreneurs and individuals</li> </ul>
First Nations BEDO Training	<ul style="list-style-type: none"> <li>▶ improved capacity to support community strategic planning</li> <li>▶ improved capacity to deliver business development services to SMEs and entrepreneurs</li> <li>▶ greater awareness of range of business development programs and funding available to community</li> <li>▶ greater awareness of approaches to develop and support young entrepreneurs</li> </ul>

Case Study	Community Needs being Addressed
Safe Communities Initiative in Rainy River	<ul style="list-style-type: none"> <li>▶ build community capacity to plan and deliver social programs</li> <li>▶ reduce injuries and accidental fatalities in the community (workplace, at home and in the community)</li> <li>▶ build community participation and volunteering</li> </ul>

These cases were selected to be examples of successful initiatives and do not provide evidence of the extent to which the broad range of initiatives in all CFDCs are meeting local needs.

**3.3.2 Does the CF program complement, duplicate or overlap other federal government programs?**

*CFDC Client Survey*

Clients were asked if they were aware of any programs or services provided by the private sector or by a non-government organization which were similar to the programs and services provided by the CFDC. While not directly in line with this issue, the results indicate that the great majority (91%) are not aware of comparable programs. The few who were aware of comparable programs identified financial institutions (53% of those aware) or the BDC (21%) as being similar because they lend money (53%) and provide guidance or information (11%).

*CFDC Managers and Board Members*

The vast majority of interviewees could not identify any duplication or overlap between the CF program and other federal government programs. In some instances, interviewees commented that there may be some overlap with provincial and municipal programming with respect to the provision of business information resources particularly where a CFDC was located in or near a larger urban centre.

In several cases, the CFDCs also deliver the SEB program on behalf of HRDC. This is seen as very complementary to the CF program because of the business advisory service and access to capital components of the CF program. Others commented that the CF program is complementary to other programs offered through organizations such as NRC (IRAP), BDC, Farm Credit Corporation, Agriculture and Agri-Food Canada (AAFC), Ontario Heritage Fund, and Industry Canada / FedNor.

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*Industry Canada / FedNor Management and Staff*

Staff generally noted that the program did not duplicate any others. Only two staff members noted that there was duplication with Aboriginal Business Canada (ABC) but that, even there, the CF program had been able to provide the infrastructure needed to better deliver both programs; as such, the CF program was complementary to ABC.

Generally, the CF program was deemed to complement many others from a wide range of departments including Industry Canada (COBSC, CAP, ABC, IC's Trade Agenda), HRDC (SEB, Local Labour Market Partnerships – LLMP), the Department of Foreign Affairs and International Trade (through an agreement), Indian and Northern Affairs Canada (INAC – CFDCs help develop proposals for INAC funding, complementary funding), EDC, BDC, and the NRC's IRAP. This complementarity was deemed to add to the value of the CF program.

*Stakeholders*

The stakeholders did not identify any areas of duplication or overlap with other federal government programs and services. The CF program is seen to be complementary to other programs such as HRDC's SEB program. Two stakeholders noted that, while the CF program complemented other programs in larger communities, in smaller communities (and in Northern Ontario), the program was often the only federal government presence.

*Case Studies*

The case studies provided several examples of how the CF program comes together with other federal programs to support and fund community initiatives.

For the First Nations Band Economic Development Officer Training initiative, three federal departments provided support (AAFC, INAC and FedNor). Various aspects of the initiative was relevant to the mandates of each of these departments and was therefore co-funded.

In the case of the creation of the Regional Centre for Business Development and Innovation in Lanark North Leeds, several federal and provincial government departments and agencies co-operated to provide an integrated economic development capability to serve the region. In general, FedNor is the agency most likely to co-fund CFDC initiatives in Northern Ontario, as it is the primary funder of CFDCs, has a similar



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mandate to support economic and community development and is familiar with CFDC work.

### **3.4 Conclusions and Recommendations**

There is a need for the CF program to provide community capacity building at the community level through Community Economic Development (CED) and strategic planning services, business development services to SMEs, entrepreneurs and individuals, as well as access to capital. These needs are best filled by the CFDCs because of their local knowledge and presence as well as their ability to provide services that address the range of aforementioned needs. That is, one critical success factors to the CF program is the fact that CFDCs can offer local solutions to local problems, whether these problems are macro (community capacity building at the community level) or micro (business development services and access to capital). Another critical success factor to the CF program is the broad range of services offered through one local organization (i.e., the CFDC). That is, access to capital is better done in the context of the needs identified in the community strategic plans; business development services complement access to capital and thus enhance the likelihood of success of the individual business; etc.

**Recommendation 1: It is therefore recommended that the CF program in Ontario be continued with its existing delivery structure and range of services offered through CFDCs.**

Given the blend of services offered through the CF program and the low or lack of local presence of other governmental and non-governmental organizations in the areas covered by the program in Ontario, the program does not duplicate or overlap others. It does, however, complement a wide range of federal and some provincial initiatives as well as the services provided by financial institutions.

**No new recommendation is required (see recommendation 1).**

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## **4.0 Objectives Achievement**

### **4.1 Research Questions**

Are the objectives of the CF program still relevant?

To what extent has the CF program achieved its objectives?

- ▶ To what extent has the program been promoted?
- ▶ To what extent has the program undertaken youth initiatives?
- ▶ To what extent has the program developed rural / local partnerships?
- ▶ To what extent has the program provided geographic coverage?
- ▶ To what extent has the program implemented new CED initiatives?

Are the objectives of the CFDCs consistent with the objectives of the CF program, Industry Canada and FedNor?

How in tune are the CF program objectives with other government priorities?

### **4.2 Overview of Findings**

The overall CF program objectives are to support community economic development by assisting communities to develop and diversify through community strategic planning, business or information services, and access to capital. The survey of CFDC clients indicates that these objectives are extremely important and, therefore, relevant. CFDC managers, Board members, Industry Canada / FedNor management, staff and stakeholders all believe that these objectives are critical. Community strategic planning was believed to still be relevant because of a lack of other capacity in the communities and this is an ongoing need. Business or information services were deemed relevant by all groups of interviewees because they: are the only business or information services; are better than the existing ones; or complement others. Finally, access to capital was believed to still be relevant given the lack of other such services and / or the difficulty for small businesses in accessing capital through financial institutions.

According to CFDC representatives, the CF program is well promoted through word of mouth, participation in community events, and numerous other promotional activities. The majority of CFDC representatives indicated that the common identifier initiative has helped them promote the program in their communities. Industry Canada / FedNor management and staff indicated that, at the CFDC level, program promotion was greatly dependent on the individual CFDC and its Board. On the other hand, at the provincial

level, Industry Canada / FedNor representatives noted that a lot was being done (common identifier initiative, advertising campaign in collaboration with the Ontario Association of CFDCs (OACFDC), Small Business Week, marketing funds for communications strategy, etc.) but that a lot of this was more recent. There was some expressed concern that if too much was invested into promotional efforts, CFDCs may not be able to meet the resulting new client demands.

The results from the Industry Canada / FedNor and CFDC interviews indicate that the level of efforts in terms of youth initiatives varies from one CFDC to another. Both groups of interviewees indicated that in some cases a lot was being done whereas in other cases youth were integrated with all other clients and no special initiatives were in place. Nonetheless, the findings are that there are a lot of different types of youth-related activities undertaken by some CFDCs. Some are financial (lower interest rates, micro loans), some are counselling / training (young entrepreneurship training, special mentoring, youth camps), and others are work related (HRDC, youth interns). There are also awards programs (Junior Achievement Awards, bursary programs) and school-based activities (visits to schools).

The CFDC, Industry Canada / FedNor and stakeholder interview findings regarding the development of local partnerships are quite positive. All groups agree that the CFDCs have been very successful in this regard as demonstrated through a wide range of examples of partnerships with federal, provincial and municipal governments as well as community groups. All groups noted that the CFDCs had been critical in many instances in bringing together partners who otherwise would never work together. Two of the case studies illustrate this particularly well (the Regional Centre for Business Development and Innovation in Lanark North Leeds which brings together five separate federal and provincial agencies to serve the region; and the First Nations Band economic Officer Training which involves community leaders and chiefs from 27 First Nations).

It is believed by CFDCs, Industry Canada / FedNor and stakeholders alike that, in general, the program's geographic coverage is adequate. With the advent of the goal of universal rural coverage, significant inroads have been made, according to many. Nonetheless, there was expressed concern from some CFDC and Industry Canada / FedNor representatives that there were inequities in some of the catchment areas from two perspectives. First, some cover very large, geographically dispersed areas and this is noted as a problem because of the costs involved in bringing together the Boards of Directors as well as in reaching clients. Second, some CFDCs are providing services to a population of less than 25,000 people whereas others have more than 100,000 people in their catchment area. It was, however, noted by some Industry Canada / FedNor representatives that these larger catchment areas were normally close to large

metropolitan areas and, as such, there were other business services available to complement those CFDCs.

The CFDC managers, Board members, Industry Canada / FedNor management, staff and stakeholders all noted that the program had been extremely successful in implementing new (incremental) CED initiatives. Several examples were provided by the interviewees in this regard.

CFDC managers, Board members, Industry Canada / FedNor management and staff all noted during the interviews that they believed that the objectives of the CFDCs were consistent with the objectives of the CF program, Industry Canada and FedNor. In addition, Industry Canada / FedNor management and staff believed that its objectives must also be aligned with other government priorities such as economic development and innovation since the program has been around for more than 15 years.

**4.3 Detailed Findings**

**4.3.1 Are the objectives of the CF program still relevant?**

The overall CF program objectives are to support community economic development by assisting communities to develop and diversify their communities through community strategic planning, business or information services, and access to capital. These objectives mirror the needs discussed in the rationale / relevance section (i.e., Section 3.0). This findings summarized in this new section are therefore repetitive in nature.

*CFDC Client Survey*

The survey of CFDC clients indicates that the clients believe the objectives of the CF program are extremely important and, therefore, relevant. That is, the client survey confirms the relevancy of the objectives as per **Table 5** which follows.

Table 5: Importance of CF Program Objectives	
Objective	Average Importance (out of 10)
Community strategic planning and implementation	9.5
Business or information services	9.2
Access to capital	9.7

*CFDC Managers and Board Members*

Without exception, all CFDC managers and Board members who were interviewed agreed that the objectives of the CF program are still relevant. This was true in both Northern and Southern Ontario. Highlights regarding the importance of the objectives are provided in **Table 6** below.

Table 6: CFDC Interview Findings by Objective	
Objectives	Key Interview Findings
Community strategic planning	<ul style="list-style-type: none"> <li>▶ limited capacity for this in the communities served by CFDCs</li> <li>▶ ability of CFDCs to bring together a wide range of players is important</li> <li>▶ broader regional perspective of the program related to this objective makes it very relevant particularly since there is a tendency to have communities compete against each other</li> </ul>
Business or information services	<ul style="list-style-type: none"> <li>▶ CFDCs are often the “only game in town” for these types of services; when there are others, CFDCs are often better</li> <li>▶ this is often complementary and thus, critical, to the access to capital component</li> <li>▶ objective particularly relevant to smaller or more isolated communities</li> </ul>
Access to capital	<ul style="list-style-type: none"> <li>▶ financial institutions often unwilling to provide access to capital to SMEs, particularly those involved in higher risk endeavours</li> <li>▶ financial institutions do not understand the broader community needs; particularly since decisions are not made locally</li> <li>▶ in some smaller, more isolated communities, there is no local financial institution present</li> <li>▶ the importance of access to capital through a local body that makes decisions at the local level is particularly relevant for single industry regions who need to move to a more diversified economy but do not have the financial history to get the financial backing required to do so</li> </ul>

*Industry Canada / FedNor Management and Staff*

Again, Industry Canada / FedNor management and staff agreed that these objectives were relevant because, as discussed in Section 3.0, there was still a need for the services in place to help achieve these objectives. Some of the more prevalent comments made by staff in this regard include:

- ▶ the objectives are relevant because they are general enough to encompass a wide range of activities, adapted to the needs of specific communities;
- ▶ while the needs of the communities may change over time, their economic development needs can always be categorized in terms of strategic planning, business services, and / or access to capital;
- ▶ it is the capacity of the CFDCs to deliver on these objectives that needs to be rethought, not the objectives themselves (not enough resources to deliver on these objectives, lack of capacity, etc.);
- ▶ the CF program objectives do not need to change, but CFDCs may access the resources of other programs to support a broader ranges of services; and,
- ▶ the relevance of the objectives is demonstrated by the fact that the services are extensively used.

A few noted that the objectives could be better defined (the objectives are relevant, but need to be better defined so that they are better understood).

#### *Stakeholders*

Opinions expressed by the stakeholders were very consistent with those of the CFDC and Industry Canada / FedNor representatives with respect to the CF program objectives. The objectives were deemed to be still relevant. For example, community strategic planning would not be done in some rural communities because of a lack of other capacity to do so.

#### *Case Studies*

The case studies give examples of CFDC initiatives related to the main program objectives of helping communities to develop and diversify through provision of:

- ▶ support for community strategic planning;
- ▶ business development and information services for SME, and entrepreneurs; and,
- ▶ access to capital.

In each of the case studies, the support and services provided by the CFDC were shown to help achieve these objectives. The case studies also showed that the communities had real social and economic needs that were being addressed by these projects.

**4.3.2 To what extent has the CF program achieved its objectives?**

**4.3.2.1 To what extent has the program been promoted?**

*Document Review*

A variety of sources have been used in order to determine the ways in which the CF program is to be, and has been promoted. These sources indicate that advertising and signage must be made available. In addition, in CFDC service areas with an official language minority population of five percent or more of the total population, such advertising and signage must be available in both official languages. The *FedNor Policy Bulletin* from July 26, 2001 specifically outlines the official languages requirement in terms of how they pertain to advertisement and service. For instance, in terms of national activities, projects or programs, an announcement must be made to the public concerning the activity, project or program, and service must actively be offered to members of the public. Other suggestions for promotion include:

- ▶ publicizing services so that members of official language communities know where to go to obtain the available services; and,
- ▶ providing signs, advertisements, information booklets, publications, reports, information sessions and consultations to the public to make them aware of the services being offered by the CFDC.

A CFDC, whether required to offer services in both official languages or not, should develop a communications plan through which the appropriate media is chosen for informing members of the community about the services offered, projects, activities and programs. These media include:

- ▶ electronic media;
- ▶ radio stations;
- ▶ television stations;
- ▶ local newspapers; and,
- ▶ internal publications.

Moreover, when a new CFDC is created, the appropriate Member of Parliament (MP) will determine if a press release should be done and if so, coordinate one in consultation with the FedNor Communications Unit.<sup>3</sup>

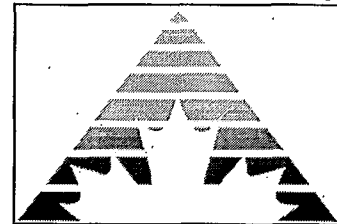
*CFDC Managers and Board Members*

The majority of CFDCs indicated that the CF program is very well promoted. Board members are seen to be strong ambassadors for the program in the community. They are often well connected with local business and also participate in other community organizations such as local Chamber of Commerce and service clubs. CFDC staff are typically involved in making a variety of presentations within the community. Some staff also sit on other boards in the community which gives them a very clear understanding of local issues and knowledge of related initiatives. Board members also indicated that the reputation and credibility of the CFDC staff is critical to the successful promotion of the CF program. Others commented that local MPs and the Secretary of State, Andy Mitchell, were also very strong proponents for the CF program.

A few of the CFDCs indicated that they have a specific marketing plan and / or committee in place. Many CFDCs indicated that they get very good coverage from the local media through feature articles and local success stories. Many of the annual general meetings held by CFDCs are open to the public and attract good participation. Although a few are under construction, most CFDCs have websites. Other promotional activities include ads in the local newspapers as well as some television and radio advertising.

The majority of interviewees indicated that the adoption of the common identifier initiative (see logo to the right) has been a good initiative. A few commented that they question how much promotion should be done because their resources are already at full capacity. One of the Board members commented that the level of promotion must be appropriate as there is a constant demand for CFDC services.

Figure 1: Common Identifier Logo



In Northern Ontario, some of the CFDCs also commented that the FedNor Local Initiatives funding helps to promote local projects. A few of the CFDCs also commented that they produce a quarterly newsletter. Promotion by word of mouth was seen as very

<sup>3</sup> *FedNor Policy Bulletin*, regarding Community Futures Expansion Implementation Plan, August 3, 2000.



effective particularly in smaller communities. Some also indicated that the banks promote the CF program by directing clients to the CFDC for assistance.

Several CFDC staff and Board members indicated that they felt that the success of the CF program was not highlighted enough by IC and FedNor. They felt that the CF program deserves greater recognition for its successes.

*Industry Canada / FedNor Management and Staff*

Management and staff assessed program promotion from two levels: provincial (i.e, promotion of the program for all CFDCs); and by the individual CFDCs. Most agreed that this was an area where improvements were required.

At the provincial level, the work done by Industry Canada / FedNor, in close consultation with the CFDCs, in developing and implementing the common identifier initiative will, according to staff, benefit all parties, since:

- ▶ Industry Canada / FedNor needed a common look in order to promote the program and make the federal government visible;
- ▶ CFDCs needed to feel they were part of a larger network to help build pride amongst CFDCs; and,
- ▶ clients / potential clients who moved from one region of the province to another had no easy way of identifying the organization in the area that was responsible for delivering the CF program – the names were inconsistent and there was no common “look or feel” to the network.

According to staff, all CFDCs have agreed to use the common identifier logo. In addition, all except one have agreed to follow the guidelines associated with the common identifier initiative. According to staff, since this initiative is in its early stages, the results have not yet started to occur. However, according to Industry Canada / FedNor staff, positive comments were been received by the CFDCs as they can now develop regional marketing initiatives. In addition, Industry Canada / FedNor was able to run a province-wide advertising campaign (television ads) in collaboration with the Ontario Association of Community Futures Development Corporations (OACFDC).

At the provincial level, as part of Small Business Week, Industry Canada / FedNor sponsored Community Futures Day for the first time last year. This was deemed a success and will be continued, according to Industry Canada / FedNor staff.

In addition, a \$5,000 marketing fund was recently made available to all CFDCs, provided they develop a communications strategy for their organization. At the time of this evaluation, most CFDCs were not yet on board, but the initiative was still in its infancy.

Industry Canada / FedNor also recently reworked its letter of offer with a communications section which clarifies the communications roles of each party. Again, it is too early to assess the effects of this initiative.

The OACFDC website was also noted as a good province-wide tool to promote the program as well as the network of CFDCs.

All Industry Canada / FedNor staff agreed that the promotion at the CFDC level was inconsistent. According to Industry Canada / FedNor staff, some CFDCs have done a lot to promote the program as well as their organization, while others had done little, if anything. Industry Canada / FedNor staff reported examples of tools used to promote the individual CFDCs. These include, in no particular order:

- ▶ monthly newsletters;
- ▶ quarterly fact sheets;
- ▶ information to MPs for wider diffusion to their constituents; and,
- ▶ participation in business / trade shows.

Other promotional efforts identified by Industry Canada / FedNor staff included the Pan-Canadian efforts.

While Industry Canada / FedNor staff generally agreed that more promotional efforts were required at all levels, many expressed concerns related to the implications of the success of the promotional activities. That is, they cautioned that the program resources were limited. Therefore, it was important not to ask CFDC staff and Board members to take time away from delivery to put into promotion, time they may not have. Another concern in this area was that if CFDCs did not have the resources to fully meet the needs of the clients they already had, how would they meet the needs of new clients, without additional resources, if the promotional efforts were successful?

#### *Stakeholders*

Some stakeholders (primarily from larger urban centres) felt that the CF program should be more broadly promoted while others indicated that it was very well known in their communities. Several made the comment that the CF program does not do enough to

“blow its own horn”. They felt that the CF program often does not get enough credit for its results.

#### **4.3.2.2 To what extent has the program undertaken youth initiatives?**

##### *Document Review*

Based on the review of a number of documents related to the CF program, there is emphasis on providing service to particular sets of client groups. One such client group is youth. Industry Canada / FedNor management has identified as a priority that the CF program is to provide enhanced access and quality of service to youth by:<sup>4</sup>

- ▶ collecting and analysing data regarding existing services to youth;
- ▶ encouraging working relationships with youth and CFDCs; and,
- ▶ providing internships to youth.

##### *CFDC Managers and Board*

The response to this question was mixed. Some CFDCs have been very involved in supporting various youth initiatives while others have not viewed it as a priority. Several interviewees commented that the outward migration of youth from rural areas and smaller communities is a very important issue facing local economies (especially in Northern Ontario).

For those CFDCs where youth initiatives have been undertaken, they cited a variety of examples such as delivering entrepreneurship seminars in local high schools, sponsoring Junior Achievement Awards, hiring youth interns to work in the CFDCs, funding a Youth Entrepreneurship Development program, supporting business planning competitions in local high schools, bursary programs, and the ‘Who Wants to be a Millionaire’ program.

Some indicated that, even though youth are not specifically targeted, many loan clients are young entrepreneurs.

Some examples of specific youth initiatives noted during the interviews follow.

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<sup>4</sup> *Community Futures Strategic Plan Summary*, December 2000.

*One CFDC (Sturgeon Falls) indicated that it has submitted an application to Industry Canada / FedNor to start a Centre of Excellence for Young Entrepreneurs. This centre will provide classes over a 16 week period which focus on business planning. The participants will be linked up with a mentor for advice on legal and financial matters.*

*The CFDC in Geraldton has been successful in getting entrepreneurship curriculum into the schools using materials available from the Ministry of Education.*

*The CFDC in Orillia runs a special program for 'at-risk' youth to teach small business skills. Youth participating in this program run a bike rental kiosk at a local park in the summer and receive mentoring and advice.*

*The CFDC in Renfrew County indicated that it facilitated a community consultation with 125 youth to examine their needs for services that could be provided.*

*The CFDC for North and Central Hastings and South Algoma has sponsored various summer camp programs for youth focussed on science, Internet skills and entrepreneurship.*

#### *Industry Canada / FedNor Management and Staff*

In the case of youth initiatives, management and staff generally noted that the extent of such initiatives varied from one CFDC to the next. Industry Canada / FedNor staff believed that some CFDCs did not consider the importance of undertaking special initiatives for youth. It was also noted that, since Industry Canada / FedNor only recently started to require statistics on target groups, some CFDCs were not aware that this should be a consideration.

Youth initiatives noted by Industry Canada / FedNor staff included:

- ▶ lower interest rates for youth;
- ▶ micro loans (\$2,000 to \$3,000) for summer students and other youth loans programs;
- ▶ Junior Achievement program;
- ▶ Northern Ventures program;
- ▶ young entrepreneurship training / special mentoring for young entrepreneurs;
- ▶ entrepreneurship camp (one week where children below high school age develop a business plan);
- ▶ work with high schools, visits to schools; and,
- ▶ HRDC youth initiatives.

It was noted that since fewer CFDCs were involved with HRDC program delivery, they had fewer opportunities to undertake youth initiatives.

According to Industry Canada / FedNor staff, CFDCs also have wide ranging requirements for youth representation on their Board of Directors (i.e., one designated spot for youth, try to recruit youth, youth as observers, no youth consideration). One staff member noted that some CFDCs did not want youth on their Board because they believed that youth did not have the experience required to contribute; others were concerned that the confidentiality of the decisions may be jeopardized with youth Board members.

One staff member cautioned that this was not a youth program and therefore did not believe that targeting youth, through special initiatives, was required.

#### *Case Studies*

Most of the case studies had some element related to youth. For example, the creation of the satellite campus of Wilfrid Laurier University in Brantford opened up increased opportunities for university education to local youth. In the case of the North Simcoe Strategic Planning initiative, a Youth Action Team was created to compare what skills local youth have with what local employers want, in order to identify gaps and training and apprenticeship opportunities. As another example, the First Nations BEDO training course identified methods to encourage and support youth entrepreneurship. Finally, for the Rainy River Safe Communities initiative, the safety of youth was of specific concern, and special efforts were made to reduce the likelihood of accidents involving youth.

In the case of the creation of the satellite campus of Wilfrid Laurier University in Brantford, local youth, who could not afford to pay the costs of going away to university, are now able to cut costs by more than half by attending the local campus while staying at home. About half of the 310 full-time students in 2002-2003 are from the Brantford area.

#### **4.3.2.3 To what extent has the program developed rural / local partnerships?**

##### *Document Review*

With respect to developing partnerships, CF documentation indicates that communities need to work together in order to identify trends, recognize the value of collaborating between communities in terms of sharing experiences and best practices in order to best make the CF program successful. Specifically, guidelines presented by Treasury Board in May 2000 for additional funding for the creation of new CFDCs and the enhancement of services recognized the importance of developing partnerships by supporting an increased

capacity at the local level in order to serve clients, create partnerships and undertake more development initiatives.<sup>5</sup>

Also, in developing a policy for self-reliance in 1998, Industry Canada / FedNor established a working group consisting of program management staff, as well as staff and volunteer representatives of CFDCs, thereby ensuring information and feedback is received from a variety of sources with potentially differing opinions. The CF program, in developing new activities, projects or programs through individual CFDCs, also fosters partnerships between community organizations and individuals.

Additionally, there may be instances in which existing CFDCs request adjustments or expansions to the current boundaries of the service area. These instances provide strong examples of the need for partnerships within communities in that:<sup>6</sup>

- ▶ the proposed changes must be endorsed by the Board of Directors of the CFDC affected;
- ▶ there must be community support for the proposed changes to the boundaries. In fact, relevant stakeholders, such as local governments, economic development officials, business associations and MP / MPs must have been consulted;
- ▶ the proposed changes must be based on logical geo-political and socio-economic links;
- ▶ there must be a sound CFDC business plan to provide quality service to the adjusted / expanded service area, with adequate financial and human resources to deliver the CF program to the adjusted / expanded service area, including strategic planning, business services, and investment in compliance with standard program contribution agreements and requirements of the Official Languages Act; and,
- ▶ representation of the Board of Directors for the CFDC must be adjusted as necessary to ensure effective community representation of the entire expanded service area.

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<sup>5</sup> *FedNor Policy Bulletin*, regarding Additional CFDC Operational Funding, October 27, 2000.

<sup>6</sup> *FedNor Policy Bulletin*, regarding Changes to Community Futures Boundaries, January 29, 2002.

*CFDC Managers and Board*

CFDC managers indicated a very high degree of success in the development of local partnerships in Northern and Southern Ontario. For example, most CFDCs noted strong partnerships with municipalities, townships, provincial ministries, HRDC, AAFC, financial institutions, educational institutions such as secondary schools, colleges and universities, Chambers of Commerce, Rotary and Kinsmen Clubs. Other more specific examples of partnerships include the Ontario Healthy Communities Association, a tourism marketing organization called Huron North, the Geraldton Community Forest group, Women's Business Network, and the Fast Forward initiative in Thunder Bay which has over 60 partners, the satellite campus of Sir Wilfrid Laurier University in Brantford, the Blue Sky Economic Partnership in North Bay, the Taste the County partnership in Picton-Prince Edward county which promotes the tourism, farming and dining industries, the Timmins Economic Development Corporation, and the Northwest/Midwest Alliance to encourage export development with mid-west American states and northwestern Ontario communities.

Some interviewees discussed the importance of the 'healthy communities' concept as a key to ensuring broad coverage in the types of organizations where partnerships can be developed. Several people also commented that FedNor Local Initiatives funding available in Northern Ontario has been beneficial in establishing new partnerships and supporting efforts of not-for-profit groups in the communities.

*Industry Canada / FedNor Management and Staff*

It was generally believed by staff that the program, through the CFDCs, has been successful in developing local partnerships. Staff cited a number of examples that illustrate the success of the program with regards to this. Some of these were related to addressing specific economic development issues by bringing together a wide range of stakeholders.

*Through an export development program, a CFDC in Southern Ontario pulled together representatives from MEDT, OMAFRA, Chambers of Commerce, EDOS, and many others who, while involved in export development, did not know each other.*

Other examples cited by staff revolved around the resolution of a particular problem in the region served by a particular CFDC.

*A ski resort in Northern Ontario was going to need to be closed down. The local CFDC put together a group of stakeholders to manage the resort until a buyer could be found for the resort. If the resort had closed down in this community, the town's economy would have been greatly negatively affected.*

Other examples demonstrated the capability of the CFDCs to find innovative ways of ensuring the continued economic development of their region.

*When the Government of Canada divested its airports to municipalities, one municipality in Northern Ontario did not want to take it over. The CFDC played a major role in bringing together a broad range of stakeholders to run the airport through a not-for-profit corporation. Without the airport, the region would have lost on opportunities to attract new business to the region.*

### *Stakeholders*

The stakeholders indicated that, in most cases, the CFDCs have been very successful in the development of local partnerships. Some specific examples which were mentioned include the Fast Forward initiative in Thunder Bay, Blue Sky in North Bay, a showcase of mining activities in the Patricia Area which attracted visitors from Europe, the ski resort in Northern Ontario, participation with local mayors and reeves on a regular basis, partnerships with local tourism operators and the education sector. The CFDCs are seen as playing a strong leadership and facilitator role in working with a very diverse range of partners.

### *Case Studies*

Two case studies provide examples of different ways in which CFDCs support rural partnerships. In the first example, the Regional Centre for Business Development and Innovation (RCBDI) in Lanark North Leeds, led by Valley Heartland CFDC, has brought together five separate federal and provincial agencies to serve the region, which includes a number of small rural communities, farms and small towns. These agencies have developed an Economic Development Officers Network, that includes the economic development officers from the 13 municipalities in the region. These officers meet regularly at the RCBDI to discuss opportunities, share information and learn about any new initiatives coming from the agencies at the RCBDI.

In the case of the First Nations Band Economic Development Officer Training, the Waubetek Business Development Corporation invited BEDOs from the 27 First Nations in Northeastern Ontario to identify training needs. Most of these communities are isolated and are situated in a rural environment. During the training, community leaders and chiefs from all 27 First Nations communities were invited to join their BEDOs and participate in



the workshop involving partnerships and joint ventures. Participants discussed partnerships among First Nations and with other non-Aboriginal partners.

#### 4.3.2.4 To what extent has the program provided geographic coverage?

##### *Document Review*

The *FedNor Policy Bulletin* dated January 29, 2002 regarding changes to Community Futures Boundaries addresses the importance of the CF program providing good geographic coverage. This *Bulletin* states that “historically, CFDC service areas have been established based on geo-political and socio-economic links.”<sup>7</sup> Due to a number of factors, including service improvement efforts and changes in local governance structures, the current service areas sometimes need to expand so as to include areas not previously serviced by the CFDC.

Furthermore, the Terms and Conditions for the CF program outline criteria that must be met in order for a community to participate in the program by establishing a CF service area. The criteria for eligible communities include being outside of a metropolitan area as approved by the Minister or his delegate. Given that the community fulfills this requirement, it is also possible for the CF corporation to provide services to individuals / clients in areas that are adjacent to, though not within, the normal territory of the CF corporation, so long as these individuals / clients are not being served by another CF corporation.<sup>8</sup>

At the time of this evaluation, there were 57 CFDCs located in seven regional networks across Ontario as follows:

- ▶ Northeastern Ontario – 14 CFDCs;
- ▶ Northwestern Ontario – 10 CFDCs;
- ▶ South Central Ontario – 5 CFDCs;
- ▶ Western Ontario – 7 CFDCs;
- ▶ Southwestern Ontario – 8 CFDCs;
- ▶ Eastern Ontario – 6 CFDCs; and,
- ▶ Southeastern Ontario – 7 CFDCs.

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<sup>7</sup> *FedNor Policy Bulletin*, regarding Changes to Community Futures Boundaries, January 29, 2002.

<sup>8</sup> Industry Canada. *Appendix A: Community Futures Program: Terms and Conditions*.

*CFDC Managers and Board*

Comments on geographic coverage made by CFDC managers and Board members in Southern Ontario seemed to focus more on boundary issues for the various catchment areas. A few indicated that they felt a need to set up satellite offices to better serve their communities. Some of the CFDCs in Southern Ontario described a situation where they neighbour onto areas which are not part of any CF catchment area. They have had to make special provisions to help people in these areas.

Of the CFDC managers from Northern Ontario who were interviewed, about half indicated that the CF program provided adequate geographic coverage within their catchment area. The remaining ones discussed a number of concerns with respect to the geographic size of the catchment areas. Some of the managers felt constrained by budget allocations for travel particularly where long distances were involved to service all areas. The Board members were consistent in their responses with respect to issues of size, remoteness of some communities and travel budget restrictions. Most indicated that geographic coverage was adequate with respect to representation of Board members.

A few interviewees suggested that the goal of universal rural coverage is an appropriate priority for the CF program since one of the objectives is job creation.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff agreed that the geographic coverage for the program was adequate. Nonetheless, some issues regarding geographic coverage were identified. First, some believed that CFDCs in large isolated areas were geographically disadvantaged in that their operational cost to reach their clients and Boards of Directors were significantly increased.

*For the Wakenagun Community Futures Development Corporations to meet once in person, it costs \$10,000. This CFDC receives an additional \$20,000 because of its large geographic coverage and its isolation. This represents two Board meetings. Most CFDCs meet once per month. The special fund therefore does not cover anywhere near what is needed for the number of in-person Board meetings required. This does not take into account the costs involved in reaching the clients.*

Other staff noted that the size of the population covered by the CFDCs varied significantly and this greatly affected the ability of some CFDCs to operate effectively within their budgets.

*"Some CFDCs provide service to a population of less than 25,000. One CFDC has a population of 170,000. A reasonable size for a CFDC needs to be identified." (Southern Ontario)*

*"I like county as the size for CFDC coverage since it can also build on existing infrastructure. It would be great if 25,000 in population was the identified size." (Southern Ontario)*

Another issue raised was that, with all the municipal amalgamations in Ontario, some communities that are rural in nature are now part of an urban area and not eligible for a CFDC. Some thought needs to be put into resolving this problem. For example, it was noted that some parts of Ottawa are very rural, yet these people are not covered by a CFDC because they are considered to live in an urban area.

#### *Stakeholders*

The remarks of the stakeholders were very similar to those of the CFDC managers and Board members. Eleven indicated that the geographic coverage was adequate, two were not sure, two Northern stakeholders indicated that the size of the catchment area was too large, one from Southern Ontario questioned the logic of the boundaries, and one questioned whether the CF program should also be available in urban areas.

#### **4.3.2.5 To what extent has the program implemented new CED initiatives?**

##### *Document Review*

Documents show that the CF program makes a difference in rural and Northern Ontario through its effort to support rural economic development across Canada. Currently, the CF program supports local economic development in 57 rural and Northern communities across Ontario. Of these, there are a number of success stories that illustrate the implementation of new Community Economic Development and employment programs, including:<sup>9</sup>

- ▶ Patricia Area Community Endeavours which, through its Investment Fund, helped to launch a business in Vermillion Bay that is intended to employ 12 EI recipients;
- ▶ Trenval CFDC which provided high risk financing to expand a home-based business into a small production facility, which in its first year generated \$85,000 in sales and is anticipating multi-million dollar sales within the next several years in both Canadian and American markets;

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<sup>9</sup> *Community Futures Program Results and Success Stories.*

- ▶ Waubetek Business Development Corporation which participated in International Tourism Borse in Germany, one of the largest international trade shows, thereby enabling it to make new contacts, strengthen existing contacts, gain knowledge about international tourism promotion and successfully promote the tourism businesses encompassing eight Aboriginal communities; and,
- ▶ Valley Heartland Community Futures Development Corporation which has developed a new Regional Centre for Business Development and Innovation that provides federal, provincial and municipal services, within one location, dedicated specifically to support small business growth.

*CFDC Managers and Board Members*

The interviews with CFDC managers and Board members indicate that, the CF program has been extremely successful in terms of CED initiatives. According to CFDC representatives, this is the basic premise of the program and, as such, is an integral part of all their endeavours be they at the community strategic planning level or at the individual business access to capital. Examples provided include:

*In Chatham-Kent, the CFDC was crucial to helping an ethanol plant decide to locate itself in that area.*

*An agricultural example is that of a greenhouse study which resulted in a 30 acre greenhouse and \$50 million in investment for one particular CFDC in Southern Ontario.*

*The CFDC in Prescott Russell met with representatives from all industries to help identify "red flags" and thus develop strategies to ensure that these industries would stay in the region.*

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff noted that they believed CED to be the basis of everything done through the program. A few specific examples were provided.

*The Rainy River Healthy Community project.*

*In Thunder Bay, the Fast Forward initiative started with 5 or 6 community groups involved and now has 28.*

*Several First Nations are now looking at implementing the strategic plans that were developed for their communities.*

*The Blue Sky initiative brings together four communities and a host of private sector organizations in the North Bay / East Nipissing region.*

*The development of a new Ethanol plant in Chatham-Kent.*

*Bounty of the County initiative in Essex to enhance agriculture.*

*The creation of a satellite university campus in Brantford.*

*Two Rivers CFDC is responsible for the establishment of a bank and radio station in its First Nation community.*

### *Stakeholders*

The stakeholders also indicated that they believed the program has resulted in new incremental CED initiatives. Some of the examples provided by the stakeholders included tourism initiatives (for example, a snowmobile competition, new lodge in Blind River, etc.). One stakeholder noted that CFDCs in Northern Ontario can access FedNor funds to support major CED initiatives.

#### **4.3.3 Are the objectives of the CFDCs consistent with the objectives of the CF program, Industry Canada and FedNor?**

##### *Document Review*

A variety of sources have been used in order to examine whether or not the objectives of CFDCs remain consistent with the objectives of the CF program, Industry Canada and FedNor. It is clearly articulated in the *FedNor Policy Bulletin* from October 27, 2000 that when seeking additional funding to support the delivery of enhanced services, the CFDC must, not only specify how the services will be enhanced (along with cost estimates) and what impacts these enhancements will have on the local community but also, ensure that all of these impacts are entirely consistent with Industry Canada / FedNor priorities including:

- ▶ investment;
- ▶ connectedness;

- ▶ innovation;
- ▶ trade;
- ▶ community partnerships; and,
- ▶ services to particular client groups such as Francophones, youth, women and Aboriginal people.

According to the *FedNor Policy Bulletin* dated February 16, 2001, when CFDCs assisted in the development of a policy regarding the financial self-sufficiency or self-reliance of CFDCs, it was required that the resulting policy support the objectives of the CF program while still remaining flexible enough to allow for major differences in the costs and potential revenues of the various CFDCs across Ontario.

#### *CFDC Managers and Board Members*

All CFDC managers and Board members indicated that the objectives of their CFDC are consistent with the objectives of the CF program, Industry Canada and FedNor. They explained that the objectives of the individual CFDCs are reviewed annually as part of their strategic planning process. The interviewees commented that the CFDC's contract with Industry Canada / FedNor is the main vehicle by which consistency of local objectives is kept in check with those of Industry Canada and FedNor. Some did comment that they might place a greater emphasis on one program stream over another due to specific economic conditions within their particular area but the overall objectives of CFDCs are consistent with those of the CF program.

Some interviewees suggested that the CF program is being implemented differently in Northern versus Southern Ontario. A Southern Ontario Board member commented that the Northern CFDCs have more money and political involvement, but the Boards in the South have more autonomy. The perception that there were significant discrepancies was expressed by several interviewees. Some concerns were also raised that Industry Canada / FedNor was too out of touch with the needs of communities in Southern Ontario.

One person commented that the CFDCs work hard to support FedNor objectives, but sometimes the local businesses are not ready for some of their initiatives (e.g., e-commerce).

#### *Industry Canada / FedNor Management and Staff*

Managers and staff generally believed that the objectives of the individual CFDCs were consistent with those of the CF program, Industry Canada and FedNor. It was generally recognized that there were some slight deviations but that these were to be expected given

the grassroots aspects of this program. That is, managers and staff believed that the differences in CFDC objectives were generally there to reflect unique priorities in their own communities. For example, a CFDC in an agricultural community may be expected to have agriculturally oriented objectives, however, these would still be tied to the three core services of the CF program. In addition, it was noted by one that, through the strategic plans submitted by the CFDCs, Industry Canada / FedNor could ensure that the objectives were well aligned.

#### 4.3.4 How in tune are the CF program objectives with other government priorities?

##### *Industry Canada / FedNor Management and Staff*

The general comment in this regard made by managers and staff was that the program was still around after more than 15 years and several governments. This therefore made it reasonably evident that its objectives were in tune with other government priorities. It was noted that, while government priorities change, economic development has been a priority of government for the last 15 years, which is likely why the CF program is still around. Other comments made in this regard included:

- ▶ Treasury Board approves the program, therefore it must be in tune with government priorities;
- ▶ it is consistent with the innovation strategy;
- ▶ community development was included in the Speech from the Throne; and,
- ▶ government is committed to supporting the growth of SMEs which is in line with the CF program.

#### 4.4 Conclusions and Recommendations

The objective of the CF program is to support community economic development by assisting communities to develop and diversify their communities through community strategic planning, business or information services, and access to capital. This objective is not only relevant, but significant progress has been made towards its achievement through promotion of the program, youth initiatives, the development of rural / local partnerships, adequate geographic coverage as well as the implementation of CED initiatives.

**No new recommendation is required (see recommendation 1).**

CFDC-specific promotional activities are sometimes excellent and at other times poor. Industry Canada / FedNor is making efforts, through such initiatives as providing

marketing funds and clearer agreements with CFDCs regarding communications, to improve the quality of promotional activities undertaken by the individual CFDCs across the province. It is too early to assess the success of these initiatives. Program-specific promotional activities, while limited in the past, are now starting to be more evident as a result of the common identifier initiative, a more active role played by the OACFDC, as well as other Industry Canada / FedNor marketing initiatives. It is too early to fully assess the effectiveness of these initiatives but at this early stage they are well received.

**Recommendation 2: It is therefore recommended that Industry Canada / FedNor continue to make efforts, both at the program level and with individual CFDCs, to help improve the quantity and quality of promotional activities. Existing promotional activities at the provincial level should continue to be offered and enhanced.**

**Recommendation 3: It is also recommended that Industry Canada / FedNor monitor the effectiveness of some of the newer promotional initiatives such as marketing funds, clearer agreements with CFDCs, and the common identifier initiative to gauge their impacts at the program level as well as for individual CFDCs.**

The quantity and quality of youth initiatives are inconsistent across CFDCs. Some CFDCs do not believe that they should be targeting youth while others do not feel there is a need to do so. Nonetheless, a significant number of CFDCs recognize the importance of youth initiatives, particularly given the extent of youth out-migration, and have therefore successfully implementing a wide-range of youth initiatives.

**Recommendation 4: It is therefore recommended that Industry Canada / FedNor encourage more emphasis on youth by providing opportunities for sharing best practices in regard to youth-related initiatives and integrating youth initiatives into reporting requirements.**

The development of rural / local partnerships and the implementation of CED initiatives are an integral part of this program and the CFDCs have been extremely successful at this. This is due to hard work within the community and the credibility of the CFDCs in the communities they are serving.

**No new recommendation is required (see recommendation 1).**

Particularly with the advent of the goal of universal rural coverage, Industry Canada / FedNor has been successful in providing adequate geographic coverage. However, there



are challenges with the size of some of the catchment areas (land or population base) which appear to have implications for successful delivery.

**Recommendation 5: Industry Canada / FedNor should continue to monitor the appropriateness of the size (geographic area or population) of individual CFDC catchment areas and, where required, either provide additional resources or change the geographic boundaries.**

The objectives of the CFDCs are consistent with those of the CF program, Industry Canada and FedNor. In addition, the CF program objectives are well aligned with other government priorities.

**No new recommendation is required (see recommendation 1).**

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## **5.0 Program Design / Delivery**

### **5.1 Research Questions**

Has the CF program contributed to an increased awareness of government programs and services by businesses, business intermediaries and communities?

Has the CF program contributed to an increased awareness of local issues?

Are the objectives and desired outcomes of the CF program clearly identified and agreed upon?

What activities have been added, modified or discontinued in terms of the CF program?  
Are there adequate resources for these activities?

What has worked in the CF program and what could be improved?

To what extent is there federal visibility in the delivery of programs / services?

What factors have facilitated / impeded implementation of the CF program?

Is the CF program the most appropriate approach to achieve the objectives and intended results?

Has Industry Canada / FedNor taken the necessary measures to meet its intended objectives (i.e., planning and training)?

### **5.2 Overview of Findings**

Feedback received from CFDCs and Industry Canada / FedNor indicates that the CFDCs are helping increase awareness of government programs and services in several ways. First, they are delivering some of these programs (e.g., Canada-Ontario Business Service Centre – COBSC, Community Access Program – CAP, SEB). In other cases, interviewees noted that the CFDCs are partnering with other government programs while in other cases still they are referring clients to others. Some of the programs and departments that have benefited from CF program activities include Industry Canada / FedNor, Environment Canada, and AAFC (Canadian Rural Partnerships).

CFDC representatives noted that, through their direct involvement in community strategic planning, they were able to help raise the profile of some of the specific issues affecting the local communities. Industry Canada / FedNor representatives noted that CFDCs played a major role in, not only raising the profile of the issues which affected the communities, but in also working with the communities to find and implement solutions to these issues. The stakeholders also noted that the CFDCs helped increase awareness of local issues.

The CFDCs and Industry Canada / FedNor consistently indicated that they believed the objectives and desired outcomes of the CF program were clearly identified and agreed upon. It was noted by one Industry Canada / FedNor staff that no one ever argued about the objectives of the program.

According to CFDCs, Industry Canada / FedNor and stakeholders, there have been a wide ranging number of activities added or modified in terms of the CF program. While many have been discretionary, most have been added and few have been discontinued. Some of the discretionary ones added include the common identifier initiative, the investment pool in the Northeast region, export development opportunities, the support for innovation and knowledge-based economy (KBE) activities, and others. Some of the non-discretionary ones include the need to provide bilingual services for some CFDCs, the goal of universal rural coverage, and others. It was agreed by all groups of interviewees that it was difficult to provide all the services required within the available resources. The extensive contribution of the volunteer Board members in being able to deliver more than CFDCs otherwise would be able to within the allocated resources was consistently noted. There was concern expressed that these efforts were not always sufficiently recognized or appreciated.

According to CFDC clients, some of the aspects of this program that work particularly well are its staff, the fact that the CFDCs are locally driven / community focussed, as well as the access to capital. CFDC representatives agreed that the community focus of this program is what makes it work. Industry Canada / FedNor management and staff also concurred with clients that program staff (CFDC and Industry Canada / FedNor), volunteers, and the community focus were strong aspects of this program. The stakeholders provided similar feedback. On the other hand, areas of improvement were identified by all. CFDC clients had few suggestions for improvements, but the most predominant ones were the need for lower interest rates (13% of all respondents), more money in general (9% – this was also noted by CFDCs, Industry Canada / FedNor and stakeholders) and more advertising (9% – this was also noted by some stakeholders). CFDCs, Industry Canada / FedNor and stakeholders also noted that the reporting requirements needed to be better coordinated. CFDCs also noted the need to provide

more opportunities for sharing, whereas Industry Canada / FedNor noted some difficulties with some Boards of Directors and with geographic distributions.

CFDC and Industry Canada / FedNor representatives consistently indicated that CFDCs were doing as much as they could to ensure that the federal government was visible in the delivery of the CF program. This was done through federal government acknowledgements in pretty well everything the CFDCs did that was related to the program. It was also noted by staff that, through the delivery of other federal programs, CFDCs were increasing federal visibility.

CFDC manager and Board members generally reported similar facilitating and impeding factors to those noted by Industry Canada / FedNor management and staff. In terms of facilitators, the following key points were made by the two groups:

- ▶ partnerships are key (CFDCs with others, Industry Canada / FedNor with CFDCs);
- ▶ promotion has helped (common identifier initiative in particular);
- ▶ local decision-making is key (grassroots program, local Boards of Directors); and,
- ▶ the complementarity of services provided.

The key points made regarding the impeding factors were:

- ▶ the costs involved with implementation of the *Official Languages Act*;
- ▶ aspects of the relationship between Industry Canada / FedNor and the CFDCs;
- ▶ the lack of resources to offer the wide range of services needed;
- ▶ problems with implementation of new software (The Exceptional Assistant (TEA)); and,
- ▶ challenges in finding and keeping the right staff complement.

The interviewees all believed, regardless of which group they represented, that the CF program, as currently designed and delivered was the most appropriate way of achieving the stated objectives and intended results. While challenges were identified with the current approach, all groups agreed that there was no better way of delivering this program, that is through local decision-making.

Both CFDC and Industry Canada / FedNor representatives indicated during the interviews that, while more could be done, Industry Canada / FedNor had taken numerous measures to meet its intended objectives through planning and training. Key initiatives in this regard were identified, including the regional networks, the work done by the OACFDC, and the Pan Canadian website, to name a few. Industry Canada / FedNor was noted to

have contributed to many of these initiatives. However, some need for more training opportunities were identified by CFDC representatives as well as Industry Canada / FedNor management and staff.

### **5.3 Detailed Findings**

#### **5.3.1 Has the CF program contributed to an increased awareness of government programs and services by businesses, business intermediaries and communities?**

##### *CFDC Managers and Board Members*

The general consensus from the interviewees was that the CF program has contributed to an increased awareness of government services by businesses, business intermediaries and communities. Several commented that they actively search out new information on programs and services that are available so they can more adequately inform CF clients of opportunities. The CFDCs also indicated that they refer clients to other government programs as appropriate on a regular basis. One of the initiatives cited as an example was promoting export awareness.

##### *Industry Canada / FedNor Management and Staff*

Some of the programs mentioned by management and staff in terms of increased awareness, include:

- ▶ FedNor (more requirements for assistance coming via CFDCs);
- ▶ Community Access Program (CAP);
- ▶ Environment Canada; and,
- ▶ Canadian Rural Partnerships.

In addition, it was noted by staff that CFDCs were well positioned to increase awareness of the COBSC since many were Regional Access Sites for this program. Several CFDCs also served as CAP sites and therefore increased, not only awareness of but also, access to this program. Others cited HRDC's SEB program as a good example of how CFDCs increase awareness of government programs and services.

##### *Case Studies*

Several case studies demonstrate ways in which CFDCs contribute to an increased awareness of government programs in their communities. In the case of the First Nations

Band Economic Development Officer Training, one of the workshops had presentations by representatives of federal government agencies and programs about what services and funding they had. Since the workshops, the BEDOs have gone back to their communities and shared this information with businesses and entrepreneurs.

**5.3.2 Has the CF program contributed to an increased awareness of local issues?**

*CFDC Managers and Board Members*

CFDC managers and Board members did not comment specifically on this issue. However, it was noted by many of the interviewees that, through their direct involvement in community strategic planning, they were able to help raise the profile of some of the specific issues affecting their local communities. As such, it was believed that the program contributed to raising the awareness of local issues. For example, several CFDCs noted that they had participated in community needs assessment studies and that these initiatives had resulted in an increased awareness of local issues.

*Industry Canada / FedNor Management and Staff*

Again, the Industry Canada / FedNor management and staff interviewed did not comment specifically on this issues. Nonetheless, it was noted throughout the interviews that the CFDCs played a major role in, not only raising the profile of the issues which affected the communities but also, working with the communities to find and implement solutions to these issues. One staff member discussed the take-up by the CFDCs in Southern Ontario of the Innovation and Knowledge-Based Economy (KBE) activities. This is a specific example of the role of CFDCs in raising awareness regarding the issues affecting their communities in the area of innovation and KBE.

*Stakeholders*

The stakeholders also did not comment specifically on this issue. However, many comments helped demonstrate that they believed the CF program, through the CFDCs, helped increase awareness of local issues. These included:

- ▶ the fact that the strategic community economic development planning element of the program is all about identifying and addressing local issues; therefore, to the extent that CFDCs are effective in this area of the program (as previously noted), they automatically contribute to increased awareness of local issues;

- ▶ the fact that CFDC staff and Board members are always out there in the community raising awareness, not only of the program, but of the importance of its various components to the community; and,
- ▶ the role played by CFDC staff in involving themselves in as many business networks in the community as possible (e.g., Chambers of Commerce, Women's Business Networks, etc.) and thus raising awareness of the local issues affecting those networks.

#### *Case Studies*

Several of the case studies demonstrate how the CFDCs assist in increasing awareness of local / rural issues among the government and business communities. For example, the First Nations Band Economic Development Officer Training initiative undertaken by the Waubetek Business Development Corporation involved holding workshops involving discussions between BEDOs from First Nations rural communities in Northeastern Ontario and invited guests and presenters from government departments and agencies, and other organizations. These discussions involved identifying rural issues such as lack of local access to training and investment capital and identifying potential solutions.

### **5.3.3 Are the objectives and desired outcomes of the CF program clearly identified and agreed upon?**

#### *Document Review*

As stated in a number of documents, the overall objective of the CF program is to support community economic development by assisting communities in developing and diversifying their communities. There are three main ways in which the CF program intends to do this:<sup>10</sup>

1. Community strategic planning, which includes working with communities to assess problems, establish objectives, plan and implement strategies to develop human institutional and physical infrastructures, entrepreneurship, employment and the economy.
2. Business / information services, which involve delivering a range of business, counselling and information services to small and medium-sized enterprises (SMEs).

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<sup>10</sup> Industry Canada, *Appendix A: Community Futures Program: Terms and Conditions*.

3. Access to capital, including providing capital to assist existing businesses or to help entrepreneurs to create new businesses.

*CFDC Managers and Board Members*

CFDC managers and Board members agreed that the objectives were relevant and that these were the objectives their CFDCs were working towards. It was noted that, while local priorities may be different, the program objectives were broad enough to provide the flexibility needed to adapt the objectives to the CFDC's local situation. As such, they agreed with the stated objectives. It was also noted by some that these objectives were specifically outlined in the letter of offer for program funding.

*Industry Canada / FedNor Management and Staff*

Managers and staff generally believed that the objectives and desired outcomes were clearly identified and agreed upon. As one respondent put it: "We get challenged a lot on the way we administer the program, but we are never challenged on the fundamental objectives of the program."

Nonetheless, one interviewee thought that the objectives around the investment side were very clear but that the CED objectives needed to be clarified.

**5.3.4 What activities have been added, modified or discontinued in terms of the CF program? Are there adequate resources for these activities?**

*CFDC Managers and Board Members*

The CFDC managers and Board members indicated that some new activities have been added since April 2000. Some CFDCs are now required to provide bilingual services to clients. Some of the affected CFDCs commented that funds to cover the incremental costs have not been adequate. Some also expressed concern with staff meeting the language requirements.

Other additional activities mentioned by some interviewees in Northern Ontario were the Local Initiatives funding, the Northern Ventures funding and a Business Planning Initiative that Northern Ontario CFDCs can access through FedNor. These are all discretionary activities.



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The Investment Pool in the Northeast Region is an arrangement between 15 CFDCs whereby loans up to \$500,000 can be granted. The originating CFDC puts up the initial \$125,000 and the other 14 CFDCs each fund an equal portion of the remaining costs.

The common identifier initiative was also cited as an add-on activity. This discretionary initiative is seen as positive.

Some CFDCs indicated that they now have the capacity to offer clients assistance with discretionary export development opportunities.

Some CFDCs deliver HRDC's SEB program, while in other cases it is delivered by another organization.

Several commented that increased reporting requirements to Industry Canada / FedNor has had an impact on staff productivity with respect to other tasks. Comments were made which indicate that there has been an increasing demand from Industry Canada / FedNor over the past 2 years to provide more reports and conduct further analysis.

Some of the CFDCs indicated that they have moved from a one year to three year funding from Industry Canada / FedNor. This is seen as a positive move in that it allows the CFDC to plan for a longer term horizon.

The majority of interviewees made the argument that additional resources are required to support the current level of activity carried out by CFDCs. It was argued by many that operating funding was inadequate particularly given the level of program activity required. Many also noted that, without the numerous volunteer hours spent on this program by Board members and other volunteers, this program would not be able to deliver a large proportion of its activities.

Conversely, Board members noted that without the dedication of the CFDC staff, who often spent hours outside of work at community events, the program would not be as effective at delivering its activities. Several Board members were particularly vocal about the workload demands placed on staff. Some suggested that there is a requirement to increase the staff complement and core funding. A few suggested that the workload demands are impacting staff's ability to effectively focus on CED because they are overly consumed with meeting administrative requirements. Concern was expressed that the CFDCs are being micro-managed and becoming increasingly bureaucratic.

A few of the Board members indicated that the government is realizing a huge economic advantage through the high level of personal commitment of Board members in the

community who are providing their time and expertise on a volunteer basis. A few felt some frustration that their efforts are not always appreciated.<sup>11</sup>

*Industry Canada / FedNor Management and Staff*

A few Industry Canada / FedNor managers and staff noted some activities added since April 2000. These included:

- ▶ the support for innovation and KBE activities;
- ▶ the goal of universal rural coverage (emphasis on addressing geographic gaps in coverage); and,
- ▶ pooling and access to capital pilot in Southeastern Ontario (one in the Northeast as well).

It was noted that if CFDCs were asked to take on more, they would need more resources; according to some Industry Canada / FedNor representatives, \$250,000 in operating funds does not go that far.

*Stakeholders*

Several stakeholders commented on a perceived lack of resources for the CF program given its mandate. The majority indicated that they are impressed that the CF program is able to achieve so much given the level of staff and financial resources. Comments were made suggesting the lending limit for business loans should be increased from the \$125,000 level. One stakeholder also commented on the importance of having a stable funding stream for the CF program. He felt that funding on an annual basis limits risk taking and the implementation of longer term initiatives such as CED.

**5.3.5 What has worked in the CF program and what could be improved?**

*CFDC Client Survey*

There were three questions in the client survey to help address this issue. Respondents were asked to identify in what way the CFDCs were unique, their strengths, as well as suggestions for improvements.

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<sup>11</sup> While the number of volunteers on each Board varied and the amount of time spent by the individual Board members on CF program business, if one conservatively assumes an average of twelve Board members per CFDC working an average of 10 hours per month, the volunteer time for the entire CF program across the 57 CFDCs represents between 50 and 100 full-time equivalents (FTEs).

While 14% indicated that they did not know in what way the CFDCs were unique, only 1% noted that they were not unique. An additional 1% identified unique negative aspects of the CFDCs. All other responses were positive and contribute to indicating what works well. These include:

- ▶ staff are helpful, accessible, supportive, easy to communicate with, resourceful, professional, friendly, polite (25% of all respondents);
- ▶ they have an individual outlook, they look at the individual projects (20%);
- ▶ it is easier to get money from CFDCs than from banks, they have more flexible funding criteria (20%);
- ▶ they are local, know the local issues, and / or have a community focus (15%);
- ▶ they are geared to businesses, including small businesses (10%); and,
- ▶ they are willing to help risky endeavours (10%).

The responses regarding the strengths of the CFDCs and their services are also useful in helping identify what has worked well. The most frequently mentioned strengths are:

- ▶ staff (40% of all respondents);
- ▶ availability, easy access (18%);
- ▶ focus on the community (16%);
- ▶ guidance and advice (12%);
- ▶ customer focus (11%); and,
- ▶ focus on small business (10%).

While the suggestions for improvements were aimed at identifying areas of the program that could be improved, 33% of the CFDC clients surveyed indicated that there was nothing that needed to be improved and another 12% said they did not know what could be improved. The most frequently mentioned suggestions for improvements were:

- ▶ lower the interest rates, or costs to get the service (13% of all respondents);
- ▶ provide more advertising, promotion, awareness building, visibility (9%);
- ▶ provide more money / more resources or increase the funding limits (9%);
- ▶ provide shorter turnaround times (5%); and,
- ▶ make improvements to staff (5%).

*CFDC Managers and Board Members*

All CFDC managers and Board members agreed that this was an excellent program that worked well because it was community focussed. Nonetheless, some areas were consistently identified as needing improvement. These included:

- ▶ **lack of resources** – financial and human;
- ▶ **lack of tools** – many identified the need for more tools from Industry Canada / FedNor, tools that would simplify their jobs and reduce their reporting burden;
- ▶ **reduced bureaucratic requirements** – many noted, not only the excessive paper burden associated with this program in recent years but also, the duplicate requirements often coming from different Industry Canada / FedNor sources; in addition, it was noted by many that the turnaround times for these requirements were often unrealistic; and,
- ▶ **more opportunities for sharing** – while the regional networks and provincial conferences have provided opportunities for sharing, the benefits gained from these made many believe that more such opportunities would result in a better, more effective program; it was noted that this could be particularly useful for sharing of bilingual tools among bilingual CFDCs.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff all agreed that this was an excellent program. There were many comments regarding the fact that this program has been around for more than 15 years, has survived different governments and therefore, “it must be doing something right”. Management and staff confirmed that one of the key strengths of this program was its design, that is, the fact that it is structured to be led by a group of volunteers with “passion and commitment” and these volunteers are from the community, making decisions that affect their community. Management also noted the commitment of Industry Canada / FedNor staff to this program.

Industry Canada / FedNor staff also confirmed that the volunteer base of this program was one of the aspects of this program that made it work well. In fact, staff were very concerned about the fact that this may be an aspect of this program that is not recognized enough by the federal government. Staff also commented on the fact that this program worked well because it brings the government to the community (not just federal, but

government in general because the province no longer has much of a presence in these communities).

However, Industry Canada / FedNor management and staff agreed that there were some things that could be improved to make this program more effective. Many of these were similar to the ones identified by the CFDC representatives. The most frequently mentioned ones are:

- ▶ **money** – there were several themes surrounding the inappropriateness of the financial resources for this program. First, many deemed the operating fund to be inappropriate for several reasons. The fund can usually support only four full-time staff and, with the activities and competencies required to deliver this program at the community level, this is often inappropriate. In addition, some felt that CFDCs and Industry Canada / FedNor assumed that all should get the full \$250,000 but that this was not necessarily true nor should it be. Those commenting in this regard believed that some CFDCs needed a larger operating fund whereas others needed a smaller one and that the distribution should be according to actual need. In terms of the appropriateness of the operating fund, it was also noted that some of the CFDC staff have been around since the very beginning; these individuals had no pension plan and the resources currently available through the operating fund did not provide the flexibility for an appropriate benefits package.

In terms of the investment fund, some staff believed that the amounts allocated to it were inappropriate for some CFDCs while others believed that the funding limits should be increased. However, many indicated that this was not necessarily the issue and therefore needed to be looked at more carefully.

To sum up on the issue of money, as one staff put it “pay it well, resource it well, or get out of the game”.

- ▶ **paperwork** – staff believed that the paperwork requirements, while necessary, needed to be better coordinated. The Exceptional Assistant (TEA) software was believed to eventually address some of the problems, but this has been a painful process and has therefore resulted in resistance within the CFDCs regarding some of the reporting requirements. Some noted that it was not necessarily that Industry Canada / FedNor requirements were unreasonable, but rather that they were sometimes uncoordinated within the organization.

- ▶ **Board of Directors** – staff recognized that it was difficult to comment negatively on the Boards given that these are volunteers who are devoting time to this program because they believe in their communities. However, a few people noted that some of the CFDC Boards needed to be strengthened, either through a more heterogeneous group of people (which represents a broader range of perspectives from the community), and / or less of the same people (some Boards have hardly changed their Board composition over time, they just move around within the Board) thus bringing in needed new blood.
- ▶ **geographic distribution** – some of the staff commented on the inequitable geographic distribution of the CFDCs which sometimes make them less effective. Some were required to serve a very large geographic area while others were required to serve a very large population (in such cases, it was noted by others that these were likely located close to a larger urban area and therefore probably had access to more complementary resources than the more isolated communities).

#### *Stakeholders*

Similar to the CFDC and Industry Canada / FedNor representatives interviewed, the stakeholders believed this to be an excellent program that was successful because it was community-based, delivered by an excellent complement of volunteer Board members as well as dedicated staff, and that it had credibility in the community. However, some noted a few areas of improvements such as access to more money, although not necessarily directly from Industry Canada / FedNor (e.g., have Industry Canada / FedNor negotiate with HRDC so that all CFDCs are responsible for delivery SEB in their communities). Others noted that the CFDCs needed to promote themselves better in their communities. One stakeholder noted that the program appeared to have become more bureaucratic in recent years and that, while it was important for the CFDC to be accountable to the federal government for various aspects of program delivery, the reporting requirements needed to be streamlined.

#### *Case Studies*

Based on the limited evidence from the case studies, CFDC initiatives are most successful when there is a clear, defined community need that is identified that forms the basis for the initiative. In some cases, such as the North Simcoe Picture This! and First Nations Band Economic Development Officer Training initiatives, the need was to conduct a situational analysis and needs assessment in order to develop a specific response to meet the need. In other cases, such as the creation of the Wilfrid Laurier satellite campus in

Brantford, the desire and need for a local university had been identified earlier, and the CFDC developed a strategic and business plan and led the effort to meet that need.

**5.3.6 To what extent is there federal visibility in the delivery of programs / services?**

*Document Review*

Through a variety of documents it can be shown that developing CFDCs in communities increases visibility of the federal government in those communities. Based on the *Community Futures Strategic Plan Summary* from the December 2000 workshop, the concern regarding federal visibility within the program has been noted. To address this issue, the Industry Portfolio Office worked with Regional Development Agencies and FedNor to review the state of federal visibility and to identify ways in which it could be improved within the CF program. As such, Industry Canada / FedNor noted the necessity of improving communications between itself and its partners and clients and the need for CFDCs to execute a communications strategy. With this objective in mind, the following strategy was developed:<sup>12</sup>

- ▶ designating key personnel within Industry Canada / FedNor to assume responsibility for a coordinated approach to CF communications issues;
- ▶ developing and implementing measures to improve lines of communication with the CFDC organizations. These measures are to include the preparation of an internal communication bulletin to allow CFDCs to better inform them on Industry Canada / FedNor activities;
- ▶ implementing a common identifier initiative to facilitate the adoption of a common corporate and / or operating name that includes “Community Futures Development Corporation” or “Société d’aide au développement des collectifs” and implement a provincial marketing campaign; and,
- ▶ collaborating with other Regional Development Agencies in developing and implementing national federal identity and communications measures concerning the CF program.

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<sup>12</sup> *Community Futures Strategic Plan Summary*, December 2000.

*CFDC Managers and Board Members*

CFDC managers and Board members indicated that they are doing as much as they can to ensure the federal government is visible in the delivery of the CF program. They ensure that the source of funding is made known to all recipients and acknowledge the role of the federal government in any presentation, speaking engagement, meeting, conference, and other form of public communications. Signs, letterhead, websites, community profiles, booths, advertisements and other documentation also show the Industry Canada / FedNor logos. When issuing press releases, the CFDCs strive to ensure that the appropriate words get into every story in order to give recognition to Industry Canada / FedNor. One person commented that several businesses in his / her community have a sign which gives credit to the generosity of Industry Canada / FedNor and the CF program. Some interviewees commented that the Minister and local MPs often participate in major announcements concerning the CF program.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff concurred that the CFDCs were doing an appropriate job of increasing federal visibility in the delivery of programs and services. It was noted, for example, that the CFDCs had appropriate signage, letterhead, announcements and pamphlets to recognize the role of the federal government in their endeavours. It was also noted that, through the delivery of other federal programs, the CFDCs were increasing federal visibility.

Nonetheless, some staff noted that the level of federal visibility was greatly dependent on the individual CFDC. It was also noted by some staff that the common identifier initiative did not increase federal visibility.

**5.3.7 What factors have facilitated / impeded implementation of the CF program?**

*CFDC Managers and Board Members*

Based on interviews, the following factors are generally considered facilitators to the successful implementation of the CF program:

- ▶ **Partnerships / partnering** – Partnerships are critical to success in community economic development activities and also to providing access to capital to business clients.



- ▶ **Promotion** – Promotional activities such as the common identifier initiative, websites, the presence of CFDC offices and staff within local communities, success stories featured in local media, and representation of community interests by volunteer board members were identified as important facilitators.
- ▶ **Governance** – Facilitating factors in this regard include local decision-making, flexibility of the CF program in allowing creative and innovative solutions to local economic problems, having professional staff within each CFDC reporting to a local board of directors, a solid and supportive working relationship with Industry Canada / FedNor.
- ▶ **Services / quality of services provided** – Identified program strengths in this regard included direct one-on-one counselling services provided to business and individuals as they start-up a new business venture, refocus an existing enterprise, etc., and access to advice on export development.

Regional networks and the OACFDC were also noted for the extent to which they had facilitated obtaining results or success regarding this program.

Some interviewees commented on the following impediments to successful implementation of the CF program:

- ▶ **Access to services in both official languages** – The lack of resources to cover additional expenses associated with providing bilingual services were noted as an impediment.
- ▶ **Governance** – With regards to governance, the lack of autonomy of local boards (e.g., any expenditure over \$1,000 requires permission) was identified.
- ▶ **Local community-based delivery** – In this context, the impediments were related to the relationship with Industry Canada / FedNor and included increasing demands for reporting to Industry Canada / FedNor and last minute requests for information. The fact that frequent staff and management changes at Industry Canada / FedNor impacts continuity and decision-making for CFDCs and has sometimes resulted in poor communication and mixed messages was also noted. There was also the identification of perceived discrepancies between Northern and Southern Ontario funding levels as a result of the closer link of the Northern CFDCs to Industry Canada / FedNor. The slow turn around from Industry Canada / FedNor on approval of larger loans was also noted as an impediment.

- ▶ **Services / quality of services provided** – Some commented that delays in funding requests from other programs is an issue that sometimes results in valuable projects never getting underway. Some feel that the upper limit on loans is too low. A suggestion was made that it should be increased to \$175,000 to \$200,000. One CFDC made the observation that it sometimes lack the resources to hire outside expertise to review funding proposals related to very sector-specific and technical projects.
- ▶ **Geography** – The impediments in terms of geography included the lack of resources to adequately cover travel costs for those CFDCs with a geographically large catchment area and those having to service very remote communities.
- ▶ **Staff related** – Challenges in retaining qualified staff due to salary levels were noted, as was the lack of succession planning for staff.
- ▶ **The Exceptional Assistant software** – The TEA software has been very frustrating to many CFDCs. Several were critical with respect to the TEA software's usefulness. Some commented that they have recently received additional training and hope problems have been adequately resolved.

*Industry Canada / FedNor Management and Staff*

The factors that have facilitated obtaining results or success, as identified by staff included:

- ▶ **Partnerships / partnering** – One manager noted that the program benefited from a partnership in the true sense of the word in that there were still Industry Canada / FedNor officers in the field.
- ▶ **Promotion** – The recent addition of the common identifier initiative has been noted as a great facilitator, particularly for Industry Canada / FedNor to be able to promote the program throughout Ontario.
- ▶ **Governance** – The fact that this is a grassroots program with decisions made at the community level was noted as a critical success factor. As previously noted, the fact that the boards of directors are comprised of individuals from industry, the community, academia, etc. was deemed as a facilitating feature of this program.
- ▶ **Local community-based delivery** – It was noted that moving to multi-year agreements with the CFDCs will greatly facilitate achievement of objectives. It

was also noted that the regional networks, and in particular the investment pools (piloted in some regions) were excellent mechanisms in the context of successful delivery of this program.

- ▶ **Services / quality of services provided** – As previously noted, staff believed that the complement of services offered through this program were critical to its success.

On the other hand, the factors that have impeded obtaining results or success, according to Industry Canada / FedNor management and staff, included:

- ▶ **Partnerships / partnering** – One of the identified impediment in this regard is the fact that some CFDCs partner with other federal and / or provincial organizations to expand their operating budgets as well as services; while this may appear to be positive, there are cases where this stretches the capabilities of the CFDC staff and impedes on their ability to deliver on their CF program responsibilities.
- ▶ **Access to services in both official languages** – It was noted by Industry Canada / FedNor management that, while this may be a federal issue rather than an Industry Canada / FedNor issue, the lack of consistent application of the *Official Languages Act* has been an impediment, particularly since Industry Canada / FedNor has opted to stringently apply the articles of the *Act*. As such, this has had resource implications. The fact that some newly designated bilingual CFDCs did not have bilingual staff also made application of the *Act* difficult and had negative resource implications for Industry Canada / FedNor in that the organization provided additional resources to these particular CFDCs to hire an additional bilingual person.
- ▶ **Governance** – It was noted by some that the Board structure was an impediment to an effective program in some CFDCs. Some of the boards were deemed less strong than others.
- ▶ **Local community-based delivery** – One staff noted that local community-based delivery was a two-edged sword. This was effective, particularly for this program, but it was difficult to ensure that the right accountability structure was in place. It was noted by one staff member that, in the context of local community-based delivery, there had not been sufficient opportunities for the CFDCs to share in best practices and thus make use of the full local community-based delivery network.

- ▶ **Services / quality of services provided** – Given the wide range of services to be delivered through this program, it was noted that it was difficult for CFDCs, within their operating budgets, to have staff who were strong at everything they truly needed to be strong at. It was also noted that, given the wide range of services, it was often difficult to find the resources to fully deliver on these services and / or to prioritize service delivery. In this regard, some staff noted that some CFDCs had problems in that they tried to be everything to everyone and this impeded on effective overall service delivery.
- ▶ **The Exceptional Assistant software** – This has been deemed by some managers and staff as a great impediment to this program. However, it was noted that recent improvements to the TEA software would likely help surmount some of the impediments.
- ▶ **Staff** – The turnover in CFDC staff has been identified by Industry Canada / FedNor representatives as a problem in some CFDCs.

**5.3.8 Is the CF program the most appropriate approach to achieve the objectives and intended results?**

*CFDC Managers and Board Members*

The CFDC managers and Board members strongly agree that the CF program, as currently designed and delivered, is the most appropriate way of achieving the stated objectives and intended results. One of the major reasons articulated was the governance structure which features a volunteer board that includes members with a strong business background who are familiar with the local economic conditions. The CF program is seen to be both dynamic and flexible in meeting local needs. It is felt that the make-up of the Board of Directors can and should reflect the needs within a community.

Several interviewees also commented that the relationship with Industry Canada / FedNor and their ability to work closely with other CFDCs is an important factor in objectives achievement. Positive comments concerning the relationship between CFDCs and Industry Canada / FedNor were made. It is generally felt that Industry Canada / FedNor provides good feedback on ideas and a sense of direction to the CFDCs. However, there were a few comments which suggest that Industry Canada / FedNor sometimes gives mixed messages to the CFDCs. Also regarding the relationship with Industry Canada / FedNor, it was noted by many CFDC representatives in Southern Ontario that, while delivery through the network of CFDCs was the most appropriate way of delivering the

CF program, there were some inequities between the ones in the North versus those in the South in the broader context of access to FedNor program resources. There was no comparable program available in Southern Ontario which made it more challenging to achieve the objectives and results.

Some made specific comments that the CFDCs are playing an appropriate role with respect to CED. They made the argument that smaller municipalities are not necessarily well positioned to think or act strategically without help when it comes to a regionally focussed economic development plan.

*Industry Canada / FedNor Management and Staff*

Most Industry Canada / FedNor management and staff interviewed noted that they believed that the CF program, as currently designed and delivered, was the most appropriate way of achieving the stated objectives and intended results. It was noted that it was pretty difficult to argue with more than 15 years of success. Nonetheless, some staff identified challenges associated with this mode of delivery. The most commonly identified challenges were related to the three-party relationship of Industry Canada / FedNor (provides the funding and therefore expects reporting) versus CFDC staff (reports to their boards of directors, not Industry Canada / FedNor) versus CFDC boards of directors (believes it is accountable to its communities not Industry Canada / FedNor).

*Stakeholders*

The main message from stakeholders is that the design of the program, the autonomy and credibility of local boards, staff who are committed and actively involved in the community are key success factors for the CF program. Several commented that they feel the design and delivery methods employed by the CF program is a model that should be used by other federal and provincial agencies for program delivery. It is seen to be a very dynamic and efficient program in delivering programs, services and funding to businesses and community organizations. However, some concern was expressed that the CFDCs are becoming overly bureaucratized because of an increased requirement for monitoring and accountability by the federal government.

**5.3.9 Has Industry Canada / FedNor taken the necessary measures to meet its intended objectives (i.e., planning and training)?**

*CFDC Managers and Board Members*

Most CFDC managers and Board members indicated that Industry Canada / FedNor has taken the necessary measures to meet the objectives of the CF program through planning and the provision of training to both staff and board members. Most commented that the establishment of regional networks and the OACFDC have been very useful in providing opportunities for learning, sharing best practices, training and professional development. A few also commented that they make use of the Pan-Canadian CFDC website.

A few gaps were mentioned with respect to training by a few CFDC managers. One particular area of concern is that more training should be provided with respect to managing the collections process on bad debts, guidance with respect to bankruptcy procedures, and training on how to facilitate strategic planning processes. Required regular training with respect to the TEA software was also noted by several interviewees (i.e., need refresher courses, need to re-offer training when CFDCs get new staff, skills need to be upgraded when the software is upgraded, etc.).

Suggestions were made by a few people that a standard set of practices for boards should be developed as a resource to CFDCs. For example, a few CFDCs indicated that they have developed their own set of conflict of interest guidelines for board members.

In addition, some suggestions were made with respect to the provision of more standardized forms as a potential cost saving (e.g., loan applications, promissory notes, CED applications, etc.).

A suggestion was also made that the CF program should have a lawyer and accountant on retainer who could be called on for legal and accounting advice. It was suggested that this would also avoid local conflict of interest concerns.

*Industry Canada / FedNor Management and Staff*

Generally, Industry Canada / FedNor management and staff agreed that, while more could always be done, Industry Canada / FedNor had done a fairly good job of taking the necessary measures to meet its intended objectives through planning and training either directly or through the OACFDC and regional networks. Specific comments made about the role played by Industry Canada / FedNor, the OACFDC and the regional networks are provided in **Table 7**.

Table 7: Planning and Training Contributions		
Parties	Contributions	Improvements / Comments
Industry Canada / FedNor	<ul style="list-style-type: none"> <li>▶ CF Strategic Plan developed in December 2000 as well as other FedNor management strategic planning initiatives</li> <li>▶ Policy and Planning Unit has dedicated staff who support program delivery with functional guidance</li> <li>▶ more has been done recently</li> <li>▶ provides funding for the regional networks to meet twice per year</li> <li>▶ has dedicated funds for the national conference so that one staff member and one board member from each CFDC can attend</li> <li>▶ internal CF working group</li> <li>▶ some seminars</li> <li>▶ has developed some tools such as the CF Policy Bulletins and the accounting manual which have worked very well</li> <li>▶ has been some TEA software training</li> <li>▶ there is a lot of one-on-one between the program officer and the manager or president of the board (this is not talked about a lot because it is informal, but it is very important)</li> <li>▶ Industry Canada / FedNor encourages strategies that include training objectives within the operational budgets of the CFDCs</li> <li>▶ program policy research</li> </ul>	<ul style="list-style-type: none"> <li>▶ need to offer more training to own staff</li> <li>▶ need to better plan the integration of CF and Industry Canada / FedNor responsibilities</li> <li>▶ Industry Canada / FedNor has been given limited resources to do this</li> <li>▶ need to make training more representative of what people need in their jobs, need more dialogue to identify common training needs</li> <li>▶ could make training mandatory in some cases</li> <li>▶ could put a lot more resources into training and planning</li> <li>▶ training and planning need to be an ongoing part of operations</li> </ul>
OACFDC	<ul style="list-style-type: none"> <li>▶ has a lot of good training</li> <li>▶ lately, it has been more proactive and doing a better job; more of a leadership role</li> <li>▶ the annual conference is well attended and useful, it is a good opportunity to exchange ideas, good speakers</li> <li>▶ excellent partner to do this</li> <li>▶ e-learning is a relatively new development that will help</li> <li>▶ the website does a lot to promote best practices</li> <li>▶ has made great strides, good strategic planning in the last two years</li> </ul>	<ul style="list-style-type: none"> <li>▶ needs to make training and planning part of the business culture of CFDCs</li> <li>▶ need to make training more representative of what people need in their jobs, need more dialogue to identify common training needs</li> <li>▶ could make training mandatory in some cases</li> <li>▶ could put a lot more resources into training and planning</li> <li>▶ training and planning need to be an ongoing part of operations</li> </ul>

Table 7: Planning and Training Contributions		
Parties	Contributions	Improvements / Comments
Regional networks	<ul style="list-style-type: none"> <li>▶ good recent initiative</li> <li>▶ provide good opportunities for sharing of best practices</li> <li>▶ this is a step up into getting CFDCs to regionalise</li> </ul>	<ul style="list-style-type: none"> <li>▶ have not placed a lot of emphasis on that</li> </ul>

**5.4 Conclusions and Recommendations**

The CF program, through the CFDCs, has contributed to an increased awareness of government programs and services in the communities served through direct delivery of programs, partnering with government initiatives, and / or providing referrals or information on these programs or services.

**No new recommendation is required (see recommendation 1).**

Particularly through community strategic planning initiatives, CFDCs are contributing to an increased awareness of local issues.

**No new recommendation is required (see recommendation 1).**

The objectives and desired outcomes of the CF program are clearly identified and agreed upon by CFDCs and Industry Canada / FedNor. In fact, in many cases the program objectives are the same as the objectives of the CFDCs.

**No new recommendation is required (see recommendation 1).**

Many activities have been added: some discretionary, others not; some for the program as a whole, others for individual CFDCs. Some activities have been modified. Few have been discontinued. Some of these additions or modifications have been positive, for example the common identifier initiative. On the other hand, some have been burdensome, for example the requirement to deliver bilingual services. In many cases, the resources to deliver on basic program activities, let alone enhanced ones, are deemed inadequate. In fact, if this program did not have the support of the large number of volunteers on the Boards of Directors (and those supporting other initiatives) of the 57 CFDCs, who provide an incredible amount of time, the program would be much less effective in delivering within the current resources allocated to the Ontario CF program.



**Recommendation 6:** It is recommended that new non-discretionary activities be added to the CF program only as they are directly related to the specific objectives of the program or required because of government policies. Additional resources should be sought to fully cover the costs associated with new activities such as bilingual services as well as ongoing services.

**Recommendation 7:** It is also recommended that Industry Canada / FedNor develop and implement a mechanism to enhance recognition of the work done by the large number of volunteers serving on the Boards of Directors of this program.

The aspects of this program that are most effective are its staff and network of volunteers. In addition, the fact that it is a community-based program delivered by people in the community who make decisions on issues that affect their community has made the program particularly effective. There are, however, some areas that require improvements. These include the aforementioned need for more resources, the need for more advertising (which is, however being addressed by some of the more recent promotional initiatives), and more balanced paperwork requirements.

**Recommendation 8:** It is recommended that a more clearly defined structure for requesting reports and other information from CFDCs be put in place. This structure should identify one central point of contact for specific information requirements to avoid excessive and / or duplicate reporting requirements from the CFDCs. This does not alleviate the need for reporting, since it is recognized that such information is critical.

CFDCs have been effective in ensuring federal visibility in the delivery of programs and services through acknowledgements and the delivery of other federal programs.

**No recommendation is required (see recommendation 1).**

There are many partnerships involved with this program. These included Industry Canada / FedNor's partnership with the CFDCs, their partnerships with the communities, other programs, other levels of government, and business associations. These partnerships have been key to the successful implementation and delivery of the program. In addition, the common identifier initiative has facilitated promotion of the program as a whole in the province. As previously noted, the underlying principles of this program, that is that it is a grassroots program with local decision-making, has been key to successful delivery. Finally, it is critical that the wide range of services which are offered through the program be recognized as key to its overall success.

**No new recommendation is required (see recommendation 1).**

Some of the factors impeding effective delivery of this program include the costs involved with compliance with the *Official Languages Act* – this cost has been borne by Industry Canada / FedNor as well as the affected CFDCs. While it is recognized that the relationship between Industry Canada / FedNor and the CFDCs has not always been smooth, it appears to be on the road to recovery, as shown by some of the more recent initiatives undertaken in partnership by the two parties. The Exceptional Assistant (TEA) software is one such endeavour which has been extremely frustrating for all; however, most realize that improvements are in sight. Insufficient financial and human resources are also factors that have impeded greater success for this program.

**Recommendation 9: Industry Canada / FedNor, in cooperation with the OACFDC and the individual CFDCs, should continue ongoing work on improving The Exceptional Assistant software to ensure that the reporting burden continues to be managed as much as possible, as well as to maximize the access to high quality timely information for decision-making purposes.**

There is little doubt that local community-based delivery, through the network of CFDCs across Ontario, is the most appropriate approach to achieve CF objectives and intended results. The community driven aspect of this program is what makes it successful and an integral requirement to objectives achievement, particularly the program's objectives.

**No new recommendation is required (see recommendation 1).**

While more could and needs to be done, Industry Canada / FedNor has taken the necessary measures to help the CF program meet its intended objectives through planning and training. Successful initiatives have been undertaken with the help of Industry Canada / FedNor, the OACFDC, and the regional networks, which have been a welcomed addition to the program structure.

**Recommendation 10: It is recommended that Industry Canada / FedNor continue to support the existing planning and training endeavours in place, such as the annual OACFDC conference and the meetings of the regional networks. In addition, Industry Canada / FedNor should continue to gauge the need for new or renewed training for all involved with this program, be they Industry Canada / FedNor staff, CFDC staff, or CFDC Board members.**

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## **6.0 Performance Monitoring / Data Capture**

### **6.1 Research Questions**

To what extent have realistic targets / performance measures been established?

What are the key results indicators for the CF program?

### **6.2 Overview of Findings**

According to Industry Canada / FedNor staff, the performance indicators for the program are clearly outlined in the agreements with the individual CFDCs. According to CFDCs, these are set through their annual planning process where specific targets are set for the program. Generally, CFDCs felt reasonably comfortable in terms of their ability to monitor and report on results achieved with respect to business services and access to capital. However, the CFDCs and Industry Canada / FedNor staff felt that performance was more difficult to assess for community strategic planning and CED activities.

CF program documents identify a wide range of quantitative results indicators as well as some client satisfaction indicators. CFDCs indicated that their key results indicators are established on an annual basis. According to the CFDCs and Industry Canada / FedNor staff, performance on the Industry Canada / FedNor-defined indicators is reported through the quarterly reports.

### **6.3 Detailed Findings**

#### **6.3.1 To what extent have realistic targets / performance measures been established?**

##### *Document Review*

According to the *Community Futures Strategic Plan Summary*, Industry Canada / FedNor currently collects an array of information pertaining to the type and volume of activities being conducted by the individual CFDCs. Such information is collected through the following means: annual renewal submissions; quarterly activity reports; audited statements; minutes of meetings; and, direct contact by officers. At the strategic planning workshop in December 2000, the need to establish a more effective system that allowed for the timely collection, manipulation and analysis of information and data from the

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CFDCs was determined. The process through which this objective would be pursued is as follows:<sup>13</sup>

- ▶ identifying the information and data that Industry Canada / FedNor needs in order to be able to monitor performance and manage the CF program effectively;
- ▶ reviewing all current information and data collection tools and procedures and consolidate these into an efficient system;
- ▶ assisting with the upgrade of the TEA 2000 software and related training for CFDCs;
- ▶ implementing an electronic reporting process;
- ▶ creating a comprehensive database regarding CFDCs, which will allow for the efficient and timely manipulation and analysis of information and data; and,
- ▶ ensuring the data is used in a way that will improve Industry Canada / FedNor program management and also be relayed back to the CFDCs to allow them to benchmark and improve their performance.

#### *CFDC Managers and Board*

Most CFDCs indicated that, through their annual planning process, specific targets are set for the program in terms of lending expectations, client / stakeholder reach and project milestones are set for various initiatives. Generally, the CFDCs felt reasonably comfortable in terms of their ability to monitor and report on results achieved with respect to the provision of business services and access to capital. They felt that performance was much more difficult to assess when it came to community strategic planning and economic development activities.

The CFDCs indicated that performance was monitored on an on-going basis and reported quarterly to Industry Canada / FedNor.

Many of the CFDCs also indicated that their performance results were regularly shared with partners, clients and other stakeholders at their Annual General Meetings.

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<sup>13</sup> *Community Futures Strategic Plan Summary*, December 2000.

*Industry Canada / FedNor Management and Staff*

Most of those interviewed noted that the performance target were clearly outlined in the agreements with the individual CFDCs. It was also noted by some that, with the advent of multi-year agreements, more attention will be paid to the planning process, deliverables and measuring than there has been to date. It was believed that this would force some of the Boards to pay more attention to the agreements and thus to the performance targets outlined in those agreements.

It was noted by some that not that much had been done, but one staff cautioned that it was important to ensure an appropriate balance between accountability and program delivery. It was, nonetheless noted that Boards were accountable to their communities as well and therefore should have defined targets and measures in place.

Industry Canada / FedNor staff also noted a concern regarding the measurement of more than just quantitative information. It was noted that this program had significant results of a qualitative nature (particularly for CED initiatives) and that little had been done to date to include qualitative performance measures. One staff noted that "we need help with this".

Another identified challenge was in measuring in the context of a negative environment. An example in this regard was measuring the impacts of the program regarding the outward migration of youth.

It was also noted by staff that, particularly in Southern Ontario, a major measurement gap was the impact of the program funding on the ability of CFDCs to deliver other programs, and thus the impacts of these other programs.

**6.3.2 What are the key results indicators for the CF program?**

*Document Review*

Documents related to the CF program outline the following critical generic indicators:

- ▶ # of investment files;
- ▶ # of technical services provided;
- ▶ investment generated;
- ▶ total amount of loans;
- ▶ jobs created and maintained;
- ▶ # and type of files in local development;

- ▶ % increase in business revenues of firms;
- ▶ # of new CFDCs / CBDCs created;
- ▶ # and type of enhanced services created;
- ▶ total value of loans, loan guarantees, and equity investments from CFDC / CBDC investment funds;
- ▶ # of loans, loan guarantees;
- ▶ # of jobs created and maintained;
- ▶ assisted businesses still operating after three years;
- ▶ # of new business start-ups;
- ▶ # of business expansions;
- ▶ # of businesses maintained;
- ▶ dollar amount of leverage (all sources including owner equity);
- ▶ # of volunteers;
- ▶ other sources of program revenues (federal), e.g., SEPA;
- ▶ # of business services (counselling, information, training and technical services);
- ▶ applications received / approved / rejected / referred; and,
- ▶ bad debt expense.

In addition, a number of indicators related to client satisfaction have been developed, including:<sup>14</sup>

- ▶ program benefits;
- ▶ accessibility of service;
- ▶ ability to respond to client needs;
- ▶ response time;
- ▶ clarity of documents;
- ▶ courtesy of staff;
- ▶ competence of staff;
- ▶ guidance provided during the process; and,
- ▶ quality of service delivery.

#### *CFDC Managers and Board*

The CFDCs indicated that their key result indicators were established on an annual basis as part of their contract with Industry Canada / FedNor.

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<sup>14</sup> Industry Canada. *Appendix B: Critical Generic Data Elements / Results Indicators.*

One interviewee commented that he / she questions the validity of using loan-loss rates as a performance indicator.

In the case of Thunder Bay Ventures CFDC, community economic indicators are also tracked as part of the Fast Forward initiative.

Many interviewees commented that it is difficult to measure the long term benefits of CED. It was suggested that one could look at the CF program's ability to leverage other participants and create partnerships because the CFDCs are often the first player in and they encourage others to join.

Some of the interviewees expressed concern that Industry Canada / FedNor was only interested in tracking loans, jobs and clients and are not placing an appropriate level of interest when it came to results indicators for CED. It was felt that this would encourage CFDCs to focus on the lending side, perhaps at the expense of CED.

*Industry Canada / FedNor Management and Staff*

The majority of staff noted that the information required through the quarterly reports served to identify the key indicators of the program. It was noted that these were generally quantitative; nonetheless, many noted that it was a good start. It was confirmed by staff that these reports were not effective in collecting information on the impacts of CED activities, which were very different from the business services and access to capital activities.

The common indicators that were mentioned were financial (\$ for loans) and economic (# of jobs, spin offs, etc.). One staff noted that the indicators were all positive in nature, that nothing was done to track failure (e.g., lost jobs).

In general, staff believed that some work had been done to set performance indicators and in measuring performance, but that more was needed, particularly with regards to qualitative indicators. Staff also believed that this information was not yet valued by the CFDCs.

**6.4** *Conclusions and Recommendations*

Performance targets, measures and indicators are first established by the CFDCs through their annual planning process. These are confirmed by Industry Canada / FedNor in the agreements with the individual CFDCs. There are also standard / common indicators for all CFDCs which are reported through quarterly reports to Industry Canada / FedNor.

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This process appears to be effective in establishing realistic targets and measures for each CFDC as well as in being able to establish a basis for measuring performance by CFDC, region, and for the program through the common indicators for the business services and access to capital. However, performance targets and measurement for the community strategic planning and CED component of the program are less clearly defined.

**Recommendation 11: It is recommended that Industry Canada / FedNor in collaboration with the OACFDC and the individual CFDCs define more relevant and useful indicators of performance for CED / community strategic planning initiatives.**



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## **7.0 Results / Impacts and Effects**

### **7.1 Research Questions**

To what extent has the CF program increased take-up / utilization of programs / services / information?

To what extent have CFDCs assisted businesses to take better advantage of commercial opportunities and increased leverage of additional financing for clients?

How many new businesses have been directly established due to the CF program?

How many jobs have been directly created due to the CF program?

To what extent has the CF program supported community economic development and assisted communities to develop and diversify through community strategic planning, business services, and access to capital?

To what extent have CFDCs provided enhanced / focussed services to special target groups and communities (e.g., youth, women, Aboriginal people, and Francophones)?

Have there been any unintended impacts and effects?

Are the results being achieved in the most cost-effective manner within existing resource levels?

How do clients rate specific aspects of the services received?

To what extent are CFDCs reaching their intended audiences / target groups?

### **7.2 Overview of Findings**

The CFDCs and Industry Canada / FedNor staff indicated that the CF program has increased the take-up and utilization of other government programs, services and information through the business counselling services, referrals to other federal and provincial programs and often through joint financing arrangements. This was demonstrated in two of the case studies included in this study: the First Nations Band Economic Development Officers (BEDO) Training and the creation of the Regional Centre for Business Development and Innovation (RCBDI).

The CFDC client survey provided evidence that CFDC assistance has resulted in the creation of commercial opportunities. CFDCs and Industry Canada / FedNor also indicated through some examples that the program had helped businesses take advantage of commercial opportunities and helped leverage other investments. The increased leverage is best illustrated by the information reported through the quarterly reports. Over the last three fiscal years, the quarterly reports indicate that leverage for the program in Ontario is approximately one. That is, for every program dollar invested in the communities, another dollar from another source is invested. This leverage was as high as 1.43 in fiscal year 2002/03, but only partial data was available for that year.

The CFDC representatives and Industry Canada / FedNor management and staff indicated that the program had resulted in the establishment of new businesses and the creation of jobs. The survey of CFDC clients indicated that 41% of the loan clients had started a business and that the clients had, on average, created 3.2 new jobs as a result of CFDC assistance. The trend is better confirmed through the results of the quarterly reports. From these reports, it can be noted that, over a period of less than three fiscal years, 2,387 new businesses have been established and 6,753 new jobs created. Based on labour force statistics for Ontario (rural and small towns only), the jobs created through the program over the last three years represent almost 1% of the total labour force in areas targeted by the program.

According to CFDCs, the three core activities of the program were deemed essential to CED. According to Industry Canada / FedNor management and staff, most of the work done by CFDCs in the context of the CF program contributed to CED and assisted communities to develop and diversify. A range of examples were provided.

While there were some CFDCs that indicated that they had specific initiatives to provide enhanced services to youth, women, Aboriginal people and Francophones, many reported they did not specifically target these groups. Industry Canada / FedNor representatives confirmed that some CFDCs did a lot whereas others did very little in the context of enhanced services for these target groups. A wide range of examples of the types of initiatives undertaken were provided by both CFDC and Industry Canada / FedNor representatives.

CFDC representatives, Industry Canada / FedNor management and staff, as well as stakeholders had difficulties identifying unintended impacts and effects of the program. Each group identified some positive impacts, and Industry Canada / FedNor and CFDCs identified a few negative impacts. However, everyone noted that this was a good program that was doing what it was intended to do.

The findings outlined throughout this report show that CFDC representatives, Industry Canada / FedNor management and staff, and stakeholders believe that this program is achieving its intended results and doing so in the most cost-effective manner. The contribution of the large number of volunteers on the Board of Directors was noted as the most evident way in which this program was cost-effective.

CFDC clients were asked to assess their satisfaction with a series of CFDC service features on a scale of 1 (not at all satisfied) to 10 (extremely satisfied). The average satisfaction ratings were extremely high in all cases. Courtesy of staff was given the highest rating at 9.8 out of 10 and response time the lowest at 8.8 out of 10.

CFDC clients believed that the services of the CFDCs were fairly well known in their communities. CFDCs indicated that they believed they were reaching their intended audiences. Industry Canada / FedNor management and staff were generally of the opinion that, while CFDCs were not bad at reaching their intended audiences, most could improve their reach.

### **7.3 Detailed Findings**

#### **7.3.1 To what extent has the CF program increased take-up / utilization of programs / services / information?**

##### *CFDC Managers and Board Members*

The CFDCs indicated that they have increased the take-up and utilization of other government programs, services and information through their business counselling services, referrals to other federal and provincial programs and often through joint financing arrangements. They were not specific in commenting on the extent to which this occurs nor did they appear to have any mechanism in place to keep track of this type of information.

##### *Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff generally agreed that, while they could not specifically quantify the extent to which the CF program had increased take-up or utilization of programs, services and information, there were several previously reported outcomes that demonstrated that CFDCs were doing their part in this regard, for example:

- ▶ they are **delivering** some of these programs, services and information (e.g., COBSC, SEB, CAP, etc.);
- ▶ they are **partnering** with other programs and services in the community (e.g., IRAP, Chambers of Commerce, EDC, BDC, etc.); and
- ▶ they are **promoting** a whole range of programs and services through their community-based activities (e.g., trade fairs, etc.).

#### *Case Studies*

Two case studies provide examples of how the CFDCs support increased take-up and utilization of government programs and services by businesses and entrepreneurs in the community. For example, the First Nations Band Economic Development Officers Training initiative included presentations from Industry Canada / FedNor, INAC, Northern Ontario Heritage Fund Corporation and other government programs on the types of programs and funding available for First Nations communities. Since the completion of the training last year, BEDOs have begun to provide local businesses and community leaders with information about programs of which they were previously unaware. This is leading to increased take-up.

In the second example, creation of the RCBDI by Valley Heartland has made the CFDC more visible and led to more clients coming to the centre for services. As well, the co-location of NRC's IRAP in the building has led to innovation-related technical advice and funding programs being available to firms and entrepreneurs in the region that would likely not have accessed these services without the local office.

### **7.3.2 To what extent have CFDCs assisted businesses to take better advantage of commercial opportunities?**

#### *CFDC Client Survey*

When clients were asked about benefits resulting from CFDC assistance, a few of the responses were linked to commercial opportunities. These included:

- ▶ more customers, expanded markets, more business (15% of all respondents);
- ▶ increased sales, revenues or profits (3%); and,
- ▶ exports (1%).

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*CFDC Managers and Board Members*

The CFDCs indicated that they have assisted businesses take better advantage of commercial opportunities through the program. In some cases, specific examples were mentioned but further evidence was not provided through the interview process. Noted examples include the New Exporters to Border States Program (NEBS) mission, where at least one CFDC not only promotes to its clients, but finances their registration. A CFDC can also sponsor attendance of its clients at trade shows, which are deemed to result, in some cases, in excellent commercial opportunities.

*Industry Canada / FedNor Management and Staff*

While many did not comment on this issue, it was generally noted that the CFDCs assisted businesses to take better advantage of commercial opportunities by, for example, exposing them to export opportunities. Other noted examples included the commercial opportunities resulting from tourism opportunities, bringing in new industries which result in other commercial opportunities, etc.

*Case Studies*

One of the case studies provided an example of how CFDCs assist businesses. Valley Heartland CFDC provides business counselling, marketing and planning services to assist firms in deciding the best way to benefit from a business opportunity. Other partners in the RCBDI such as IRAP and the Lanark North Leeds Enterprise Centre provide technical advice and business planning support respectively, which complement the services provided directly to businesses by Valley Heartland.

**7.3.3 To what extent have CFDCs increased leverage of additional financing for clients?**

*Document Review*

A review of the summary of the quarterly reports submitted over the last three fiscal years demonstrates that the CFDCs have significantly increased access to additional financing for clients. This is summarized in **Table 8** which follows.

Table 8: Summary of CFDC Leveraging				
Description	2000/01	2001/02	2002/03*	2½ year total*
<b>Investment Activities</b>				
<b>Northern Ontario</b>				
CFDC investments	\$ 27,575,329	\$ 29,939,337	\$ 9,293,522	\$ 66,808,188
Leveraged investments	\$ 25,372,209	\$ 30,264,305	\$ 11,418,434	\$ 67,054,948
Leverage ratio	\$ 0.92	\$ 1.01	\$ 1.23	\$ 1.00
<b>Southern Ontario</b>				
CFDC investments	\$ 20,889,592	\$ 20,565,468	\$ 9,787,094	\$ 51,242,154
Leveraged investments	\$ 22,814,612	\$ 21,513,460	\$ 15,814,074	\$ 60,142,146
Leverage ratio	\$ 1.09	\$ 1.05	\$ 1.62	\$ 1.17
<b>Ontario Total</b>				
CFDC investments	\$ 48,464,921	\$ 50,504,804	\$ 19,077,616	\$ 118,047,341
Leveraged investments	\$ 48,186,821	\$ 51,777,665	\$ 27,232,508	\$ 127,196,994
Leverage ratio	\$ 0.99	\$ 1.03	\$ 1.43	\$ 1.08
<b>Business Counselling Activities</b>				
<b>Northern Ontario</b>				
Leveraged investments	\$ 4,195,905	\$ 1,577,715	\$ 285,000	\$ 6,058,620
<b>Southern Ontario</b>				
Leveraged investments	\$ 6,857,996	\$ 2,281,153	\$ 1,890,235	\$ 11,029,384
<b>Ontario Total</b>				
Leveraged investments	\$ 11,053,901	\$ 3,858,868	\$ 2,175,235	\$ 17,088,004
* 2002/03 results are only for the first two quarters. Therefore, the total column is only for 2½ years.				

The table shows that for every dollar invested from the investment fund, approximately another dollar is invested by another organization. In addition, without directly providing financial assistance, the business counselling services have resulted in businesses receiving more than \$17 million in other investments from other sources over less than three fiscal years.

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*CFDC Client Survey*

Again, when asked about the benefits of CFDC assistance to their organizations, some (10% of all respondents) of the responses were related to increased leverage (extra financing or access to other sources of financing).

*CFDC Managers and Board Members*

The majority of CFDCs indicated that they were able to increase the leveraging of additional financing for clients. They commented that in many instances the chartered bank, credit unions, as well as the Business Development Bank of Canada will participate in joint financing arrangements if the CFDCs are also involved. The CFDCs have also had success in accessing other public funds particularly for CED initiatives.

Some of the CFDC offered some statistics through the interview process which would indicate a leveraging ratio of 1:2 in some cases. One Northern Ontario CFDC indicated that it has loaned out \$9 million since 1986 and leveraged another \$19 million (East Algoma CFDC). Another CFDC indicated that it has invested \$7 million and levered another \$14 million (Sault Ste. Marie CFDC). Another CFDC has invested \$5 million and leveraged \$6 million (Timmins).

One Board member commented that sometimes the provision of advice alone has provided businesses with access to other sources of financing.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff indicated that the information provided in the quarterly reports provided specific evidence of the extent to which CFDCs had increased leverage of additional financing for clients. It was noted that, in some cases, CFDCs helped clients develop business plans and be better prepared to approach a financial institution, even one that had originally turned them down.

*Case Studies*

The case study for Valley Heartland also demonstrates ways in which CFDCs help leverage additional financing for clients. In some cases, Valley Heartland will make a strategic investment to support the firm through its regular program, up to \$125,000. Valley Heartland also has access to the Community Ventures Capital Fund, that can provide higher levels of funding, from \$200,000 to \$500,000. In some cases, Valley

Heartland clients can also qualify for funding from IRAP for innovation-related initiatives.

**7.3.4 How many new businesses have been directly established due to the CF program?**

*Document Review*

A review of the summary of the quarterly reports submitted over the last three fiscal years demonstrates that the CFDCs have significantly contributed to the establishment of new businesses through both investment and business counselling activities. This is summarized in **Table 9** below.

<b>Table 9: Summary of New Businesses Established</b>				
<b>Description</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03*</b>	<b>2½ year total*</b>
<b>Northern Ontario</b>				
Investment Activities	335	376	69	780
Business Counselling Activities	52	121	71	244
<b>Total</b>	<b>387</b>	<b>497</b>	<b>140</b>	<b>1,024</b>
<b>Southern Ontario</b>				
Investment Activities	192	212	126	530
Business Counselling Activities	238	214	381	833
<b>Total</b>	<b>430</b>	<b>426</b>	<b>507</b>	<b>1,363</b>
<b>Ontario Total</b>				
Investment Activities	527	588	195	1,310
Business Counselling Activities	290	335	452	1,077
<b>Total</b>	<b>817</b>	<b>923</b>	<b>647</b>	<b>2,387</b>
* 2002/03 results are only for the first two quarters. Therefore, the total column is only for 2½ years.				

In total, 6,398 businesses received financing through the CF investment services. The 1,310 new businesses resulting from these activities therefore represent 20% of the clients from these activities. In addition, 4,708 businesses were involved in the business counselling services. The 1,077 new businesses resulting from these activities (over 2½ years) therefore represent 23% of that client base. These figures are impressive since it



means that more than 1 in 5 CFDC business clients formed a new business in Northern Ontario or rural Southern Ontario whether or not financing was involved.

*CFDC Client Survey*

The loans clients surveyed were asked if the loan from the CFDC had primarily helped a new or existing business. **Table 10** below shows that almost half (of the 382 loans clients surveyed) were for starting a new business. It is interesting that the proportion of new businesses is about double that reported in the quarterly reports where only 20% of loans clients resulted in the establishment of a new business.

<b>Table 10: How the CFDC Loan was Used</b>	
<b>To help:</b>	<b>%</b>
Start a new business	41%
Expand an existing business	32%
Stabilize an existing business	22%
Other	5%
<b>Number of respondents</b>	<b>382</b>

*CFDC Managers and Board Members*

CFDCs reported that their activities resulted in the establishment of new businesses. However, most indicated that the extent of this happening could be obtained more reliably through the quarterly reports. Some of the CFDCs offered estimates with respect to new business start-ups.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff indicated that the information provided in the quarterly reports provided specific evidence of the extent to which new businesses had been directly established due to the CF program. However, most confirmed that the program activities did result in a number of new businesses being created in those communities.

*Case Studies*

The case studies do not directly address this question, as most focus on community development initiatives rather than business support. However, in the case of the creation of the Wilfrid Laurier University satellite campus in Brantford, there is evidence that the money being spent by students and staff at the university on housing, food and entertainment has contributed to economic revitalization in Brantford. Several new food and entertainment related businesses have been established and others have grown.

**7.3.5 How many jobs have been directly created due to the CF program?**

*Document Review*

The quarterly reports provide good information on the number of jobs created as a result of the CF program. **Table 11** summarizes this information.

Table 11: Summary of Jobs Created				
Description	2000/01	2001/02	2002/03*	2½ year total*
<b>Northern Ontario</b>				
Investment Activities	1,260	1,206	215	2,681
Business Counselling Activities	118	293	94	505
<b>Total</b>	<b>1,378</b>	<b>1,499</b>	<b>309</b>	<b>3,186</b>
<b>Southern Ontario</b>				
Investment Activities	793	823	592	2,208
Business Counselling Activities	474	503	382	1,359
<b>Total</b>	<b>1,267</b>	<b>1,326</b>	<b>974</b>	<b>3,567</b>
<b>Ontario Total</b>				
Investment Activities	2,053	2,029	807	4,889
Business Counselling Activities	592	796	476	1,864
<b>Total</b>	<b>2,645</b>	<b>2,825</b>	<b>1,283</b>	<b>6,753</b>
* 2002/03 results are only for the first two quarters. Therefore, the total column is only for 2½ years.				

Statistics Canada statistics show that the labour force for 2002 in non-census metropolitan areas in Ontario was 857,700. The jobs created over 2½ years through the

CF program in Ontario therefore represent almost 1% (0.8%) of the total labour force in the areas targeted by CFDCs.

*CFDC Client Survey*

The clients surveyed indicated that the CFDC assistance had resulted in new jobs for their organizations in 71% of the cases and / or jobs maintained in 53% of the cases. The number of jobs created or maintained is presented in **Table 12** below. The table shows, that, for all organizations assisted combined, an average of 3.2 new jobs were created while another 3.0 were maintained. While this is based on a limited survey, this shows that the program is contributing significantly to job creation and maintenance in the communities served by the program in Ontario.

#	Created	Maintained
None	29%	47%
One	16%	11%
Two	17%	11%
Three	13%	9%
Four	6%	7%
Five	5%	2%
6 to 10	9%	7%
More than 10	5%	6%
Mean number of jobs	3.2	3.0
Number of respondents	417	417

*CFDC Managers and Board Members*

CFDCs reported that the specific extent to which the program had resulted in new jobs being created could best be obtained through the quarterly reports. Some of the CFDCs offered estimates of the number of jobs created as a result of the CF program. For example, East Algoma indicated 1,254 jobs had been created or maintained out of a population of 30,000.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff indicated that the information provided in the quarterly reports provided specific evidence of the extent to which jobs had been created as a result of the CF program. However, most confirmed that the program activities did result in job creation in those communities.

**7.3.6 To what extent has the CF program supported community economic development and assisted communities to develop and diversify through community strategic planning, business services and access to capital?**

*CFDC Managers and Board Members*

The CFDC managers and Board members stressed the importance of having all three elements of the program. They strongly agreed that their involvement in community strategic planning and implementation, business services and access to capital were critical to achieving the objectives of the program. They indicated that each 'pillar' or main element of the program is complementary to the others.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff reported that most of the work done by CFDCs in the context of the CF program contributed to community economic development and assisted communities to develop and diversify. Specific examples, quoted throughout this report include the following.

*The initiative to help a ski resort in Northern Ontario survive.*

*The initiative to bring together a broad range of stakeholders to run an airport in Northern Ontario and thus maintain capacity for attracting tourists to the area.*

*The development of an Ethanol plant in Chatham-Kent.*

*The creation of a satellite university campus in Brantford.*

*The bank and radio station in the First Nations community served by Two Rivers CFDC.*

*Case Studies*

Several case studies provided examples of projects directly linked to community economic development. One case study involved the CFDC role in the provision of business services, leading directly to community economic development. In this case, the

creation of the RCBDI led by Valley Heartland CFDC, brought federal, provincial and municipal business services together under one roof resulting in a more efficient, one-stop-shopping centre that is providing a more complete, co-ordinated package of business services to local firms. Several of the other case studies involved projects involving both strategic planning and community economic development. For example, the Waubetek First Nations project for training BEDOs resulted in officers providing improved services to local businesses, and is expected to result in greater economic development in the region. In another example, bringing the Wilfrid Laurier satellite campus to Brantford had as primary objective the provision of improved educational opportunities to the region; however, important secondary outcomes were the revitalization and upgrading of several heritage buildings, the opening of several small businesses and increased local employment.

**7.3.7 To what extent have CFDCs provided enhanced / focussed services to special target groups and communities (e.g., youth, women, Aboriginal people, and Francophones)?**

*Document Review*

Program access and quality of services to special client groups such as youth, women, Aboriginal people and Francophones are clearly identified for the CF program. In addition to the previously stated information specific to youth and the application of the *Official Languages Act*, the strategy developed by Industry Canada / FedNor to enhance access and quality of service to these specific groups includes:<sup>15</sup>

- ▶ making training available;
- ▶ providing data on the demographic make-up of service areas;
- ▶ collecting and analysing data regarding existing services to these groups;
- ▶ encouraging working relationships with these groups and CFDCs;
- ▶ reviewing and communicating contractual obligations related to the Official Languages Act;
- ▶ designating / targeting investment funds;
- ▶ using interns from these groups;
- ▶ inserting specific conditions in contracts; and,
- ▶ ensuring the diversity of their client base.

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<sup>15</sup> *Community Futures Strategic Plan Summary*, December 2000.

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*CFDC Managers and Board Members*

The extent to which CFDCs have provided enhanced / focussed services to special target groups and communities was very dependent on the perceived needs and unique social and economic considerations within each area. Generally speaking, several CFDCs commented that they did not specifically target groups and felt that it was not necessarily appropriate to do so. They indicated that their program was open and flexible to meet the needs of any groups within their communities.

In some instances, certain CFDCs have offered special seminars and workshops geared to **women** entrepreneurs and participate in various women's business associations. Generally speaking, women were not seen as a critical group to be targeted with special programming initiatives.

Specific initiatives related to **youth** were discussed in Section 4.3.2.2 of this report and included a variety of examples such as delivering entrepreneurship seminars in local high schools, sponsoring Junior Achievement Awards, hiring youth interns to work in the CFDCs, funding a Youth Entrepreneurship Development program, supporting business planning competitions in local high schools, bursary programs, and the 'Who Wants to be a Millionaire' program.

In areas where the **Francophone** population is at a level that requires the provision of bilingual services, CFDCs are either presently or are in the process of meeting this requirement. In some instances, the Francophone business community is specifically represented through membership on the Board of Directors. One CFDC indicated that it tracks Francophone participation in its loans portfolio in order to ensure it reflects the proportion of Francophones in the community.

Some CFDCs do not have a significant **Aboriginal** population within their catchment area. Five CFDCs are specifically focussed on serving First Nations or previously Aboriginal communities. For those CFDCs with First Nations groups within their catchment area, steps have been taken to ensure representation of the Aboriginal population through membership on the Board of Directors. A few of the CFDCs indicated that they work quite closely with First Nations groups in various CED initiatives. Some of the interviewees indicated that the needs of the Aboriginal population in their areas are addressed through other types of government programs.

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*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff also indicated that the extent to which CFDCs provided enhanced or focussed services to special target groups and communities such as youth, women, Aboriginal people and Francophones varied greatly depending on the CFDC. It was noted that staff impressed upon them the importance of targeting these groups in the context of the program. Specific initiatives noted are as follows:

- ▶ **Youth** – Some CFDCs have such initiatives as lower interest rates for youth, micro loans for summer students, Junior Achievement programs, young entrepreneurship training, entrepreneurship camps, and many other initiatives. Others work with high schools or visit the schools in their areas. In Patricia region, workshops at a trade show for entrepreneurs were focussed on youth. Rainy Rivers has funding targeted just for youth.
- ▶ **Women** – Some CFDCs are partnering with PARO (a women's business group) for business advocacy services and access to loans fund. One staff member noted that women were under-serviced and that there was a need to re-establish women's networks. Some CFDCs participate in Women's Week initiatives.
- ▶ **Aboriginal people** – There are five Aboriginal CFDCs to provide enhanced services to this target group in some geographic areas. One staff member noted that this was the biggest shortcoming of the program in that it had not been able to connect with this group in some areas. However, inroads were now being made, particularly through the Aboriginal CFDCs.
- ▶ **Francophones** – More work is being done regarding this target group. Many CFDCs were only recently designated bilingual and are trying to deal with this. Nonetheless, work is being done in some CFDCs with respect to CED and strategic planning to identify if there is a need for enhanced services.

It was noted by some staff that Southern Ontario CFDCs were less effective in targeting these groups than the Northern Ontario ones. According to staff, this was possibly because some were opposed to target groups and / or because Industry Canada / FedNor had not insisted on having this part of the quarterly reports completed.

### **7.3.8 Have there been any unintended impacts and effects?**

#### *CFDC Client Survey*

While not necessarily “unintended” impacts and effects, clients were asked to identify other benefits and drawbacks resulting from CFDC assistance. The most frequently mentioned benefits were primarily linked to the program objectives (e.g., economic benefits, information). While 85% of all respondents indicated that there were no negative impacts, the ones that were mentioned are:

- ▶ interest rates are higher, at a premium, too high (8%);
- ▶ high cost with all the fees involved (2%);
- ▶ took time to get it, slow (1%);
- ▶ poor advice (1%);
- ▶ did not get enough money (1%);
- ▶ problems with CFDC personnel (1%);
- ▶ lack of confidentiality (1%);
- ▶ negative impact on business (1%); and,
- ▶ others (2%).

#### *CFDC Managers and Board Members*

The majority of interviewees could not comment on any unintended impacts and effects. They felt that the CF program is very successful and is achieving tremendous results especially for the level of resources put into the program. They suggested that the federal government is realizing a very strong return on its investment through the CF program.

A few of the CFDC managers and Board members commented that they did not expect the extent to which they had been able to impact the economic and social viability of their communities. Most attributed this to the successful partnerships and networks that have been established in their communities, the professionalism and calibre of CFDC staff and the strength and commitment of the many volunteers that work together to deliver the program and achieve its objectives.

One CFDC indicated that it lost a Board member due to bureaucratic roadblocks put up by Industry Canada / FedNor. There was also concern expressed that current delays in processing applications is a threat to losing staff and other Board members. Concerns were also expressed that Industry Canada / FedNor has grown so quickly that processes have slowed down considerably.



It was noted that Industry Canada / FedNor needs to ensure that its officers are providing consistent messages and direction to the various CFDCs. Some interviewees indicated that some Industry Canada / FedNor officers allow flexibility and creativity while others do not.

On a positive note, community pride has been enhanced through various CED initiatives (e.g., Big on Brant).

*Industry Canada / FedNor Management and Staff*

Most Industry Canada / FedNor management and staff were unable to identify unintended impacts and effects of the program. **Table 13** provides a summary of the positive and negative unintended impacts and effects mentioned.

Table 13: Unintended Impacts and Effects	
Positive Impacts and Effects	Negative Impacts and Effects
<ul style="list-style-type: none"> <li>▶ some of the commercial achievements were unintended</li> <li>▶ wealth generation</li> <li>▶ brought Northwestern Ontario closer together</li> <li>▶ some of the partnerships are unique; bring together people with conflicting perspectives</li> <li>▶ greater visibility for Industry Canada / FedNor</li> <li>▶ success stories have been promoted / announced</li> </ul>	<ul style="list-style-type: none"> <li>▶ sometimes CFDC clients are not encouraged to approach the financial institutions first but rather come to depend on CFDC assistance</li> <li>▶ self-employment results in a lower safety net (e.g., not eligible for Employment Insurance, cost of disability insurance, etc.)</li> </ul>

*Stakeholders*

Generally speaking, the stakeholders did not identify any negative unintended impacts resulting from the program. In terms of positive impacts the following comments were made:

- ▶ the CF program is not politicized in any way which gives it more credibility in the community;
- ▶ CFDCs encourage people in the community to focus on the big picture with respect to CED;
- ▶ CFDCs have fostered a constructive process that supports sharing of ideas; and,
- ▶ the partnerships in the community are stronger than could have been imagined.

**7.3.9 Are the results being achieved in the most cost-effective manner within existing resource levels?**

*CFDC Managers and Board Members*

The findings outlined throughout this report show that, according to CFDC managers and Board members, the results are being achieved in the most cost-effective manner within existing resource levels. This is due to the following evidence:

- ▶ CFDC representatives believe that they are currently doing the most with the existing resources;
- ▶ the Board members and other volunteers are devoting an extreme amount of work without pay – they are volunteer resources for this program;
- ▶ the program is achieving its objectives and is making an impact in the communities it serves; and,
- ▶ CFDC representatives cannot identify a more effective way of delivering this program.

*Industry Canada / FedNor Management and Staff*

The findings outlined throughout this report also show that Industry Canada / FedNor management and staff believe that the results are being achieved in the most cost-effective manner within existing resource levels. Interviewees consistently commented on the fact that this program was extremely successful, significant results were being achieved, and they could not identify a more effective means of delivering this program. Staff also commented extensively on the amount of work being done by the Board members who are all volunteers devoting thousands of hours to this program's success.

*Stakeholders*

Stakeholders also could not think of a more effective way of delivering this program. In addition, they commented extensively on the fact that they believed this program to be under-resourced. They also noted throughout the interviews that without the volunteers on the Boards of Directors, this program would not be able to make the difference it currently is making.

**7.3.10 How do clients rate specific aspects of the services received?**

*CFDC Client Survey*

Clients were asked to rate their satisfaction with a series of service features, using a scale of 1 to 10. The results show that clients are highly satisfied with all aspects of service, but are, in particular, very highly satisfied with features related to CFDC staff (i.e., courtesy and competence). While still very satisfied, the lowest average rating is provided for response time. It should also be noted that, when assessing government services, this is often a service feature getting lower ratings. This analysis is summarized in **Table 14** which follows.

Feature	Mean	% with rating of 10 (highest)	% with rating below 5
Courtesy of staff	9.8	85%	0%
Competence of staff	9.5	77%	< 2%
Quality of services delivered	9.3	70%	< 4%
Accessibility of service	9.3	66%	< 1%
Clarity of documents / information provided	9.2	62%	< 2%
Ability to respond to needs	9.1	65%	< 3%
Guidance provided throughout the process	9.1	61%	3%
Response time	8.8	53%	< 4%

Note: < indicates less than

At the end of the survey, clients were asked if they had any additional comments they would like to make about the CFDC. The responses to this question also demonstrate the high level of satisfaction of clients. In total, 37% had no additional comments; only 6% made negative comments; while 4% of the comments were neutral in nature (i.e., neither negative nor positive). All other comments were positive. These included:

- ▶ general positive comments about their experience – overall positive experience, satisfied, good program, etc. (42%);
- ▶ positive comments about staff (18%);

- ▶ positive impacts from dealing with them (e.g., would not be around without them) (7%); and,
- ▶ other positive comments (3%).

### **7.3.11 To what extent are CFDCs reaching their intended audiences / target groups?**

#### *Document Review*

Based on information gathered from a variety of documents, the CF program is designed to reach rural communities and support community economic development. Additionally, this reach is extended to existing small and medium sized businesses, entrepreneurs and community organizations that are involved in capacity building.

#### *CFDC Client Survey*

There were three questions in the client survey which help address this issue. First, respondents were asked how they first became aware of the CFDC and its services; second, they were asked how well known they thought the CFDC was known; and third, why they believed this.

The survey results identified a wide range of methods by which clients became aware of their CFDC. The three most frequently mentioned ones were:

- ▶ word of mouth (25% of all respondents);
- ▶ advertising, media, etc. (13%); and
- ▶ bank, financial institution, etc. (12%).

All other responses were noted by less than 10% of the respondents.

The clients interviewed also generally believed that the services provided by their CFDC were well known by the business community and economic development interests in their area. That is, 29% of all clients surveyed believed that the services were very well known and an additional 47% noted that they were fairly well known. Reasons given for believing this included:

- ▶ everyone in the community talks about them (31% of all respondents);
- ▶ it is well promoted (20%);
- ▶ it is used a lot, it has helped a lot of people (15%);
- ▶ a lot of people seem to know about it (15%); and,
- ▶ the CFDC is visible, the staff and board are out in the community a lot (13%).

*CFDC Managers and Board Members*

The majority of interviewees indicated that they feel that the CFDCs are reaching their intended audience and target groups through the successful promotion of the CF program as discussed earlier.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff were generally of the opinion that, while CFDCs were not bad at reaching their intended audiences or target groups, most could improve. It was noted again in this case that this varied from one CFDC to the next. Some believed that it depended on the strength of the CFDC manager, whereas others believed that it depended on the Board. One person noted that those with larger populations in their catchment areas were less effective. Another mentioned that they were effective in reaching SMEs but that there was a lot to do in terms of other client groups.

**7.4 *Conclusions and Recommendations***

The CF program has resulted in increased take-up or utilization of federal and provincial government programs, services or information. It has also helped businesses take better advantage of commercial opportunities, increase leverage of additional financing, establish new businesses and create jobs.

**No recommendation is required (see recommendation 1).**

The program has also supported community economic development and assisted communities to develop and diversify through community strategic planning, business services and access to capital. This range of services is essential to CED and diversification. The program would be less effective without this.

**No new recommendation is required (see recommendation 1).**

While some CFDCs have provided enhanced or focussed services to youth, women, Aboriginal people, and Francophone, overall, the CFDCs have not been as effective or consistent in this as they could be. While it is recognized that not all CFDCs have communities which need to target these four groups, some CFDCs do not believe that

they should, in fact, target any group. Nonetheless, overall, CFDCs are fairly effective at reaching their intended audiences or target groups.

**Recommendation 12: It is recommended that Industry Canada / FedNor encourage inclusion of more specific targets in the annual plans of CFDCs; not only for youth as previously recommended, but also, as appropriate, for women, Aboriginal people, and Francophones as well as any other target group of the individual CFDCs. CFDCs should also be encouraged to report to Industry Canada / FedNor (through the quarterly reports) the extent to which they have reached these groups.**

The program has not resulted in any significant unintended impacts or effects.

**No new recommendation is required (see recommendation 1).**

Given the limited resources of this program, the significant contribution of the volunteer Boards of Directors, and the actual results achieved, this is the most cost-effective manner of delivering this program.

**No new recommendations is required (see recommendations 1 and 7).**

CFDC loan and business clients are extremely satisfied with all aspects of the services provided by the CFDCs.

**No new recommendation is required (see recommendation 1).**

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## 8.0 Lessons Learned

### 8.1 Research Questions

What specific lessons have been learned with respect to the CF program?

What specific best practices have been generated with respect to the CF program?

What factors have facilitated / impeded the implementation of the CF program, achievement of CF program objectives, ongoing performance monitoring / data collection, and obtaining results / success?

How and to what extent are best practices shared at the CF program delivery level with associations (provincial and regional), coordinating / portfolio partners, and CFDCs?

### 8.2 Overview of Findings

The detailed findings illustrate that while a broad range of lessons learned and best practices were identified by CFDC and Industry Canada / FedNor representatives, none of these were identified by a significant number of interviewees. The two groups consistently noted that best practices were shared through the annual OACFDC conference, the regional network meetings held twice a year, the OACFDC website, the Pan Canadian website as well as through other means. Generally, it was believed that there were many, good opportunities for sharing lessons learned and best practices.

CFDC manager and Board members generally reported similar facilitating and impeding factors to those noted by Industry Canada / FedNor management and staff. In terms of facilitators, the key points made by both groups were related to partnerships, promotion, local decision-making and the complement of services provided. The key impeding factors were the costs involved with compliance with the *Official Languages Act*, aspects of the relationship between Industry Canada / FedNor and the CFDCs, the lack of resources to offer the wide range of services needed, implementation of The Exceptional Assistant (TEA) software, and challenges in finding and keeping the right staff complement.

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**8.3 Detailed Findings**

**8.3.1 What specific lessons have been learned with respect to the CF program?**

*CFDC Managers and Board Members*

Many of the lessons learned noted by CFDC managers and Board members were, in fact, suggestions for changes or identification of specific problems (not what was learned from these problems). Some of the lessons learned included:

- ▶ It is key to have a strong Investment Committee of the Board with a blend of financial and business expertise to provide a balanced perspective on applications.
- ▶ One of the interviewees commented that Industry Canada / FedNor and the CFDCs need to look at how to lessen the reliance on one year funding because it does not allow for true longer term CED activities to take place.
- ▶ Suggestion was made that the CF program should ensure that it does not replace municipal responsibilities. The CFDCs cannot and should not be seen as the panacea to fix all local problems. The CF program should be part of the mix and act as a catalyst for change.
- ▶ One of the major lessons learned from the perspective of one of the Board members is that much of their success has been based on trial and error. There are no magical solutions when it comes to CED. Each community has its unique circumstances in terms of economic conditions, culture, and personalities. The structure of the CF program is seen as a key success factor in providing the flexibility for CFDCs to each address their own unique circumstances.
- ▶ The Local Initiatives funding is seen as a very positive initiative and allows the CFDCs greater coverage and opportunities for partnering with the not-for-profit sector.
- ▶ Some interviewees commented that the location and set up of their office facilities has been important to their success. It is important for the CFDCs to be situated in a visible location that is easily accessible. Some are fortunate to have the space to provide meeting rooms that can be used by local groups in the community as well. Some are co-located with organizations such as the Chamber of Commerce.



*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff identified the following lessons learned:

- ▶ The power of working in partnership is a lesson that everyone had learned.
- ▶ CFDCs need to recognize how vulnerable they are on their own; they cannot exist without Industry Canada / FedNor support; they care about the program but with changes in personnel and Board members they need more support from Industry Canada / FedNor; if they are left alone for too long, there are usually problems.
- ▶ CFDCs are usually more aware of the individual community's needs than Industry Canada / FedNor.
- ▶ CFDCs have to recognize that they are a catalyst; they are not there to do everything.

*Case Studies*

Most lessons are learned from things that do not work out, and the case studies were chosen to showcase successful projects. For this reason, they are not the best source of evidence to address this question. However, the case studies do show that it is best to align projects with well defined needs of the community. This may seem an obvious point, but four of the five case studies involved identifying a specific need in the community and then responding to it, or responding to an already identified need.

**8.3.2 What specific best practices have been generated with respect to the CF program?**

*CFDC Managers and Board Members*

The CFDC managers and Board members identified the following best practices during the interviews:

- ▶ The establishment of a shared investment pool was cited as one example of a specific best practice. The Investment Pool in the Northeast Region is an arrangement between 15 CFDCs whereby loans up to \$500,000 can be granted. The originating CFDC puts up the first \$125,000 and the other 14 CFDCs each fund an equal portion of the remaining loan requirement. One of the interviewees indicated that over 15 businesses have started as a result.

- ▶ One CFDC mentioned that they developed a logic model for their program that has been very useful for Board members and is used extensively as a planning and decision-making tool ( Seaforth-Huron CFDC).
- ▶ Some suggested that CFDCs should be encouraged to pool money as a source of venture capital.
- ▶ Volunteer board members who commit significant amount of personal time and commitment should be appropriately recognized for their contribution to the success of the CF program.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff identified the following best practices:

- ▶ The Board of Directors structure which relies on volunteers from a wide range of groups in the communities.
- ▶ The commitment by some CFDCs to the KBE agenda.
- ▶ The youth entrepreneurship initiatives undertaken by some CFDCs should be mirrored by other CFDCs.
- ▶ Sarnia provides a wonderful fact sheet for its clients.
- ▶ Huron prepares an excellent CED report.
- ▶ Patricia District found an innovative way of overcoming distance with their Board by developing a secure website that is password protected. The minutes of Board meetings are posted there and the site has a chat room.

*Case Studies*

The case studies provide some evidence that working with volunteer groups is an effective means to undertake projects that require extensive community involvement and support, and to build on the limited level of effort and resources that the CFDC can provide. In the case of the creation of the Wilfrid Laurier University satellite campus in Brantford, the local CFDC, Enterprise Brant created the Grand Valley Education Society as a charitable, volunteer-led organization to spearhead the drive to bring the university to town. This proved to be very effective. Much of the success of the Simcoe North

strategic planning initiative was also the result of the work of volunteers to facilitate workshops and collect community feedback.

**8.3.3 What factors have facilitated / impeded the implementation of the CF program, achievement of CF program objectives, ongoing performance monitoring / data collection, and obtaining results / success?**

*CFDC Managers and Board Members*

Section 5.3.7 also discussed the factors that have facilitated or impeded implementation of the CF program. CFDC managers and Board members identified the following in terms of facilitating factors:

- ▶ partnerships / partnering;
- ▶ promotion;
- ▶ program governance;
- ▶ business counselling services, particularly in addition to other complementary services; and,
- ▶ regional networks and the OACFDC.

Impediments to implementation of the program include:

- ▶ application of the *Official Languages Act*;
- ▶ governance (lack of autonomy of local boards);
- ▶ local community-based delivery (relationship with Industry Canada / FedNor);
- ▶ services within current resource allocations;
- ▶ geographic constraints;
- ▶ difficulty in retaining qualified staff within current resource allocations; and,
- ▶ difficulties in implementation of the TEA software.

*Industry Canada / FedNor Management and Staff*

As this was discussed in detail in Section 5.3.7 only the highlights will be reiterated here. Industry Canada / FedNor management and staff identified the following factors that have facilitated program implementation:

- ▶ partnerships / partnering between Industry Canada / FedNor and the CFDCs;
- ▶ promotion through the recent addition of the common identifier initiative;
- ▶ governance (community level decision-making);

- ▶ local community-based delivery (multi-year agreements, regional networks); and,
- ▶ complement of services provided.

Key impediments noted by management and staff included:

- ▶ partnerships / partnering of CFDCs with other programs;
- ▶ application of the *Official Languages Act* (resource implications);
- ▶ governance (some Boards are weaker than others);
- ▶ local community-based delivery (challenges regarding accountability);
- ▶ broad range of services within current resource limitations;
- ▶ difficulties with implementation of the TEA software; and,
- ▶ staff turnover in CFDCs.

### *Case Studies*

Examination of the case studies helps to identify several factors that have facilitated the implementation of the CF program in those communities through partnering. One important factor is that the CFDCs are resident in the communities and are aware of the other programs and agencies operating in the region. Being linked to Industry Canada / FedNor and Industry Canada also contributes to making CFDCs aware of the range of federal programs available for community and economic development. This awareness and understanding of how different programs can work together contributes to the formation of partnerships and the leveraging of resources and efforts to achieve a common objective. The RCBDI is a good example of this approach. Led by the Valley Heartland CFDC, six federal, provincial and municipal programs and agencies have come together to provide an integrated business services capability to serve the Lanark North Leeds region.

Evidence from the case studies suggest that two important factors in the success of CFDC initiatives relate to partnering and relationships. Particularly in the small towns and rural communities in which CFDCs operate, there is a real sense of community and sharing. This helps CFDC managers and staff have a good sense of what the community wants and helps establish priorities that are relevant to the situation, within the context of what programs are available. In addition, for several of the cases studies, particularly those involving community development, there is evidence of the critical role played by volunteers. Volunteers played important roles in the Rainy River Safe Communities initiative, the Simcoe North Community Strategic Planning and the bringing of the Wilfrid Laurier satellite campus to Brantford.

**8.3.4 How and to what extent are best practices shared at the CF program delivery level with associations (provincial and regional), coordinating / portfolio partners, and CFDCs?**

*CFDC Managers and Board Members*

CFDC managers and Board members indicated that there is generally excellent cooperation between individual CFDCs on an informal basis. The establishment of the regional networks and the provincial association are seen as very positive means for sharing best practices and for the exchange of ideas with respect to program delivery.

*Industry Canada / FedNor Management and Staff*

According to Industry Canada / FedNor management and staff, there are several effective mechanisms in place including:

- ▶ the OACFDC annual conference;
- ▶ OACFDC chat groups;
- ▶ Pan Canadian best practices website;
- ▶ Pan Canadian conference every three years;
- ▶ regional networks meetings;
- ▶ individual CFDC websites; and,
- ▶ Industry Canada / FedNor program officers share best practices amongst themselves and with CFDCs.

*Case Studies*

The case study involving the Rainy River Safe Community initiative provides an example of CFDCs promote and share information about successful programs with others. The project manager made several visits to other regions and other CFDCs, and invited staff from other CFDCs to workshops. In some cases, the manager visited other communities and demonstrated how to conduct a safety audit for a company. However, in spite of interest in this very successful initiative in the Rainy River district of Northwestern Ontario, that won a World Health Organization award as one of the world's safest communities, there is little evidence that other CFDCs have adopted the program for their region.

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**8.4 Conclusions and Recommendations**

CFDCs and Industry Canada / FedNor have learned a number of lessons with regards to the CF program, however, it is difficult to generalize the lessons learned in the context of this evaluation. The same applies for best practices. However, there are several worthy fora for sharing lessons learned as well as best practices. These include the OACFDC annual conference, the meetings of the regional networks, the OACFDC website, individual CFDC websites, the Pan Canadian website as well as several other fora that provide opportunities for networking and thus, for sharing best practices and lessons learned.

**No new recommendation is required (see recommendation 10).**

Given the structure of this program, it is not surprising that the key factors that have facilitated implementation of the program, achievement of objectives, ongoing performance monitoring / data collection and obtaining results / success are its partnerships, community-based decision-making, and wide range of complementary services. In addition, multi-year agreements will help in terms of implementation and obtaining results, particularly for CED / community strategic planning initiatives which require more than one year to implement and thus achieve results. While the TEA software should eventually facilitate performance monitoring tasks, at this stage it is an impeding factor. There are other impediments such as the cost of providing bilingual services. However, the most significant impediment is the limited resources available for this program in Ontario.

**Recommendation 13: It is recommended that Industry Canada / FedNor continue to negotiate new agreements with CFDCs that are more than one year in length.**

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## 9.0 Sustainable Development

### 9.1 Research Questions

Does the CF program contribute to the goal of sustainable development (economic, environmental, social)?

### 9.2 Overview of Findings

The CFDC clients surveyed report that the program has contributed to the economic and social sustainable development capabilities. However, some also report that the program has contributed to their environmental sustainable development capabilities. Several CFDCs reported that the long term viability or sustainability of a business or economic development initiative is always a major criterion used in investment decisions. While CFDCs reported legal environmental obligations, most noted that environmental development did not play a major role in the decisions made. Industry Canada / FedNor management and staff confirmed that sustainable development was an integral part of the CF program. From Industry Canada / FedNor's perspective, this was mostly economic, but closely linked to social development. Stakeholders commented that the CF program contributes to the goal of sustainable development by virtue of its design.

### 9.3 Detailed Findings

#### 9.3.1 Does the CF program contribute to the goal of sustainable development (economic, environmental, social)?

##### *CFDC Client Survey*

Clients were asked to identify in what way the CFDC has contributed to their organization's sustainable development capabilities. The results show that most of the responses are economic and / or social in nature, for example:

- ▶ helped our firm survive, stay in business (16% of all respondents);
- ▶ helped our firm expand or grow (10%);
- ▶ jobs created or maintained (9%);
- ▶ increased revenues, sales, profits (3%); and,
- ▶ exports (1%).

On the other hand, a few of the responses were environmental in nature (albeit not necessarily clearly sustainable development), for example:

- ▶ moved to an environmentally friendly site / upgraded our plant to an environmentally friendly site (1% of all respondents);
- ▶ equipment is used directly in environmental studies (1 respondent);
- ▶ non-toxic business (1 respondent); and,
- ▶ had to follow environmental safety regulations (1 respondent).

*CFDC Managers and Board Members*

Several CFDCs commented that the long term viability or sustainability of a business or economic development initiative is always a major criterion used in investment decisions. Some interviewees also commented that investment decisions are made giving consideration to a balance of economic, social and environmental benefits and costs. Local decision-making was described as being a key to sustainable development. It was noted that CFDCs have a legal obligation to follow the Canadian Environmental Assessment Act.

Some CFDCs provided specific examples of where environmental sustainable development considerations have been highlighted in initiatives such as a commercial compacting program and the formation of an aquaculture association.

Some interviewees commented that they did not like the term sustainable development and that it was not a term that would be used by Board members in their operations or decision-making.

*Industry Canada / FedNor Management and Staff*

Industry Canada / FedNor management and staff noted that sustainable development was an integral part of the CF program. However, most noted that emphasis was on economic development; still, economic and social development were deemed to be very closely linked. Several noted that for any investment client repaying his / her loan, there is evidence of sustainable economic development.

*Stakeholders*

The stakeholders commented that the CF program contributes to the goal of sustainable development by virtue of its design. Decision-making and accountability at the local level is seen to be a key element to social and economic sustainability. Some commented



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that making a contribution to local employment and business should be considered success in terms of sustainable development.

**9.4 *Conclusions and Recommendations***

By virtue of design, the CF program contributes to the goal of sustainable development. The emphasis is on economic development but social and environmental factors are integral components of some of the program endeavours in some communities.

**No new recommendation is required (see recommendation 1).**

**Annex A – List of Documents Reviewed**

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## **Appendix A – List of Documents Reviewed**

1. Efstratoglou, Sophia. “Towards a Methodology for assessing the added-value of the Canadian Community Futures Program based on the European Leader experience”
2. Fuller, Tony. “The Canadian (CFP) and the European (Leader) Experience: Comparing Policy and Practice in Government-Sponsored Rural Development Programs - Research Proposal Presented to FedNor”, February 3, 2002
3. Community Futures Program Success Stories
4. Treasury Board Submission - Canada Jobs Fund
5. Appendix A - Guidelines for Preparation of a CFDC Business Plan
6. Appendix A - Community Futures Program Terms and Conditions
7. Industry Canada / FedNor Community Futures Quarterly Report for Ontario, Introduction, Guidelines and Definitions
8. Industry Canada. “Ontario Community Futures Development Corporations Account Manual”, Second edition, February 2002.
9. Cashflows Annex A-1
10. O & M Project Requirements
11. Community Futures Direct Capitalization Report - Investment Funds
12. Community Futures Direct Capitalization Report - Multi-Year Renewal
13. Community Futures Direct Capitalization Report - Single-Year Renewal
14. Investment Fund Letter of Offer
15. Multi-Year Renewal Letter of Offer
16. Single-Year Renewal Letter of Offer

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17. Developmental Letter of Offer
  18. Criteria for Direct FedNor Top Ups of CFDC Investment Funds
  19. Ontario Community Futures Program CFDC. "Profile Analysis", November 2000
  20. CFDC Community Profiles - Northern Ontario as of August 1999
  21. Economic and Social Profile for Wakenagun Community Futures Development Corporation
  22. Community Futures Strategy Session, "Workshop Record", December 11-12, 2000
  23. Detailed Strategies
  24. Community Futures Strategic Plan Summary
  25. FedNor Policy Bulletin, August 3, 2000
  26. FedNor Policy Bulletin, October 27, 2000
  27. FedNor Policy Bulletin, February 16, 2001
  28. FedNor Policy Bulletin, March 23, 2001
  29. FedNor Policy Bulletin, July 26, 2001
  30. FedNor Policy Bulletin, January 14, 2002
  31. FedNor Policy Bulletin, January 29, 2002
  32. FedNor Policy Bulletin, Revised September 16, 2002
  33. Community Futures Development Corporations Investment Fund Analysis, Summary of Findings, Draft Report, February 4, 2003

**Annex B – Survey Questionnaire**

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**Survey of Business Counselling and Loans Clients**

*Ask respondent for language of preference and proceed in this language.*

Good morning / afternoon. My name is \_\_\_\_\_ from Performance Management Network Inc. We have been contracted on behalf of Industry Canada/FedNor to complete an evaluation of the Community Futures Program in Ontario. In the context of this evaluation, we are completing a survey with representatives of organizations who have used one or more of the services offered by the ***name of CFDC involved***. It is our understanding that you received ***business counselling services / a loan or other investment – whichever is appropriate*** from ***name of CFDC***, and I would therefore like to ask you a few questions. The purpose of this survey is to help Industry Canada/FedNor determine the overall effectiveness of the Community Futures Program. Let me assure you that this information is to be used only to assess the program throughout Ontario. Your participation is voluntary and any information you provide will be treated as strictly confidential and in accordance with the provisions of the Privacy Act. The interview should take approximately 15 minutes. Can we proceed with the interview now or would you like me to call you back some other time? Thank you. Please note that throughout the interview, when I refer to the CFDC, I am talking about the ***name of CFDC*** and when I mention the services you received, unless otherwise specified, I am referring to ***business counselling services / loans – whichever is appropriate***.

1. How did you first become aware of the CFDC and the services it could provide your organization?

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2. How well known by the business community and economic development interests in your area are the services provided by this CFDC? *Read scale.*

- Very well known ..... 1
- Fairly well known ..... 2
- Not very well known ..... 3
- Not well known at all ..... 4
- DON'T KNOW ..... 5 → *Skip to Q.4*

3. Why do you say that? *Probe:* Any other reasons?

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4. When you decided to approach this CFDC, what specific needs were you trying to address? *Probe:* Any other needs? *Please make sure the identified needs are as specific as possible, for example, "needed money" is not precise enough.*

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5. Overall, to what extent was this CFDC able to address your needs? Please use a scale of 1 to 10 such that “1” means that the CFDC was not at all able to address your needs and “10” means that the CFDC fully addressed your needs. (DK = Don't know)

1      2      3      4      5      6      7      8      9      10      DK

6. Why do you say that? **Probe:** Any other reasons?

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7. Using a scale of 1 to 10, where “1” means not at all important and “10” means extremely important, how important is it for this CFDC to support community economic development by assisting communities to develop and diversify their communities through: **Read each feature below.**

Feature	Not at all important										Extremely important	Don't Know
	1	2	3	4	5	6	7	8	9	10		
Community strategic planning and implementation												X
Business or information services												X
Access to capital (small business financing)												X



8. How satisfied are you with the CFDC in terms of each of the following. Please use a scale of 1 to 10, where "1" means not at all satisfied and "10" means extremely satisfied.

Feature	Not at all										Extremely	Don't Know
	1	2	3	4	5	6	7	8	9	10		
Accessibility of service	1	2	3	4	5	6	7	8	9	10		X
Ability to respond to your needs	1	2	3	4	5	6	7	8	9	10		X
Response time	1	2	3	4	5	6	7	8	9	10		X
Clarity of documents / information provided	1	2	3	4	5	6	7	8	9	10		X
Courtesy of staff	1	2	3	4	5	6	7	8	9	10		X
Competence of staff	1	2	3	4	5	6	7	8	9	10		X
Guidance provided throughout the process	1	2	3	4	5	6	7	8	9	10		X
Quality of services delivered	1	2	3	4	5	6	7	8	9	10		X

9. *Ask Q. 9 to loans clients only:* Did the loan you received from this CFDC primarily help you: *Read list. Circle only one.*

- Start a new business ..... 1
- Expand an existing business ..... 2
- Stabilize an existing business ..... 3
- Other (*Specify*) \_\_\_\_\_

10. Did the assistance you received from the CFDC result in: *Read list. Circle one number for each line.*

	Yes	No	Too early to tell	Don't know	Refused
10a. New jobs in your organization	1	2	3	4	5
11a. <i>If yes, how many?</i>					
10b. Maintenance of existing jobs in your organization	1	2	3	4	5
11b. <i>If yes, how many?</i>					

11. *For each yes in Q.10 above, ask:* How many in total, including full-time and part-time? *Record in appropriate space above.*

12. In what way did the CFDC contribute to your organization's sustainable development capabilities, that is, help preserve and enhance economic, environmental and social development? *Probe:* Any other ways?

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13. Did your organization benefit in any other way as a result of CFDC assistance? *Probe:*  
Any others (e.g., expanded markets, exporting, bank financing, etc.)?

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14. Were there any negative impacts on your organization from using CFDC services? *Probe:*  
Any others?

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15. Are you aware of any programs or services provided by the private sector or by a non-government organization which are similar to the programs and services provided by this CFDC?

Yes ..... 1

No ..... 2 → *Skip to Q.18*

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16. What organization(s) is / are offering programs or services in your area which are similar to those of this CFDC? **Probe:** Any others?

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17. In what way are the programs and services of this / these organizations similar to this CFDC? **Probe:** Anything else?

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18. In what way is this CFDC unique (or different from other organizations)? **Probe:** Anything else?

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19. What are the strengths of this CFDC and its services? *Probe:* Anything else?

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20. What would you improve about this CFDC and its services? *Probe:* Anything else?

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21. Do you have any additional comments you would like to make about this CFDC?

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*Thank and Terminate*

**Annex C – Detailed Survey Tables**

*Annex C-1 – Tables in Total and by Region*

*Evaluation of the Community Futures Program in Ontario – Final Report*

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*Annex C-2 – Tables by Type of Service*

**Annex D – List of People Interviewed**

**Annex D – List of People Interviewed**

Name	Organization	Type of Interview	Region		
			General	North	South
Allen, Vic	Upper Canada Network	Stakeholder			✓
Anderson, Elaine	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Arbez, Bernie	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff			✓
Armstrong, Allan	Renfrew County CFDC	CFDC Board Member			✓
Atkinson, Brenda	Orillia Area Community Development Corp.	CFDC Board Member			✓
Austin, Rose	Saugeen EDC - CFDC	CFDC Staff			✓
Barrett, Dave	Saugeen EDC - CFDC	CFDC Manager			✓
Bennett, Daryl	Greater Peterborough Business Development Centre Inc. - CFDC	CFDC Board Member			✓
Bérubé, Denis	Kapuskasing, North Claybelt CFDC	CFDC Manager		✓	
Blackwell, Jane	Kirkland & District Community Business Corporation	Stakeholder		✓	
Borowec, Dan	Northumberland CFDC	CFDC Manager			✓
Bouchard, Francis	North-Aski Regional Economic Corp. CFDC	Stakeholder		✓	
Breshamer, Martin	Leamington-Essex CFDC	CFDC Board Member			✓

Name	Organization	Type of Interview	Region		
			General	North	South
Brydges, Darcia	Greenstone Economic Development Corp.	CFDC Manager		✓	
Caldwell, Wayne	University of Guelph School of Rural Development	Stakeholder			✓
Candie, John	Economic Partners - Sudbury East / West Nipissing Inc.	CFDC Manager		✓	
Canfield, David	City of Kenora	Stakeholder		✓	
Carey, William	Venture Centre	CFDC Board Member		✓	
Carruthers, Ivan	Grand Erie Business Centre Inc. CFDC	CFDC Board Member			✓
Clifford, John	Oxford Small Business Support Centre Inc. - CFDC	CFDC Board Member			✓
Cloes, Bob	CFDC of North-Central Hastings & South Algonquin	CFDC Manager			✓
Cole, Richard	South Niagara CFDC	CFDC Board Member			✓
Cormier, Wayne	Parry Sound	Stakeholder		✓	
Cossais, Serge	Patricia Area Community Endeavours Inc.	Stakeholder		✓	
Cull, Yvonne	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Davies, Fred	South Niagara CFDC	CFDC Manager			✓
Deacon, Fred	Kirkland & District Community Business Corp.	CFDC Board Member		✓	
DeMarco, Carmen	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	

Name	Organization	Type of Interview	Region		
			General	North	South
Deschamps, Denise	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Devlin, John	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff			✓
Dimmick, Fred	Parry Sound Area Community Business & Development Centre Inc.	CFDC Board Member		✓	
Dodds, Tom	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Duke, Fran	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Elder, Dave	Atikokan Economic Development Corp.	CFDC Board Member		✓	
Finn, Cara	CFDC of Middlesex County	CFDC Manager			✓
Fiset, Terry	South Temiskaming Business Development Corp.	Stakeholder		✓	
Friyia, Dan	Superior East Community Development Corp.	CFDC Manager		✓	
Garrioch, Don	KPMG	Stakeholder		✓	
Gélineau, Eric	Prescott-Russel CFDC	CFDC Manager			✓
Graham, Lorna	CFDC of Chatham-Kent	CFDC Board Member			✓
Gray, Robert	NECO CFDC	CFDC Board Member		✓	
Hague, Marg	Société d'aide aux entreprises de Lacloche Manitoulin Business Assistant Corporation	CFDC Manager		✓	

Name	Organization	Type of Interview	Region		
			General	North	South
Heard, Shawn	East Algoma Est CFDC	CFDC Manager		✓	
Heffernan, Judy	Greater Peterborough Business Centre Inc.	CFDC Manager			✓
Hemmerling, Ray	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff	✓		
Henhoeffler, Janet	CFDC of Perth County	CFDC Manager			✓
Hill, Kim	Two Rivers Community Development Centre	CFDC Staff			✓
Holwerda, Joyce	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff			✓
Huether, Nancy	Centre of Business and Economic Development - Collingwood	Stakeholder			✓
Irwin, Brian	Community Development Corporation of Sault Ste. Marie and Area	CFDC Manager		✓	
Jedig, Diana	Ontario Association of Community Futures Development Corporations (OACFDC)	Stakeholder			✓
Kesel, Gary	Société d'aide aux entreprises de Lacloche Manitoulin Business Assistant Corporation	CFDC Board Member		✓	
Kew, Hollee	Renfrew County CFDC	CFDC Manager			✓
Kienapple, Jeannette	Royal Bank	Stakeholder			✓
Knox, Wayne	Grand Erie Business Centre Inc. CFDC	CFDC Manager			✓

Name	Organization	Type of Interview	Region		
			General	North	South
Kohlmeier, Jace	Samia-Lambton BDC - CFDC	CFDC Board Member			✓
Lachance, Gary	Muskoka CFDC	CFDC Board Member		✓	
Laforest, Robert	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Lamontagne, Kelly	Nord-Aski Regional Economic Development Corp.	CFDC Manager		✓	
Lavoie, Edgar	Geraldton Greenstone Economic Development Corp.	CFDC Board Member		✓	
Lawless, Heather	Prescott-Grenville CFDC	CFDC Manager			✓
Long-Irwin, Mary	Thunder Bay Ventures	Stakeholder		✓	
MacDonald, Tillie	Collingwood Centre for Business & Economic Dev.	CFDC Manager			✓
Malenko, Linda	Essex CFDC	CFDC Manager			✓
Mangotich, Paula	Kirkland & District Community Business Corp.	CFDC Manager		✓	
Matear, Maggie	Venture Centre	Stakeholder		✓	
McDonough, Mike	Samia-Lambton BDC - CFDC	CFDC Manager			✓
McGee, Rick	Sault College	Stakeholder		✓	
McKay, Don	Superior North CFDC	CFDC Manager		✓	
Merrifield, Scott	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff	✓		
Miles, Brian	Patricia Area Community Endeavours Inc.	CFDC Manager		✓	

Name	Organization	Type of Interview	Region		
			General	North	South
Monoogian, David	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff			✓
Muenz, Debra	North Simcoe CFDC	CFDC Manager			✓
Naud, Robert	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff	✓		
Nickel, Paul	Huron BDC-CFDC	CFDC Manager			✓
Paquette, Louise	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff	✓		
Pellow, Allen	Superior East Development Corp.	Stakeholder		✓	
Peterson, Vyrn	East Algoma Est CFDC	CFDC Board Member		✓	
Puschel, Stig	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Quesnel, René	Nickel Basin Federal Development Corp.	Stakeholder		✓	
Quesnel, Cathy	The Chukuni Communities Development Corporation	CFDC Manager		✓	
Raçine, Michel	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Rainone, Terry	Community Development Corporation of Sault Ste. Marie & Area	CFDC Board Member		✓	
Rous, Don	Lanark Community Network	Stakeholder			✓



Name	Organization	Type of Interview	Region		
			General	North	South
Royden, Potvin	Thunder Bay Ventures	CFDC Manager		✓	
Russell, Tom	1000 Islands CDC	CFDC Manager			✓
Sajatocic, Steve	NECO CFDC	Stakeholder		✓	
Schafer, Tom	Oxford Small Business Support Centre Inc. - CFDC	CFDC Manager			✓
Seeley, Lori	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff	✓		
Sexsmith, Doug	Prince Edward / Lennox and Addington CFDC	CFDC Board Member			✓
Shearer, Dave	CFDC of Perth County	CFDC Board Member			✓
Sisson, Vyr	Enterprise Brant	CFDC Board Member			✓
Spinney, Bill	Parry Sound Area Community Business & Development Centre Inc.	CFDC Manager		✓	
Stinchcombe, Rob	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff		✓	
Thorpe, Christopher	Muskoka CFDC	CFDC Manager		✓	
Tozek, Gloria	Industry Canada / FedNor	Industry Canada / FedNor Management and Staff			✓
Vince, David	Two Rivers Community Develop Centre	CFDC Manager			✓
Walker, Bruce	CFDC of North & Central Hastings & South Algonquin	CFDC Board Member			✓
Williams, Margaret	1000 Islands CDC	Stakeholder			✓

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Name	Organization	Type of Interview	Region		
			General	North	South
Yesno, Harvey	Nishnawbe Aski Development Fund	CFDC Manager		✓	

**Annex E – CFDC Interview Guide**

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**CFDC Interview Guide**

1. Is there still a need for the Community Futures Program to provide community capacity building at the community level through community strategic planning, business services and access to capital? Why / why not?
2. Is there still a need for the CF Program to provide assistance for the development and implementation of community strategic plans? Why / why not?
3. What about business development services (business information, counselling and referral) to SMEs, entrepreneurs and individuals? Why / why not?
4. What about providing promotion of information and access to government services to SMEs, entrepreneurs, individuals and communities? Why / why not?
5. What about access to capital for small business? Why / why not?
6. Does the CF Program complement, duplicate or overlap other federal government programs? Which ones? In what way?
7. Are the objectives (to support community economic development by assisting communities to develop and diversify their communities through community strategic planning, business or information services and access to capital) of the CF Program still relevant? Please explain.
8. To what extent has the CF Program been promoted? Please elaborate in terms of by whom, how, with what level of success, etc.
9. To what extent has the program or your CFDC undertaken youth initiatives? Why do you say that?
10. To what extent has the program or your CFDC been successful in developing local partnerships?
11. Does the program provide adequate geographic coverage?
12. To what extent has the program resulted in the implementation of new Community Economic Development (CED) initiatives?

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13. To what extent and in what way has FedNor, through the CF Program, contributed to sustainable development (i.e., economic, environmental and social development) in your community?
  14. To what extent has your CFDC incorporated sustainable development considerations in making decisions related to the Community Futures Program?
  15. Are the objectives of your CFDC consistent with the objectives of the CF Program, Industry Canada and FedNor? From your perspective, in what way are they similar? In what way do they differ? Is this a problem?
  16. Has the CF Program increased awareness of government programs and services by business, business intermediaries and communities and / or of local issues in your community?
  17. We've already discussed the stated objectives of the CF Program. Are these the objectives your CFDC is working toward in delivering the program in your community? Does your CFDC agree to these?
  18. Since April 2000, what activities have been added, modified or discontinued in terms of the CF Program in your community? Why? For the added or modified activities, are there adequate resources?
  19. In the delivery of programs and services, what does your CFDC do to make the federal government visible (both CF program support and other federal programs)?
  20. Do you think the CF Program, as currently designed and delivered, is the most appropriate way of achieving the stated objectives and intended results? What factors have facilitated / impeded the achievement of objectives? What factors have facilitated / impeded obtaining results / success?
  21. Has Industry Canada / FedNor taken the necessary measures to meet its intended objectives through planning and training (either directly or through the OACFDC and regional networks)? Please elaborate on what's been done, who has been involved, how successful this been, etc.
  22. Please elaborate on what has been done to define performance targets for this program and to measure its performance? What are the key results indicators for the program? What factors have facilitated / impeded ongoing performance monitoring / data collection?

23. To what extent has the CF Program increased take-up / utilization of other government programs / services / information?
24. From your perspective, to what extent have CFDCs assisted businesses to take better advantage of commercial opportunities through the CF Program?
25. To what extent have CFDCs increased leverage of additional financing for clients?
26. What can you tell me about business start-ups, expansions and / or stabilizations and job creation and / or maintenance resulting from this program?
27. To what extent has the program supported community economic development and assisted communities to develop and diversify through each of its activity groups, that is: a) community strategic planning and implementation; b) business services; and c) access to capital? How important has it been to have these three types of activities?
28. From your perspective, to what extent has your CFDC provided enhanced / focussed services to special targeted groups and communities (youth, Aboriginals, women and Francophones)?
29. Have there been any unintended impacts and effects resulting from the CF Program, either positive or negative?
30. To what extent is your CFDC reaching its intended audiences / target groups?
31. What specific lessons have been learned with respect to the CF Program? What about best practices you may have seen? How, and to what extent, are these best practices shared at the CF Program delivery level with associations (provincial and regional) like the OACFDC and regional networks, and CFDCs?
32. What factors have facilitated or impeded the implementation of the CF Program? *As appropriate, probe for:* a) reach / awareness / promotion; b) accessibility; c) planning and coordination; d) targeting of and programming for youth, Aboriginals, women and Francophones; e) resources; f) partnering; g) visibility; h) project monitoring (frequency and tools / mechanisms); I) off-loading (the transferring of responsibility from government departments onto CFDCs); j) Section 41 of the OLA - access to services in both official languages; k) governance; l) delivery of other services on behalf of other agencies.
33. What would you improve about the CF Program?

**Annex F – Industry Canada / FedNor Management and Staff Interview  
Guide**

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**Industry Canada / FedNor Manager and Staff Interview Guide**

1. Is there still a need for the Community Futures Program to provide community capacity building at the community level through community strategic planning, business services and access to capital? Why / why not?
2. Is there still a need for the CF Program to provide assistance fore the development and implementation of community strategic plans? Why / why not?
3. What about business development services (business information, counselling and referral) to SMEs, entrepreneurs and individuals? Why / why not?
4. What about providing promotion of information and access to government services to SMEs, entrepreneurs, individuals and communities? Why / why not?
5. What about access to capital for small business? Why / why not?
6. Does the CF Program complement, duplicate or overlap other federal government programs? Which ones? In what way?
7. Are the objectives (to support community economic development by assisting communities to develop and diversify their communities through community strategic planning, business or information services and access to capital) of the CF Program still relevant? Please explain.
8. To what extent has the CF Program been promoted? Please elaborate in terms of by whom, how, with what level of success, etc.
9. To what extent has the program undertaken youth initiatives? Why do you say that?
10. To what extent has the program been successful in developing local partnerships?
11. Does the program provide adequate geographic coverage? How has it been expanded?
12. To what extent has the program resulted in the implementation of new Community Economic Development (CED) initiatives?
13. To what extent and in what way has FedNor, through the CF Program, contributed to sustainable development (i.e., economic, environmental and social development) of



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communities throughout Ontario? Do you have specific examples of how sustainable development was used in decision-making?

14. In recognition of the fact that the CF Program is delivered via a large number of CFDCs throughout Ontario, do you think the objectives of the CFDCs are consistent with the objectives of the CF Program, Industry Canada and FedNor? In what way are they similar? In what way do they differ? Is this a problem, from your perspective?
15. Are the CF Program objectives well aligned with government priorities? In what way?
16. Have you seen evidence of any increased awareness of government programs and services by business, business intermediaries and communities and / or of local issues as a result of the CF Program?
17. We've already discussed the stated objectives of the CF Program. From your perspective, are these objectives clearly identified? Are they agreed upon by CFDCs?
18. Since April 2000, what activities have been added, modified or discontinued in terms of the CF Program? Why? For the added or modified activities, are there adequate resources?
19. To what extent is there federal visibility in the delivery of programs and services?
20. Do you think the CF Program, as currently designed and delivered, is the most appropriate way of achieving the stated objectives and intended results? What factors have facilitated / impeded the achievement of objectives? What factors have facilitated / impeded obtaining results / success?
21. Has Industry Canada / FedNor taken the necessary measures to meet its intended objectives through planning and training (either directly or through the OACFDC and regional networks)? Please elaborate on what's been done, who has been involved, how successful this been, etc.
22. Please elaborate on what has been done to define performance targets for this program and to measure its performance? What are the key results indicators for the program? What factors have facilitated / impeded ongoing performance monitoring / data collection?
23. To what extent has the CF Program increased take-up / utilization of other government programs / services / information?

24. From your perspective, to what extent have CFDCs assisted businesses to take better advantage of commercial opportunities through the CF Program?
25. To what extent have CFDCs increased leverage of additional financing for clients?
26. What can you tell me about business start-ups, expansions and / or stabilizations and job creation and / or maintenance resulting from this program?
27. To what extent has the program supported community economic development and assisted communities to develop and diversify through each of its activity groups, that is: a) community strategic planning and implementation; b) business services; and c) access to capital? How important has it been to have these three types of activities?
28. From your perspective, to what extent have CFDCs provided enhanced / focussed services to special targeted groups and communities (youth, Aboriginals, women and Francophones)?
29. Have there been any unintended impacts and effects resulting from the CF Program, either positive or negative?
30. To what extent are CFDCs reaching their intended audiences / target groups?
31. What specific lessons have been learned with respect to the CF Program? What about best practices you may have seen? How, and to what extent, are these best practices shared at the CF Program delivery level with associations (provincial and regional), coordinating / portfolio partners, and CFDCs?
32. What factors have facilitated or impeded the implementation of the CF Program? *As appropriate, probe for:* a) reach / awareness / promotion; b) accessibility; c) planning and coordination; d) targeting of and programming for youth, Aboriginals, women and Francophones; e) resources; f) partnering; g) visibility; h) project monitoring (frequency and tools / mechanisms); i) off-loading (the transferring of responsibility for government departments onto other agencies); j) Section 41 of the OLA- access to services in both official languages; k) governance; l) delivery of other programs and services on behalf of other agencies.
33. What would you improve about the CF Program?

**Annex G – Stakeholder Interview Guide**

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**Stakeholder Interview Guide**

1. Is there still a need for the Community Futures Program to provide community capacity building at the community level through community strategic planning, business services and access to capital? Why / why not?
2. Is there still a need for the CF Program to provide assistance for the development and implementation of community strategic plans? Why / why not?
3. What about business development services (business information, counselling and referral) to SMEs, entrepreneurs and individuals? Why / why not?
4. What about providing promotion of information and access to government services to SMEs, entrepreneurs, individuals and communities? Why / why not?
5. What about access to capital for small business? Why / why not?
6. Does the CF Program complement, duplicate or overlap other federal government programs? Which ones? In what way?
7. Are the objectives (to support community economic development by assisting communities to develop and diversify their communities through community strategic planning, business or information services and access to capital) of the CF Program still relevant? Please explain.
8. To what extent has the CF Program been promoted? Please elaborate in terms of by whom, how, with what level of success, etc.
9. To what extent has the program undertaken youth initiatives? Why do you say that?
10. To what extent has the program been successful in developing local partnerships?
11. Does the program provide adequate geographic coverage?
12. To what extent has the program resulted in the implementation of new Community Economic Development (CED) initiatives?
13. To what extent and in what way has the CF Program contributed to sustainable development (i.e., economic, environmental and social development) in your community?

- 
14. Do you think the CF Program, as currently designed and delivered, is the most appropriate way of achieving the stated objectives and intended results? What factors have facilitated / impeded the achievement of objectives? What factors have facilitated / impeded obtaining results / success?
  15. To what extent has the CF Program increased take-up / utilization of other government programs / services / information?
  16. From your perspective, to what extent have CFDCs assisted businesses to take better advantage of commercial opportunities through the CF Program?
  17. To what extent have CFDCs increased leverage of additional financing for clients?
  18. What can you tell me about new businesses start-ups, expansions and / or stabilizations and job creation and / or maintenance resulting from this program in your community?
  19. To what extent has the program supported community economic development and assisted communities to develop and diversify through each of its activity groups, that is: a) community strategic planning and implementation; b) business services; and c) access to capital? How important has it been to have these three types of activities?
  20. From your perspective, to what extent have CFDCs provided enhanced / focussed services to special targeted groups and communities (youth, Aboriginals, women and Francophones)?
  21. Have there been any unintended impacts and effects resulting from the CF Program, either positive or negative?
  22. To what extent are CFDCs reaching their intended audiences (clients and partners) / target groups?
  23. What specific lessons have been learned with respect to the CF Program? What about best practices you may have seen? How, and to what extent, are these best practices shared at the CF Program delivery level with associations (provincial and regional), coordinating / portfolio partners, and CFDCs?
  24. What would you improve about the CF Program?

**Annex H – Case Study Write-Ups**

*Annex H-1 – Picture This!*

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**Case Study – Picture This! - Community Consultation and Planning in North Simcoe**

***Project Overview***

During the period 2000-2001, North Simcoe Community Futures Development Corporation, with extensive participation from local public and private sector community groups, led a project, know as Picture This!, to gather information on what local citizens thought about their community – what was good and what needed improvement. Once the study identified what was important to the community, ten measurable indicators were developed about key features of interest, such as safety, health and the environment. The results of the study were distributed widely to the community. Following the release of the study results in April 2002, a number of Action Teams were formed to lead the community in addressing identified problem areas. The community consultations took place in the towns of Midland and Penetanguishene, the townships of Tay and Tiny and Beausoleil First Nation on Christian Island.

***Roles and Relationships of the Partners***

The **North Simcoe Community Futures Development Corporation (NSCFDC)** is the local non profit corporation responsible for delivering community economic development and support to small business programs. NSCFDC was the project leader providing overall co-ordination and guidance during the project.

The **Trillium Foundation** is a Province of Ontario organization mandated to invest proceeds from the Ontario Lottery Corporation in community based projects.

**FedNor** is the federal government organization responsible for economic development in Northern Ontario and for providing funding and support to the Community Futures Development Corporations throughout Ontario.

The municipal governments of the towns of **Midland and Penetanguishene**, and **Tay Township** provided direct financial support, and participated actively in the organization of meetings and gathering of information. The township of Tiny and Beausoleil First Nation participated in the consultation process.

The **Midland Rotary Club** and the **Simcoe Training Board** also provided direct financial support.



In addition, a large number of local businesses, community groups and support agencies participated in the consultations for the study.

***Project Description***

In 1997, the community of North Simcoe became aware of a project in Tacoma, Washington sponsored by the Demming Institute. Through an extensive consultation process, the Tacoma team developed a number of indicators of the health of the community, which were shared with the community in a report entitled *Vital Signs*. Based on this model, other research, and local consultations, NSCFDC put together a project team that included a local consultant trained in Total Quality Management and an epidemiologist to conduct a similar study. Beginning in 1999, under the leadership of the NSCFDC, over 60 local business, community and public sector groups and organizations co-operated in the development of a consultative process to gather feedback from the citizens of North Simcoe on a number of economic, social and environmental issues. Facilitators were trained and workshops were held with almost 700 members of 70 local groups over the 12 month period September 2000 to August 2001. The study identified what people in the community value by addressing the following question during the consultative process:

*If someone was considering moving here, and asked you what you think is great about living here for yourself, your family, and other people, what would you say?*

The responses were grouped under a number of categories, shown below in descending order of frequency of mention:

- ▶ recreation: accessibility of nature, outdoor sports;
- ▶ environment: quality of air, water, cleanliness of towns;
- ▶ safety: lack of violence, crime, drugs, community safe for adults, children;
- ▶ people: friendly local businesses;
- ▶ lifestyle: relaxed pace, low stress;
- ▶ family / children / youth: great for family, informal network of support among community;
- ▶ community: nurturing, caring small town values, good neighbours;
- ▶ community support: strong volunteer ethic, community groups, services;
- ▶ location: access to nature and big city each only a short distance away;
- ▶ education: good, safe schools, learning opportunities in both English and French; and
- ▶ transportation: lack of congestion, proximity of all services within a short distance.

The study also addressed the challenges and concerns associated with living in North Simcoe by addressing the following question:

*If someone was considering moving here and asked you what you think the negatives are about living here for yourself, your family and other people, what would you say?*

A number of the challenges involved the same categories as the previous question. Once again, they are presented below in descending frequency of mention:

- ▶ lack of public transportation, reliance on cars;
- ▶ recreation: not enough activities for youth, need more recreational facilities;
- ▶ jobs: not enough quality job opportunities in general, and for youth;
- ▶ health: not enough doctors, nurses, medical personnel in area, inadequate medical services;
- ▶ youth: lack of post-secondary opportunities, young people leave community;
- ▶ environment: agricultural and municipal waste disposal, quality of water;
- ▶ government: inappropriate policies, downloading of costs, lack of co-ordination;
- ▶ shopping: lack of choice, higher prices;
- ▶ cost of living: high cost of transportation, housing, lack of adequate paying jobs;
- ▶ safety: concern about vandalism and domestic violence, winter driving problems, drinking and driving;
- ▶ education: lack of local post secondary opportunities, busing to school; and
- ▶ housing: lack of affordable rental housing, homes to buy, seniors housing.

It is interesting that in some cases, the community had both positive and negative views of the same general topics, such as recreation, environment and transportation.

Following the collection of information during the consultative process, the project team developed 10 indicators to measure various aspects of the community. These included:

- ▶ education – level of education of people over 15 compared to Ontario average (1996 census data);
- ▶ transportation and safety - number of road accidents per month and by location in North Simcoe;
- ▶ environment – number of poor air quality days per year in North Simcoe compared to Toronto;
- ▶ health – total patient load of family practitioners in North Simcoe and what percentage of population served (not available);
- ▶ health – number of nursing home beds in North Simcoe vs. number of people on waiting list;
- ▶ recreation – number of persons per recreation centre by region in North Simcoe;
- ▶ community support – volunteer rate (not available);
- ▶ safety – rate of domestic assault in North Simcoe compared to Ontario average;

- ▶ safety – number of vandalism charges in North Simcoe vs. number of complaints per year; and
- ▶ transportation – cost and time to make a return trip by various modes of transportation to centralized services not available in North Simcoe.

A number of additional indicators were identified, such as housing, jobs and access, however information is not presently available to develop suitable indicators.

A public meeting attended by over 100 people was held to present and discuss the results of the study, and a broadsheet newspaper containing the results of the study was distributed to over 20,000 households through an insert in the local English language newspaper, and 600 copies distributed through the local French language newspaper.

In the spring 2002, Action Teams were formed to address some of the most significant issues identified in the study, and given one year mandates to develop a plan and some short term achievable objectives. Teams were formed for recreation, healthcare, youth skills and transportation.

In addition to the support from the NSCFDC from its regular operating program, a total of \$112,000 was provided from external sources. The following table provides details of the contributions of the partners.

<b>Contributor</b>	<b>Amount</b>
Trillium Foundation	\$50,000
FedNor	\$40,000
Midland	\$4,000
Penetanguishene	\$2,000
Tay Township	\$2,000
Midland Rotary Club	\$10,000
Simcoe County Training Board	\$4,000
<b>Total</b>	<b>\$112,000</b>

***Outcomes and Impacts***

Picture This! was completed in April 2002, less than one year ago. While there has not been much time for longer term impacts, some results have occurred.

First, there are outcomes from carrying out the study. One is a significantly increased number of people actively participating in community improvement and development. For example, the project trained 26 individuals in facilitation skills. Many of these people and others involved in the project remain active on the Action Teams and related community initiatives.

The study provided a good picture of what the residents of North Simcoe want and need, and provided credible data to help planners proceed with increased confidence. The study results are being used by municipalities and economic and social development agencies within the region to adjust strategic plans and inform their internal assessment of needs. For example, the NSCFDC is using information from the Picture This! initiative to inform its internal strategic planning process, identify priorities for improvement and assist in the development of programs and services designed to meet community needs.

The lessons learned from carrying out the project have been documented in a report entitled *Picture This! Simcoe North 2000-2005, Our Plan for a Healthy Community - From Consultation to Indicator Measurement: The Manual*. This manual has been created to allow North Simcoe to duplicate the study in the future or for others to follow the same approach for their own communities.

One of the first tangible outcomes of the study was its use as background information in the successful application by the town of Midland for funding to build a new community centre in Midland, intended to serve the entire North Simcoe region. The study confirmed the importance that residents place on having recreational facilities, both for sports activities and community uses such as plays and meetings. The study is also being mentioned prominently during the current fund raising stage of the project.

Another outcome is the decision of the Healthcare Action Team to focus on supporting the recruitment of physicians and health care workers. The existing Physician Recruitment Task Force was already in place and working on attracting physicians to this under serviced area. The Healthcare Action Team is focusing on identifying employment opportunities for the partners of prospective health care professionals and other family members. This includes identifying prospective employers, self-employment opportunities and developing a network of contacts to meet with partners of prospective health care workers as required.

The Recreation Action Team is developing an inventory of recreational programming as a recreation planning tool. They are also developing initiatives to encourage more participation in sports and recreational pursuits such as "Try On Days", where members of the public visit recreation and sports groups to try a program out to see if they want to continue.

North Simcoe does not have a regular public transportation system, and the Transportation Action Team is identifying options for people who do not have their own car or cannot afford taxis. The Team hopes to utilize an existing community information and volunteer centre to develop a transportation network and dispatch service.

The Youth Skills Action team is considering alternatives for providing additional apprenticeship training for young people and other skills development opportunities.

***Attribution***

The project Picture This! would not have occurred without the leadership of the SNCFDC, the support of community partners, the generous donation of time by volunteer facilitators and the support and participation of many community organizations and members who volunteered to participate.

The study also played an important contributing role in the decision to build a new community centre. The study identified the importance that residents placed on having recreational facilities, both for sports activities and other community uses, such as plays and meetings.

***Individuals Interviewed***

Name	Organization
Ms. Grace Hodder	FedNor
Ms. Mary Ditomaso	North Simcoe Community Futures Development Corporation
Mr. Brian Peter	Midland Director of Community Services and member of Recreation Action Team
Ms. Anita Dupeau	Mayor, Penetanguishene, and member of Transportation Action Team
Ms. Kathy Elsdon	K Elsdon Enterprises and member of Healthcare Action Team
Ms. Bonnie Shalof	Passport to Prosperity Co-ordinator, Simcoe County Training Board, and member of Youth Skills Development Action Team

*Documents Reviewed*

Picture This! Simcoe North 2000-2005, Our Plan for a Healthy Community

2001-2002 Annual Report on Community Economic Development, North Simcoe Community Futures Development Corporation

**Impacts of Picture This! Community Consultation in North Simcoe**

Project Incrementality (Influence)	Direct Impacts	Industry / Community Level Impacts	Economy / Societal Impacts
<p><b>Major</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> led project which would otherwise not have been done</li> <li><input type="checkbox"/> played major role in jointly supported project</li> <li><input type="checkbox"/> one of a number of contributions (significant factor in project success for later phases)</li> </ul> <p><b>Minor</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> one of a number of contributions to successful completion of project (useful, but not essential)</li> </ul>	<p><b>Project results</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> new knowledge</li> <li><input checked="" type="checkbox"/> increased capabilities</li> <li><input checked="" type="checkbox"/> new skills</li> <li><input checked="" type="checkbox"/> increased efficiency / improved productivity</li> <li><input type="checkbox"/> risk sharing in lending</li> </ul> <p><b>Social / Economic Infrastructure</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> co-ordinated delivery of economic development services</li> <li><input checked="" type="checkbox"/> new, improved facilities, physical plant</li> <li><input type="checkbox"/> improved infrastructure</li> </ul> <p><b>Commercial results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new/increased sales</li> <li><input type="checkbox"/> increased market share</li> <li><input type="checkbox"/> increased profitability</li> <li><input type="checkbox"/> cost savings</li> </ul> <p><b>Organizational effects</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> increase in jobs</li> <li><input type="checkbox"/> increased competitiveness</li> <li><input type="checkbox"/> diversification</li> <li><input type="checkbox"/> expansions</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input type="checkbox"/> achievement awards / recognition</li> </ul>	<p><b>Community</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> integrated regional / community-based decision-making and delivery of programs</li> <li><input checked="" type="checkbox"/> increased participation in decision-making by citizens, groups</li> <li><input type="checkbox"/> retention of youth in community</li> <li><input type="checkbox"/> improved access to health care locally</li> <li><input checked="" type="checkbox"/> increased availability of education, training in community</li> </ul> <p><b>Industry / Commercial</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> enhanced regional / community-based economic development plans, initiatives</li> <li><input type="checkbox"/> access to financing, business services by entrepreneurs</li> <li><input type="checkbox"/> increased commercial investment</li> <li><input type="checkbox"/> strategic alliances / partnerships</li> <li><input type="checkbox"/> new commercial enterprises</li> <li><input type="checkbox"/> expansion of local firms</li> <li><input type="checkbox"/> increase in employment</li> </ul>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> diversification of Ontario economy</li> <li><input type="checkbox"/> increased employment, economic growth</li> <li><input type="checkbox"/> development and maintenance of business and job opportunities</li> </ul> <p><b>Societal</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> more sustainable, self reliant communities</li> <li><input type="checkbox"/> equal access to broadband / Internet services</li> <li><input checked="" type="checkbox"/> improved quality of life</li> <li><input type="checkbox"/> reduction in subsidies</li> </ul>

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p = potential (future)  
 = does not occur

*Annex H-2 – Regional Centre for Business Development and Innovation (RCBDI)*



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**Case Study – Regional Centre for Business Development and Innovation - Integrated Delivery of Economic Development and Business Services in Lanark County and North Leeds and Grenville County**

***Project Overview***

In 2001, the Valley Heartland Community Futures Development Corporation (VHCFDC) renovated space in an old factory in Smiths Falls and opened the Regional Centre for Business Development and Innovation (RCBDI). The Centre houses six business and economic development agencies from the federal, provincial and regional governments. They provide co-ordinated delivery of services throughout the region of Lanark County and North Leeds.

Co-location of these agencies has led to increased awareness of the services in the region, with a resulting increase in requests for assistance from businesses. In a number of instances, firms are provided with a more complete complement of services than would be provided through only one agency.

There is evidence that businesses are benefitting from the more efficient and effective business and economic services delivered through RCBDI.

***Roles and Relationships of the Partners***

The following organizations are all housed in the Centre:

The **Valley Heartland Community Futures Development Corporation (VHCFDC)** is the local federally funded non profit corporation responsible for delivering community economic development and support to small business programs. VHCFDC was a major force in the creation of the Centre.

The **National Research Council's Industrial Research Assistance Program (IRAP)** is a federal government program which provides technical and financial assistance to small and medium enterprises (SMEs). IRAP also delivers the pre-commercialization assistance (PA) program on behalf of Technology Partnerships Canada. The PA program provides conditionally repayable contributions to SMEs to support industrial development initiatives.

The **Lanark-North Leeds Enterprise Centre** is an organization mandated by the province of Ontario to provide business planning support to small businesses of up to five employees. These firms are often start-ups.

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The **Ontario Ministry of Agriculture and Food (OMAF)** is a provincial ministry responsible for supporting agricultural and food producers.

The **Government Information Centre (GIC)** is an agency of the Ontario Ministry of Consumer and Business Services that provides business and consumer information through onsite personal and Internet services.

**Lanark County Economic Development** is municipally funded and is responsible for supporting economic development in Lanark County. This service is performed by Valley Heartland CFDC under contract with Lanark County.

RCBDI also has linkages with economic development offices in 13 local municipalities from the Lanark Country and North Leeds service area.

### ***Project Description***

Several years ago, the Valley Heartland Community Futures Development Corporation identified the need for a better location to attract and serve clients. After considering options, VHCFCDC, with funding by Industry Canada, undertook to lease renovated space in an old factory building in Smiths Falls. The strategy was to develop a regional business services centre, with federal, provincial and regional programs and services co-located in a single building. The building opened in October, 2001. VHCFCDC holds the lease, and provides common reception and administration services, and space on a cost recovery basis to the other agencies.

The RCBDI markets itself as a regional centre, working with other business service groups to bring federal and provincial programs to the region. The six organizations in the RCBDI offer “one stop shopping” services to small businesses throughout the region.

Between them, they provide most of the services available from the three levels of government to small businesses. For example, the Lanark-North Leeds Enterprise Centre provides business planning and marketing services to small businesses. The NRC IRAP program provides technical advice and financial assistance to small and medium sized firms for research and development related projects.

VHCFCDC provides a range of products and services to small businesses. They include:

- ▶ investments and loans for start-ups and business expansion, with a view to creating jobs;
- ▶ counseling, marketing and planning assistance, with some referrals to the Enterprise Centre;

- ▶ mentoring services;
- ▶ professional development (e-commerce, e-business);
- ▶ Community Economic Development, focusing on technology skills development; and,
- ▶ Regional Economic Development, providing economic development services under contract to the County of Lanark.

While the basic VHCFCDC program is funded through FedNor and Industry Canada, additional services are provided through funding from other sources. For example, VHCFCDC is delivering the Ontario Small Town and Rural Development Program (OSTAR), a provincial government program, with funding of \$2.4 million over 3 years. OSTAR provides support in several program areas, the largest being the delivery of technical skills training to residents in the region, aligned with the present and future needs of local industry. VHCFCDC also provides local businesses with access to the Community Ventures Capital Fund, which provides firms with access to a higher level of capital funding than normally available through the Community Futures (CF) program (\$200,000 to \$500,000, compared to the maximum of \$125,000 from the CF program).

A basic strategy of VHCFCDC is to partner with other organizations and develop a strategic regional economic development direction for Lanark-North Leeds. The RCBDI is one visible result of that strategy. In addition, the six organizations often work together to provide services and funding to firms. Through the Economic Development Officers Network, the RCBDI agencies meet regularly with municipal economic development officers to discuss and plan a regional approach to economic development and to identify opportunities for support and joint delivery of business related services.

As noted in its 2002 Summary, the RCBDI is an example of three levels of government working together in a trusting relationship to provide seamless delivery of business support services, without turf wars.

### ***Outcomes and Impacts***

Based on interviews with clients and partners, the co-location of federal, provincial and regional economic development services has been an unqualified success, providing an integrated service and delivery capability, where partners provide value to each other and increased value to the community. The agencies working together are now viewed by the business community, local government and other agencies as more professional, credible and accessible. This increased credibility as an efficient, effective regional development group, together with recent examples of successful initiatives, have attracted additional funding support from various levels of government, such as the OSTAR funding discussed previously. This additional funding has allowed VHCFCDC to serve more clients with a wider range of services and funding options.

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Increased awareness of the agencies in the RCBDI and the services they provide through publicity surrounding the opening and word of mouth has resulted in an increase in inquiries from potential clients. During 2002, there were about 1,000 clients, with about 700 receiving basic information from the GIC. The GIC often refers clients to the appropriate agency in the centre. About 300 clients were served by the other five agencies. In a number of cases, agencies collaborated to more fully meet client needs. For example, VHCFCDC and NRC IRAP jointly provided \$1 million in innovation funding for seven new and existing companies, leveraging an additional \$2.5 million from other investors, and creating approximately 100 jobs in the region over the last two years. In another case, VHCFCDC, OMAF and Lanark County Economic Development provided \$140,000 to nine local firms for training of 42 new hires for technology skilled jobs. There are a number of other examples of jointly supported initiatives which have provided economic development assistance to local firms.

Through the Economic Development Officers Network, VHCFCDC and the other agencies at the Centre provide advice, assistance and access to federal and provincial programs to municipal development officers in the region, increasing their ability to meet the needs of their local clients.

The visibility and credibility of the Centre, the ability to offer an integrated basket of business services, training and financing programs, and the successful marketing of the region as a viable, lower cost location for SMEs close to other markets has also attracted the attention of business interests from outside the region, notably Ottawa. In 2002, there was a large increase in the number of business proposals coming to the centre from Ottawa, and there have been some new businesses created as a result.

#### *Attribution*

The management and Board of the VHCFCDC provided the primary vision for the RCBDI, and developed the business plan to demonstrate the viability of the concept. As the project moved from concept to implementation, support was provided by all three levels of government. Industry Canada provided additional funds for renovation of the space in the old factory building, and the Government of Ontario supported the strategy, by moving the OMAF offices, and the Government Information Centre into the Centre. Lanark County also provided concrete support by contracting with VHCFCDC for economic development services.

***Individuals Interviewed***

Name	Organization
Mr. John Doherty	Executive Director, Valley Heartland Community Futures Development Corporation
Mr. Bryan Murray	National Research Council of Canada, Industrial Research Assistance Program Industrial Technology Advisor
Ms. Shellee Evans	Economic Development Manager, Town of Perth
Ms. Sandi Winter	Manager, Lanark/North Leeds Enterprise Centre
Mr. Dennis Staples	Mayor, Smiths Falls

***Documents Reviewed***

Valley Heartland Community Futures Development Corporation – 3 year Business Plan 2003-2006 (February 2003)

Regional Centre for Business Development and Innovation - Business and Economic Summary January - December 2002

Press Release - Regional Centre for Business Development and Innovation to Open Soon

**Impacts of Regional Centre for Business Development and Innovation on Lanark County and North Leeds and Grenville Region**

Project Incrementality (Influence)	Direct Impacts	Industry / Community Level Impacts	Economy / Societal Impacts
<p><b>Major</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> led project which would otherwise not have been done</li> <li><input type="checkbox"/> played major role in jointly supported project</li> <li><input type="checkbox"/> one of a number of contributions (significant factor in project success for later phases)</li> </ul> <p><b>Minor</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> one of a number of contributions to successful completion of project (useful, but not essential)</li> </ul>	<p><b>Project results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new knowledge</li> <li><input checked="" type="checkbox"/> increased capabilities</li> <li><input type="checkbox"/> new skills</li> <li><input checked="" type="checkbox"/> increased efficiency / improved productivity</li> <li><input type="checkbox"/> risk sharing in lending</li> </ul> <p><b>Social / Economic Infrastructure</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> co-ordinated delivery of economic development services</li> <li><input checked="" type="checkbox"/> new, improved facilities, physical plant</li> <li><input checked="" type="checkbox"/> improved infrastructure</li> </ul> <p><b>Commercial results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new/increased sales</li> <li><input type="checkbox"/> increased market share</li> <li><input type="checkbox"/> increased profitability</li> <li><input type="checkbox"/> cost savings</li> </ul> <p><b>Organizational effects</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> increase in jobs</li> <li><input type="checkbox"/> increased competitiveness</li> <li><input type="checkbox"/> diversification</li> <li><input type="checkbox"/> expansions</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input type="checkbox"/> achievement awards / recognition</li> </ul>	<p><b>Community</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Integrated regional / community-based decision making and delivery of programs</li> <li><input checked="" type="checkbox"/> increased participation in decision making by citizens, groups</li> <li><input type="checkbox"/> retention of youth in community</li> <li><input type="checkbox"/> improved access to health care locally</li> <li><input checked="" type="checkbox"/> increased availability of education, training in community</li> </ul> <p><b>Industry / Commercial</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> enhanced regional / community-based economic development plans, initiatives</li> <li><input checked="" type="checkbox"/> access to financing, business services by entrepreneurs</li> <li><input checked="" type="checkbox"/> increased commercial investment</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input checked="" type="checkbox"/> new commercial enterprises</li> <li><input checked="" type="checkbox"/> expansion of local firms</li> <li><input checked="" type="checkbox"/> increase in employment</li> </ul>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> diversification of Ontario economy</li> <li><input checked="" type="checkbox"/> increased employment, economic growth</li> <li><input checked="" type="checkbox"/> development and maintenance of business and job opportunities</li> </ul> <p><b>Societal</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> more sustainable, self-reliant communities</li> <li><input type="checkbox"/> equal access to broadband / Internet services</li> <li><input checked="" type="checkbox"/> improved quality of life</li> <li><input checked="" type="checkbox"/> reduction in subsidies</li> </ul>

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*Annex H-3 – University Satellite Campus*

**Case Study – Creation of Brantford Campus for Wilfrid Laurier University**

***Project Overview***

In September 1999, following a year and a half of planning and discussions, Wilfrid Laurier University, in partnership with the City of Brantford and the local community, opened a satellite campus in Brantford. The university was housed in the renovated Carnegie Library building, the former home of the Brantford public library. Since the opening, the university has renovated an office building to serve as a student residence.

The local campus is expanding rapidly. It opened with about 40 full time students, has 310 students in the current school year (2002-2003), and expects to have over 1,000 students within five years.

The purchasing power of out-of-town students, university staff and the university itself has provided an economic boost to Brantford. The university has also provided an opportunity for local youth to attend university and local adults to take adult education courses. In addition, the university has provided the community with access to additional cultural events and opportunities that were previously not available in town.

***Roles and Relationships of the Partners***

**Enterprise Brant** is the local federally funded Community Futures Development Corporation responsible for delivering community economic development and support to small business programs in the Brantford area. Enterprise Brant was a major force in the early stages of the creation of the Laurier satellite campus in Brantford.

The **Grand Valley Educational Society (GVES)** was set up by Brant Enterprise as a charitable organization with the objective of improving and enhancing post secondary educational opportunities in the region.

The **City of Brantford** is the local municipal government. The city was a major supporter of the drive to bring Wilfrid Laurier to Brantford, contributing financially and through use of facilities and infrastructure.

The **County of Brant** made a sizeable financial contribution and provided continued support throughout the initiative.



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The **Brantford Public Library** developed a partnership with Wilfrid Laurier University Library and took on the responsibility of being the library for the Brantford campus.

**Wilfrid Laurier University (WLU)** is a university based in Waterloo, Ontario, that was interested in expanding through the development of a satellite campus.

### *Project Description*

In 1997, Enterprise Brant began investigating the possibility of creating a new, private university in Brantford. Since there was very positive response from the community, Enterprise Brant continued to pursue the formation of a local university and developed a comprehensive business plan. In early 1998, the Grand Valley Educational Society was formed as a charitable organization to continue working on this project. The Dean of Wilfrid Laurier University became aware of the interest in Brantford, and the availability of possible university campus sites, including the Carnegie Library building, the previous location of the Brantford Public Library.

The City of Brantford was very supportive of the idea of a local university, and a number of meetings soon led to an agreement to open a satellite campus of WLU in Brantford. The City of Brantford donated the use of the Carnegie Library building, and agreed to pay for required renovations. There was extensive support from the local community. GVES began a campaign to raise \$2,000,000 in support of the new campus. The funds were invested in capital improvements to the Carnegie Building, as well as the creation of a scholarship and bursary fund for students. The target was met within a year. The Royal Bank donated the use of a building as the fundraising centre. With this support, WLU committed to a five year trial at the Brantford campus, which opened in September 1999.

In the first year, 1999-2000, the Brantford campus had about 40 full-time students and 90 part-time students. The population has grown to approximately 310 full-time and 85 part-time students in 2002-2003. The Brantford campus provides a contemporary humanities centred, interdisciplinary program, focusing on developing literacy and communications skills. This year, the Brantford campus also began offering a concurrent education program in co-operation with Nipissing University. There are 32 full-time students in this program, and the university is expecting a major increase to over 100 next year, which is the year of the double cohort in Ontario.

The Brantford Campus of WLU is also linked to the local campus of Mohawk College, and the two organizations deliver several shared programs. Students can obtain a combined college diploma/university degree in a four year program that provides practical skills related training and humanities related learning.

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As WLU promises a placement in residence for first year students, the university initially rented one floor of an apartment building in Brantford to accommodate those students from out of town who wanted to live in residence. In addition, the university has partnered with the City to utilize former office space that has been renovated as a student residence.

### ***Outcomes and Impacts***

There are many economic and societal benefits associated with creating a Brantford campus for Wilfrid Laurier University.

As a community economic development project, it is a success. In the late 1990s, downtown Brantford had a number of dilapidated, old buildings, many of them heritage buildings. The creation of the Brantford campus has led directly to the renovation and revitalization of several of these buildings as classrooms, offices and residences. Many of the students are from out of town, and spend about \$10,000 to \$12,000 annually on tuition, books, accommodation, food and entertainment. Their purchasing power and that of the university staff have led to increased economic activity in downtown Brantford. This includes a number of small businesses, such as cafes and other businesses catering to students. Some students are moving out of residence after their first year and renting accommodations from local residents or staying in local apartments. The university continues to grow and expand, and expects to have over 1,000 students within five years. This growth will provide the foundation for Brantford's downtown revitalization.

From a societal perspective, the campus has been an equal success. The local campus has provided an opportunity for local students, who could not have afforded the additional expenses of going away to university, to attend university. These students have also benefitted from the local scholarship and bursary fund. Approximately half of the full-time students are from the local area. The part-time student population is almost entirely made up of local adults. In the past, local people had to travel to Guelph or Hamilton for university courses. This was less attractive and therefore fewer people made the effort. The Brantford Library also benefitted from the project. The library now has added to its collection the books and journals needed by faculty and students at the Brantford campus. Additional books are available from the main campus in Waterloo on an overnight transfer basis. The library now also has additional computer stations with internet access. Brantford residents have access to all these additional resources. The Library's success in building this relationship and new capability led to the award of the Angus Mowat Award of Excellence in Public Library Service by the Ontario Ministry of Culture in January, 2003.

In a number of cases, local professors are adjusting their research programs to reflect the local environment. In one case, a geographer and anthropologist is studying the history and culture of

the Six Nations Aboriginal community that is adjacent to Brantford. The professor is sharing this research with the local community, thus increasing knowledge of local history and contributing to local pride and awareness. The university also sponsors seminars and presentations open to the local community that provide a cultural dimension to the city that was not previously present. The expanded collection of books and information in the library that was brought in for the university students is also available to Brantford residents, and a number of them are taking advantage of it.

In summary, the creation of the Brantford campus of Wilfrid Laurier University has been and continues to be a major factor in the economic and social revitalization of Brantford.

The creation of the Brantford campus has also provided a significant benefit to the university. Wilfrid Laurier is the fastest growing university in Ontario, but was being hampered by limited space and lack of capital. The partnership to create the Brantford campus provided growing space and access to funds for capital expansion. The creation of the Brantford campus also provided an opportunity to develop a new, integrated humanities program that broadens the curriculum options that WLU offers. The concurrent education program offered at the Brantford campus marries this integrated humanities program with an education program for intermediate level teachers (Grade 4 - 10), providing them with a generalist humanities based foundation for their teaching career.

As one of the interviewees stated, "it's hard to think of a better example of a win-win situation".

#### *Attribution*

Enterprise Brant provided the energy and funding to plan and promote this initiative, without which it would not have occurred. Once formed in 1998, the Grand Valley Educational Society became the focal point for the campaign, and soon other key organizations joined the effort. The City of Brantford was a very important contributor, without whom the project would not have succeeded. Obviously, Wilfrid Laurier University was also a critical contributor. While Enterprise Brant has since moved to a background supportive role, it provided an initial \$15,000 for business plan development, and a \$50,000 contribution to get the campaign to raise \$2,000,000 started. As the campaign was successful, the contribution was returned to be used for other projects.

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***Individuals Interviewed***

Name	Organization
Ms. Joyce Holwenda	FedNor
Ms. Cindy Swanson	Manager, Enterprise Brant (local CFDC)
Ms. Colleen Miller	Grand Valley Educational Society
Dr. Leo Groarke	Dean, Brantford Campus, Wilfrid Laurier University
Dr. Peter Ferrugia	Professor and Historian, Brantford Campus, Wilfrid Laurier University
Ms. Wendy Newman	Chief Librarian, Brantford Public Library

***Documents Reviewed***

Numerous articles from the *Expositor*, Brantford's local newspaper, covering the period October 1997 to June 2001

**Impacts of Creation of Brantford Campus of Wilfrid Laurier University**

Project Incrementality (Influence)	Direct Impacts	Industry / Community Level Impacts	Economy / Societal Impacts
<p><b>Major</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> led project which would otherwise not have been done (initial phase)</li> <li><input type="checkbox"/> played major role in jointly supported project</li> <li><input checked="" type="checkbox"/> one of a number of contributions (later phases)</li> </ul> <p><b>Minor</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> one of a number of contributions to successful completion of project (useful, but not essential)</li> </ul>	<p><b>Project results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new knowledge</li> <li><input checked="" type="checkbox"/> increased capabilities</li> <li><input type="checkbox"/> new skills</li> <li><input type="checkbox"/> increased efficiency / improved productivity</li> <li><input checked="" type="checkbox"/> risk sharing</li> </ul> <p><b>Social / Economic Infrastructure</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> co-ordinated delivery of economic development services</li> <li><input checked="" type="checkbox"/> new, improved facilities, physical plant</li> <li><input checked="" type="checkbox"/> improved infrastructure</li> </ul> <p><b>Commercial results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new/increased sales</li> <li><input type="checkbox"/> increased market share</li> <li><input type="checkbox"/> increased profitability</li> <li><input type="checkbox"/> cost savings</li> </ul> <p><b>Organizational effects</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> increase in jobs</li> <li><input type="checkbox"/> increased competitiveness</li> <li><input checked="" type="checkbox"/> diversification</li> <li><input checked="" type="checkbox"/> expansion</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input checked="" type="checkbox"/> achievement awards / recognition</li> </ul>	<p><b>Community</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> integrated regional / community-based decision-making and delivery of programs</li> <li><input checked="" type="checkbox"/> increased participation in decision-making by citizens, groups</li> <li><input checked="" type="checkbox"/> retention of youth in community</li> <li><input type="checkbox"/> improved access to health care locally</li> <li><input checked="" type="checkbox"/> increased availability of education, training in community</li> </ul> <p><b>Industry / Commercial</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> enhanced regional / community-based economic development plans, initiatives</li> <li><input type="checkbox"/> access to financing, business services by entrepreneurs</li> <li><input checked="" type="checkbox"/> increased commercial investment</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input checked="" type="checkbox"/> new commercial enterprises</li> <li><input checked="" type="checkbox"/> expansion of local firms</li> <li><input checked="" type="checkbox"/> increase in employment</li> </ul>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> diversification of Ontario economy</li> <li><input checked="" type="checkbox"/> increased employment, economic growth</li> <li><input checked="" type="checkbox"/> development and maintenance of business and job opportunities</li> </ul> <p><b>Societal</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> more sustainable, self reliant communities</li> <li><input checked="" type="checkbox"/> better educated communities</li> <li><input type="checkbox"/> equal access to broadband / Internet services</li> <li><input checked="" type="checkbox"/> improved quality of life</li> <li><input checked="" type="checkbox"/> reduction in subsidies</li> </ul>

x = occurs often  
s = occurs sometimes  
p = potential (future)  
 = does not occur

*Annex H-4 – Business Training for Aboriginal Officers*

**Case Study – First Nation Economic Development Officer Training - North Eastern Ontario**

***Project Overview***

In 2000, the Waubetek Business Development Corporation developed a program to provide training to Band Economic Development Officers (BEDOs) from the 27 First Nations in North Eastern Ontario. The training was designed to respond to the issues identified by the BEDOs in an earlier needs analysis study. Training included participation in six two day workshops and a University of Waterloo Economic Developer's Program, which included two one week courses. The training courses were held in the Sudbury area during the period July 2001 to July 2002. Following the courses, the BEDOs have continued to communicate and are building a regional BEDO network.

***Roles and Relationships of the Partners***

The **Waubetek Business Development Corporation (WBDC)** is an Aboriginal Community Futures Development Corporation established in 1989, to serve the eight First Nations in the Manitoulin Island region. Recently, WBDC has also begun delivering the Aboriginal Business Canada programs to the 27 First Nations in the wider, North East Ontario region. WBDC proposed and managed the project.

**Waterloo University** is a southern Ontario university that delivers an Economic Developer's Program. This program was adapted to the needs of rural communities, within a First Nations context.

**FedNor** is the federal government organization responsible for economic development in Northern Ontario and for providing funding and support to the Community Futures Development Corporations throughout Ontario. FedNor was the major financial contributor in support of this initiative.

**Agriculture Canada Rural Partnerships Program** provided financial support to the initiative.

**Indian and Northern Affairs Canada – Ontario Region** provided funding to support the training.

**First Nations in North Eastern Ontario** – all 27 First Nations supported by Waubetek BDC contributed to the needs analysis and provided financial support for the program. The names of the communities and their populations are listed in Annex 1.

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***Project Description***

In 1999, a meeting of Band Economic Development Officers (BEDOs) of the First Nations served by Waubetek Business Development Corporation identified the need to provide training to help BEDOs develop skills in a number of areas related to business development, project management and use of modern office and communications equipment. A follow-up needs assessment confirmed these areas and added network development as another identified need. The assessment also confirmed the willingness of the BEDOs to participate in a formal program to help them develop these skills to better perform their jobs.

The project consisted of developing and providing six training workshops, plus the University of Waterloo Economic Developer's Program to the BEDOs of the 27 First Nations in the Waubetek Business Development Corporation program delivery region. All sessions were held at or near Sudbury, which is a central location with appropriate facilities. A short description of the six modules and the Waterloo program is given below.

1. Enabling Technologies – hands on training in use of the internet, e-mail, on line message boards and conducting web-searches. Sessions were held at College Boreal in Sudbury, which delivers computer training courses using student workstations. All participants were given e-mail addresses and electronic links to allow them to network and facilitate communication about the project among participants.
2. Strategic Planning – participants were introduced to the process and steps involved in undertaking a community strategic planning process. Presentations were made on the formal elements of strategic planning, such as identification of stakeholders, SWOT analysis, and assessing risk. Through a case study, participants learned about a successful use of strategic planning that led to the establishment of a community owned business.
3. Business Development and Access to Capital – focused on business planning, market analysis, understanding financial statements and identification of funding programs and resources available for business projects in First Nations.
4. Partnerships and Joint Ventures – provided examples of successful Canadian and American First Nations business ventures, and discussed the critical factors that led to success. Community leaders attended the presentations as well as CEOs.
5. Engaging Youth in Entrepreneurship – presented information and resources related to encouraging youth to consider self-employment as a career option. There were



presentations from youth entrepreneurs, youth business mentors and others in this field, as well as group discussions

6. Establishing a First Nation Economic Network – focused on demonstrating the value of networking for BEDOs and providing examples of successful networks. Also developed strategies to continue the networking established among BEDOs through this project.
7. University of Waterloo Economic Developer's Program – following discussions with the project management team, this highly respected, long standing program was adopted to the needs of the BEDOs and co-ordinated with the content of the six workshops. The program's two, one week courses were held in November 2001 and April 2002. Each BEDO developed case studies that described business development situations in their community and presented solutions. Each BEDO made an oral presentation of their case study. Each BEDO who successfully completed the course participated in a graduation ceremony and received a certificate.

This project had expenses of \$200,000, and was financed with contributions from several federal departments and agencies, as well as Waubetek CFDC and First Nations participating in the training. The following table identifies the financial contributions from the major contributors.

<b>Contributor</b>	<b>Amount</b>
Agriculture Canada - Canadian Rural Partnerships	\$50,000
FedNor	\$90,000
INAC	\$30,000
Waubetek BDC	\$15,000
Participating First Nations (27)	\$15,000
<b>Total</b>	<b>\$200,000</b>

### ***Outcomes and Impacts***

Participation in the project by BEDOs from the First Nations in North Eastern Ontario has provided a number of benefits, primarily in terms of increasing the skills and capabilities of the participants. As the project was completed in August, 2003, less than a year ago, there has not yet been sufficient time for longer term economic impacts to have occurred.

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Three months after the completion of the training, a sample of BEDOs participating in the training were surveyed. They identified a range of skills that they developed during the project. These included:

- ▶ computer and internet skills – better able to undertake web searches and use online message boards
- ▶ strategic planning – better able to lead strategic planning in community and get community involvement
- ▶ planning and project management – improved ability to set priorities, plan and carry out multiple tasks
- ▶ analysis of business development proposals – improved ability, confidence in assessing business proposals
- ▶ analysis of business needs – able to identify business needs, and possible strategies to meet those needs
- ▶ access to resource people – better awareness of resources available to provide information, special skills that are needed for specific projects. Have invited resource people met during the course to assist with community projects.
- ▶ networking – access to a network of BEDOs that will listen, share their experience and provide advice and assistance

These newly developed skills have enabled BEDOs to manage community strategic planning studies and conduct economic impact studies that they could not previously do. As an example of the way in which these newly developed skills are being used, 14 of the 27 First Nations have begun Community Economic and Strategic Planning studies since the project was completed.

Another outcome of the project was the formation of a regional EDO network. This First Nation Network is to be called Obezhighojig ( working together as one) Economic Developers Organization. It's mandate is to provide a forum to share knowledge and strengthen First Nation economies, build capacity and achieve economic independence. The network will allow members to exchange ideas on job creation, revenue generation and programs, and will provide a forum to share resources and exchange ideas. Members will also be able to use the network to provide online learning opportunities and to further develop their skills. The network will be linked electronically to the Economic Developers Council of Ontario and the Council for the Advancement of Native Development Officers, two groups that support business development.

One of the goals of the network is to make economic development a priority in the members' communities. As noted by one of the workshop speakers, in many First Nations communities, the past emphasis has been on social programs. Members agreed to raise the profile of economic development to help First Nations in North Eastern Ontario to become self sufficient. .

***Attribution***

The Waubetek Business Development Corporation carried out the critical steps leading up to the development of the proposal, including the needs assessment and the gathering of support among the First Nation communities and the BEDOs. WBDC was also the lead member of the project management team, supported by hired project coordinators. The project would not have been proposed or carried out without the initiative of the WBDC.

However, this initiative would not have taken place without the financial support provided by the three federal government departments (Indian and Northern Affairs, FedNor and Agriculture Canada - Canadian Rural Partnerships), and the 27 First Nations in the WBDC region. FedNor and Agriculture Canada provided initial funding, and INAC supported the workshops and sponsored the Waterloo training. FedNor was the principal funder of the project, providing almost half of the total funding.

***Individuals Interviewed***

Name	Organization
Ms. Dawn Madahbee	General Manager, Wabetek Business Development Corporation
Ms. Kathy Bebamash	Band Economic Development Officer, Sucker Creek First Nation
Mr. Jim Bater	Professor, University of Waterloo
Marianne McGregor	Former project co-ordinator

***Documents Reviewed***

First Nations Economic Development Proposal September, 2000

First Nation Economic Development Network - Pilot Project Report , October, 2002

**Impacts of First Nation Business Development Officer Training  
in North Eastern Ontario**

Project Incrementality (Influence)	Direct Impacts	Industry / Community Level Impacts	Economy / Societal Impacts
<p><b>Major project</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> developed and managed project which would otherwise not have been done</li> <li><input checked="" type="checkbox"/> played major role in jointly supported project (critical contribution)</li> <li><input type="checkbox"/> one of a number of contributions (significant factor in project success)</li> </ul> <p><b>Minor</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> one of a number of contributions to successful completion of project (useful, but not essential)</li> </ul>	<p><b>Project results</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> new knowledge</li> <li><input checked="" type="checkbox"/> increased capabilities</li> <li><input checked="" type="checkbox"/> new skills</li> <li><input checked="" type="checkbox"/> increased efficiency / improved productivity</li> <li><input type="checkbox"/> risk sharing in lending</li> </ul> <p><b>Social / Economic Infrastructure</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> co-ordinated delivery of economic development services</li> <li><input type="checkbox"/> new, improved facilities, physical plant</li> <li><input type="checkbox"/> improved infrastructure</li> </ul> <p><b>Commercial results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new/increased sales</li> <li><input type="checkbox"/> increased market share</li> <li><input type="checkbox"/> increased profitability</li> <li><input type="checkbox"/> cost savings</li> </ul> <p><b>Organizational effects</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> increase in jobs</li> <li><input type="checkbox"/> increased competitiveness</li> <li><input type="checkbox"/> diversification</li> <li><input type="checkbox"/> expansions</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input type="checkbox"/> achievement awards / recognition</li> </ul>	<p><b>Community</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> integrated regional / community-based decision making and delivery of programs</li> <li><input checked="" type="checkbox"/> increased participation in decision making by citizens, groups</li> <li><input type="checkbox"/> retention of youth in community</li> <li><input type="checkbox"/> improved access to health care locally</li> <li><input checked="" type="checkbox"/> increased availability of education, training in region/community</li> </ul> <p><b>Industry / Commercial</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> enhanced regional / community-based economic development plans, initiatives</li> <li><input type="checkbox"/> access to financing, business services by entrepreneurs</li> <li><input type="checkbox"/> increased commercial investment</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input type="checkbox"/> new commercial enterprises</li> <li><input type="checkbox"/> expansion of local firms</li> <li><input type="checkbox"/> increase in employment</li> </ul>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> diversification of Ontario economy</li> <li><input type="checkbox"/> increased employment, economic growth</li> <li><input type="checkbox"/> development and maintenance of business and job opportunities</li> </ul> <p><b>Societal</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> more sustainable, self reliant communities</li> <li><input type="checkbox"/> equal access to broadband / Internet services</li> <li><input checked="" type="checkbox"/> improved quality of life</li> <li><input type="checkbox"/> reduction in subsidies</li> </ul>

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 = does not occur

**Annex 1: First Nation Communities in Northeastern Ontario**

First Nation Community	Population*
Batchewana First Nation	2,138
Beausoliel First Nation (Christian Island)	1,620
Dokis First Nation	935
Garden River First nation	2,017
Georgina Island First Nation	645
Henvey Inlet First Nation	516
Magnetawan First Nation	202
M'Chigeeng First Nation (West Bay)	2,097
Mississauga First Nation	966
Mnjikaning First Nation (Rama)	1,362
Moose Deer Point First Nation	429
Nipissing First Nation	1,960
Ojibways of Sucker Creek First Nation	650
Sagamok Anishnawbek	2,137
Serpent River First Nation (Cutler)	1,103
Shawanagana First Nation	491
Sheguiandah First Nation	296
Sheshegwaning First Nation	354
Temagami Anishnabae (Bear Island)	582
Thessalon First Nation	533
Wahnapiatae First Nation	308
Wahta First Nation	658
Wasauksing First Nation (Parry island)	987
Whitefish Lake First Nation	784

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Whitefish River First Nation	1,018
Wikwemikong Unceded Indian Reserve	6,571
Zhiibaahaasing First Nation	138
<b>Total: 27 First Nations</b>	<b>31,497</b>

\* these are the official total populations of each community. In most cases, a substantial number of members live outside the reserve.

*Annex H-5 – Safe Communities*

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**Case Study – Safe Communities Initiative in Rainy River District in Northwestern Ontario**

***Project Overview***

In the early 1990s, the Rainy River District in Northwestern Ontario developed a community strategic plan that identified improving safety and reducing accidents as an objective. The manager of the local paper mill, had already made workplace safety a priority, and had built a safety culture in the mill and among local logging contractors. For the past eight years, the community has been developing a safety culture among businesses and residents through a wide range of programs and activities. Over the past four years, local businesses have received over \$400,000 in rebates on their workplace compensation premiums due to reduced lost time accidents. In 2002, the district was rewarded by being named as a World Health Organization recognized safe community, and hosted an international WHO sponsored safe community conference.

***Roles and Relationships of the Partners***

**Rainy River Future Development Corporation (RRFDC)** is the local federally funded Community Futures Development Corporation responsible for delivering community economic development and support to small business programs in the Rainy River district.

**Abitibi Consolidated Inc.** of Canada operated a local paper mill and forestry (pulp logs) operation, and was an early leader in promoting safety in the workplace and at home.

The **Town of Fort Francis** is the largest municipal government in the district. In the early stages, the town was a major supporter of the drive to make the Rainy River district a safer community.

The **Ontario Workplace Safety and Insurance Board** is the provincial agency responsible for safety in the workplace and for paying workplace compensation for workplace accidents. The Board sponsored an insurance premium rebate program to encourage businesses to promote safety and reduce workplace injuries.

The **World Health Organization (WHO)** is an international organization devoted to improving the health of people around the world. One of WHO's initiatives involves promoting community safety through the Collaborating Centre on Community Safety Promotion in Karlinske, Sweden.



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***Project Description***

This project traces its beginning to the early 1990s. At that time, the Rainy River Safety Coalition was formed, to promote and lead many safety related initiatives throughout the district.

At the same time, the local paper mill owned by Abitibi Consolidated Paper developed a strong safety program. The local mill manager had a vision for the mill to be the safest paper mill in Canada, and instituted a program to give employees safety points for good behaviour. The safety points were convertible into cash at local businesses. Over the five year period 1991 to 1996, almost \$1 million was handed out to mill workers as safety related incentives. In addition, logging contractors providing wood supply to the Abitibi mill were required to have formal safety programs in place.

In 1993, a community strategic planning process entitled “Tomorrow” was begun, led by the Fort Frances Economic Development Commission and the Rainy River Future Development Corporation. The planning process included the creation of a Steering Committee with representatives from a wide range of local businesses, municipalities and other organizations, as well as provincial ministries and agencies. A representative of the Rainy River Safety Coalition was on the Steering Committee, along with Abitibi Consolidated management. Participation by these safety conscious people and the influence of the safety program in the Abitibi mill, which provided highly visible sales to the regional business community, were reasons why the Rainy River district was much more aware of safety at the time of the strategic planning initiative than most communities. The “Tomorrow” Strategic Plan, completed in October 1994, identified a large number of vision statements and goals. Prominent among them was a desire to “become a community which accepts responsibilities for the safety and well being of its inhabitants”, and a goal of becoming the “safest community in Canada”. That vision statement became the focal point for a range of safety related programs and initiatives continuing up to the present.

Following the development of the strategic plan, a number of safety related initiatives were undertaken. One such initiative involved working with the Ontario Workplace Safety and Insurance Board, that introduced a Safe Community Incentive Program (SCIP) in the district in 1997. Even though the local logging industry was very safety conscious, many other businesses, including local construction companies and even retail businesses did not have a safety culture. Overall, the district had a very poor workplace safety record, with about 40% of local businesses being identified as high risk or having had a claim in the previous three years. Under the SCIP program, local businesses were given a safety baseline, which was calculated from the previous three years claim experience. If actual claims in the future were lower than the baseline year, firms would get a rebate on their payments. The SCIP program hired a local person for three years to hold safety related workshops and promote safety in the region. Over 100 trained individuals became mentors and provided training and advice to other businesses.

Abitibi Consolidated supported the initiative in the community throughout this period, including sponsoring people to go to international safety conferences. Through these conferences, the district became aware of the World Health Organization's safe communities program. The district applied for designation as a safe community under the World Health Organization and eventually received that recognition as one of only 10 communities in the world with that designation. In May 2002, the 11<sup>th</sup> International Conference on Safe Communities, sponsored by WHO and the Safe Communities Foundation, was held in Fort Francis. Over 250 delegates from 23 countries participated in the conference, which showcased the accomplishments of the region in making its community safe.

The district continues to be a highly safety conscious community, providing a wide range of programs to the businesses and members in the area.

### ***Outcomes and Impacts***

There are a number of impacts of the safe community initiative directly related to the regional economy. The Abitibi mill had a strong workplace safety program because local management realized that lost time accidents hurt firm profitability, through injured, unproductive workers and increased workplace compensation premiums. However, the firm soon realized that many lost time accidents occurred away from work, and began to support a wider, community level safety program. The experience of the Abitibi mill was repeated for all other regional businesses with improved safety records, who benefitted through reduced employee absenteeism, reduced costs and increased profitability. In 1998, 88 businesses participating in SCIP received \$133,000 in rebates on their payments, and in 2000, the 115 businesses participating received \$208,000. In 2001, 123 businesses participated.

The Rainy River district now has a much improved safety record as a result of a wide range of safety related programs and initiatives under the umbrella of the Rainy River Valley Safety Coalition, aimed at businesses, youth, and citizens. This increased capability provides ongoing support for the continued focus on safety and the reduction in injuries. A listing of some of the main programs is provided below.

- ▶ Crime Prevention
- ▶ Workplace Safety
- ▶ Substance Abuse
- ▶ Fire Safety
- ▶ Senior Safety
- ▶ Recreation Safety
- ▶ Healthy Communities Coalition

- ▶ Sunset Country Metis People Program
- ▶ Gizhewaadiziiwin Health Access Centre Community Programs
- ▶ Red Cross CPR and First Aid Certification Training
- ▶ North Western Health Unit Rainy River Valley Safety Institute
- ▶ Rainy River District Safety Institute

As an indicator of the effect of these programs, one interviewee commented that recently, there are fewer people at the emergency room in the regional hospital. The reduction in injuries demonstrated by this indicator has a direct economic impact on reducing the cost of health care, as well as the economic and social cost to individuals of the loss of limbs and temporary or permanent disability.

Last year's conference also had a significant economic and social impact on the local economy. During the week of the conference, the 286 delegates spent an estimated \$200,000 locally on hotel accommodations and meals. Local businesses such as travel agents, buses, taxis and retail businesses also benefitted. Conference delegates were able to tour the district and were appreciative of the scenery. The word of mouth of the delegates returning home helped to give the Rainy River district world wide recognition as a tourist destination.

In addition to the more tangible impacts discussed above, the Safe Communities initiative, and the successful holding of the WHO Conference in 2002, have helped develop a sense of pride and accomplishment in the community. Businesses, local municipalities and citizens have partnered to work together and achieve common goals.

#### *Attribution*

The Rainy River Future Development Corporation played a major role in the creation of the safe community in the district. However, there were many other significant contributors.

The Rainy River Future Development Corporation was one of two organizations that initiated the development of the "Tomorrow" Community Strategic Planning process in 1994, and was one of the three organizations that provided funding for the development of the plan. Since then, the group has remained involved and supportive of the initiative.

As mentioned previously, management of the local paper mill, which was owned by Abitibi Consolidated in the early 1990s, has been a critical factor in the success of this initiative. The financial rewards to mill employees and the financial, technical and staff support to the SCIP program and many other safety related initiatives were important contributions, without which the program would likely not have been successful.

During the strategic planning process, many organizations were involved. For example, the Steering Committee was made up of representatives of the town of Fort Francis, Couchiching First Nation, Township of Alberton, Ontario Ministry of Citizenship, Ontario Ministry of Agriculture, Fort Francis-Rainy River Board of Education, Ontario Skills Development Office, Confederation College, Laverendrye Non-profit Housing, Ontario Ministry of Community and Social Services, local businesses and area residents. Since then, many other local groups have become involved in developing and delivering safety related programs, as shown above.

***Individuals Interviewed***

Name	Organization
Mr. Geoff Gillon	Manager, Rainy River Future Development Corporation
Ms. Ginette Cawston	Former Co-ordinator of SCIP Program, and organizer of the 2002 WHO Conference
Mr. Doug Anderson	Chair, Rainy River Safety Coalition
Mr. Glen Witherspoon	Mayor, Fort Francis

***Documents Reviewed***

Tomorrow - a Community Strategic Plan for the Central Rainy River District, October, 1994

11<sup>th</sup> International Conference on Safe Communities, May 7, 8, 9, 2002, Report

Report on Economic Benefits to the Community from the Conference

**Impacts of Safe Communities Initiative in Rainy River District**

Project Incrementality (Influence)	Direct Impacts	Industry / Community Level Impacts	Economy / Societal Impacts
<p><b>Major</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> led project which would otherwise not have been done</li> <li><input checked="" type="checkbox"/> played major role in jointly supported project (initial phase)</li> <li><input checked="" type="checkbox"/> one of a number of contributions (later phases)</li> </ul> <p><b>Minor</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> one of a number of contributions to successful completion of project (useful, but not essential)</li> </ul>	<p><b>Project results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new knowledge</li> <li><input checked="" type="checkbox"/> increased capabilities</li> <li><input checked="" type="checkbox"/> new skills</li> <li><input type="checkbox"/> increased efficiency / improved productivity</li> <li><input type="checkbox"/> risk sharing</li> </ul> <p><b>Social / Economic Infrastructure</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> co-ordinated delivery of community development services</li> <li><input type="checkbox"/> new, improved facilities, physical plant</li> <li><input checked="" type="checkbox"/> improved social infrastructure</li> </ul> <p><b>Commercial results</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> new/increased sales</li> <li><input type="checkbox"/> increased market share</li> <li><input checked="" type="checkbox"/> increased profitability</li> <li><input checked="" type="checkbox"/> cost savings</li> </ul> <p><b>Organizational effects</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> increase in jobs</li> <li><input type="checkbox"/> increased competitiveness</li> <li><input type="checkbox"/> diversification</li> <li><input type="checkbox"/> expansion</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input checked="" type="checkbox"/> achievement awards / recognition</li> </ul>	<p><b>Community</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> integrated regional / community-based decision-making and delivery of programs</li> <li><input checked="" type="checkbox"/> increased participation in decision-making by citizens, groups</li> <li><input type="checkbox"/> retention of youth in community</li> <li><input type="checkbox"/> improved access to health care locally</li> <li><input checked="" type="checkbox"/> increased availability of safety related education, training in community</li> </ul> <p><b>Industry / Commercial</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> enhanced regional / community-based economic development plans, initiatives</li> <li><input type="checkbox"/> access to financing, business services by entrepreneurs</li> <li><input type="checkbox"/> increased commercial investment</li> <li><input checked="" type="checkbox"/> strategic alliances / partnerships</li> <li><input type="checkbox"/> new commercial enterprises</li> <li><input type="checkbox"/> expansion of local firms</li> <li><input type="checkbox"/> increase in employment</li> </ul>	<p><b>Economic</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> diversification of Ontario economy</li> <li><input type="checkbox"/> increased employment, economic growth</li> <li><input type="checkbox"/> development and maintenance of business and job opportunities</li> </ul> <p><b>Societal</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> more sustainable, self reliant communities</li> <li><input type="checkbox"/> better educated communities</li> <li><input type="checkbox"/> equal access to broadband / Internet services</li> <li><input checked="" type="checkbox"/> improved public safety, quality of life</li> <li><input checked="" type="checkbox"/> reduction in health care costs</li> </ul>

x = occurs often  
s = occurs sometimes  
p = potential (future)  
 = does not occur

