



# REGIONAL **BUSINESS** DIVERSIFICATION STRATEGY

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Prepared for

**Community Futures Yellowhead East**



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**1 INTRODUCTION – A CALL TO ACTION**

Community Futures Yellowhead East (CFYE) is a federally funded non-profit organization that assists rural entrepreneurs and small business owners to start, expand or sell their business, through services such as business coaching, training and loan provision. The mandate of Community Futures is to help diversify rural economies through the services they offer.

CF Yellowhead East is responsible for working with ten individual communities in the Yellowhead East Region; Town of Swan Hills, Town of Fox Creek, Town of Whitecourt, Woodlands County, Town of Mayerthorpe, Lac Ste. Anne County, Town of Barrhead, County of Barrhead, Town of Onoway and Village of Alberta Beach. In addition, GROWTH Alberta is a partner in this project, and therefore the Town of Westlock, Village of Clyde and Village of Wabamum have been included in the study area.<sup>1</sup>



The CFYE region shares many common industries, workforce and challenges – a primary one being reliance on primary industries such as oil & gas, forestry and agriculture. Recognising this, CFYE's Board of Directors that is comprised of a representative from each of its 10 member communities, decided that it was important to study how the region could diversify its economy to protect against economic shocks and cycles in its key sectors. They also recognised that there could be possible synergies between businesses in the region in terms of workforce and supply chains. Thus, this study was initiated.

This resulting strategy and action plan have been developed from the findings from the background research (strategic document review, 2018/19 statistics and data analysis, situational analysis)



<sup>1</sup> CFYE and GROWTH Alberta will collaborate on a number of projects based on the action plans created by this study. To make best use of available resources, GROWTH will work on similar projects in parts of the GROWTH service area that is outside the CFYE service area.

and stakeholder consultation (business and other economic development stakeholder interviews) for the CF Yellowhead East region.

The purpose of this project is to develop strategies and action plans to diversify, retain and support expansion and success of Yellowhead East Businesses for implementation by CFYE, municipal partners and others as may be appropriate.

At the basis of the Strategy is the economic vision for the region. This vision provides a compass for decisions that affect economic development for each partner community as they engage in a regional economy. As in all successful regions, it is recognised that economic development has a positive ripple effect on other municipalities in the region. Business and stakeholder feedback were used in developing the essence of what is the desired state of CFYE's economy in the future.

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## Economic Vision

*The CF Yellowhead East region boasts a vibrant, entrepreneurial and diversified economy, offering opportunities for its residents and newcomers alike. Its businesses are supported by their municipalities and area economic agencies such as CFYE, GROWTH Alberta, its Business Support Network and Chambers of Commerce that all work together to capitalise on the region's strong supply chains internally while exporting to a diversified client base.*

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## 2 PROCESS FOLLOWED

The project began with a statistical analysis of the CFYE and GROWTH Alberta regional economy that yielded a current situational analysis report, after which a thorough consultation process was completed that included:

- 117 one-on-one interviews with businesses across the region that were supplied by each participating partner;
- An online business survey that received 63 responses;
- A series of interviews with economic development stakeholders from across the region;
- A working session with over 40 key stakeholders;
- An action planning session with CFYE and GROWTH Alberta staff.



3 STATISTICAL OVERVIEW

# Economic SNAPSHOT of Community Futures YELLOWHEAD EAST



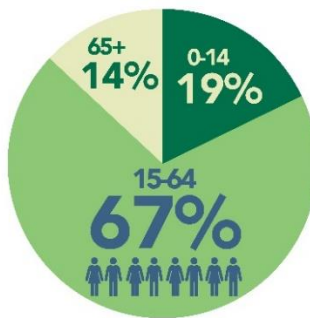
## POPULATION

### Total Population



Census Population Data, Statistics Canada, 2001-2016.

### Age Profile



### Educational Attainment



For the population aged 24-65.

## HOUSING

### Dwelling Value

Average Value **\$437,904**  
Median Value **\$421,335**



Total number of households  
**18,592**

**75%** Single Detached House

**14%**  
Movable Dwelling

**7%**  
Apartment / detached duplex

**3%**  
Semi-detached House

**2%**  
Row House

All data sourced from Manifold SuperDemographics 2019, unless otherwise specified.

### Dwelling Income



**\$126,076**  
Average Household  
Total Income

**\$99,276**  
Median Household  
Total Income



**17%**

of CF Yellowhead East's population spends 30% or more of household total income on shelter costs

# Economic SNAPSHOT of Community Futures YELLOWHEAD EAST



## LABOUR FORCE & LOCAL ECONOMY

### Top 5 Employment Industries



12%  
Construction



10%  
Mining, Quarrying,  
and Oil & Gas Extraction



10%  
Retail Trade



9%  
Agriculture, Forestry,  
Fishing & Hunting



8%  
Health Care &  
Social Assistance

### Top 5 Employment Occupations



25%  
Trades, Transport  
& Equipment Operators



18%  
Sales & Service



14%  
Management



12%  
Business, Finance  
& Administration



8%  
Natural Resources, Agriculture  
& Related Production

### Participation

70.6%

ALBERTA  
71.8%

### Employment

64.9%

ALBERTA  
66.7%

### Unemployment

8.1%

ALBERTA  
7.1%



**\$62.9\*\***  
million in value of  
construction permits



**\$3.5**  
billion in exports

**Median  
Employment  
Income**

**\$47,697**

ALBERTA MEDIAN  
\$48,190

**Average  
Employment  
Income**

**\$61,283**

ALBERTA AVERAGE  
\$69,431

\*\*Statistics from the Government of Alberta  
All data sourced from Manifold SuperDemographics 2019, unless otherwise specified.

## 4 A GLIMPSE OF CF YELLOWHEAD EAST BY THE NUMBERS

The following table shows growing industries considered to be well-supported by the regional labour pool. They are well-supported because they employ a set of key occupations (those that are large and growing in terms of jobs and are concentrated in the CF Yellowhead region). Those key occupations are:

- Managers in agriculture
- Heavy-duty equipment mechanics
- Contractors and supervisors, heavy equipment operator crews
- General farmworkers
- Central control and process operators, petroleum, gas and chemical processing
- Oil and gas well drillers, servicers, testers and related workers
- Retail and wholesale trade managers
- Welders and related machine operators
- Cleaning supervisors

Industry	Key Occupations Group Jobs in Industry (2019)	% Change (2019-2024)	% of Total Jobs in Industry (2019)
Support activities for mining, oil & gas extraction	17,974	6%	28.2%
Commercial & industrial machinery (except auto and electronic) repair and maintenance	11,848	6%	48.5%
Services to buildings and dwellings	5,052	17%	10.3%
Utility system construction	5,352	6%	16.9%
Other specialty trade contractors	3,987	7%	14.4%
Automobile dealers	3,406	8%	15.1%
Commercial and industrial machinery and equipment rental and leasing	2,191	11%	16.1%
Farm, lawn and garden machinery and equipment merchant wholesalers	2,129	10%	46.1%
Sporting, hobby & musical instrument stores	2,029	6%	16.0%
Automotive repair and maintenance	2,013	5%	9.1%
Architectural, engineering and related services	1,640	18%	2.8%
Automotive parts, accessories and tire stores	1,758	8%	21.1%
Architectural & structural metals manufacturing	1,767	7%	18.9%
Specialized freight trucking	1,579	18%	5.3%



Source: EMSI 2019.Q1—Employees and Self Employed

## Labour Force Status

The male and female participation rates are slightly lower compared with those in Alberta. Females in the CF Yellowhead East region have the lowest participation rate when compared to males and females in Alberta. This indicates an opportunity to grow the labour force by increasing female participation (an underutilized group).

**Table 1: Key Labour Force Statistics by Gender, CF Yellowhead East, 2019**

Labour Force Activity	CF Yellowhead East			Alberta		
	Total	Male	Female	Total	Male	Female
Participation rate (%)	70.6	75.9	64.9	71.8	76.8	66.9
Employment rate (%)	64.9	69.4	60.1	66.7	71.2	62.2
Unemployment rate (%)	8.1	8.6	7.5	7.1	7.2	6.9

Source: McSweeney & Associates from Manifold Data Mining Inc. SuperDemographics 2019

## Local Economy of CF Yellowhead East

### Concentrations of Labour Force Employment

The following industries are concentrated relative to the province and the nation, in terms of employment:

Related to **manufacturing**, namely:

- Pulp, paper and paperboard mills
- Sawmills and wood preservation
- Other fabricated metal product manufacturing

Related to **repair and maintenance**:

- Commercial and industrial machinery and equipment repair and maintenance
- Automotive repair and maintenance

Related to the development of infrastructure concerned with **energy transmission and utilities management**:

- Utility system construction
- Waste treatment and disposal

**Key Industries by Number of Jobs:**

Largest Growth Industries by Total Employment	Recent Fast-Growing Industries by Employment Growth (%)	Industries with Largest Projected Growth Employment
<ol style="list-style-type: none"> <li>1. Commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance</li> <li>2. Full-service restaurants and limited service eating places</li> <li>3. Other amusement and recreation industries</li> <li>4. Waste treatment and disposal</li> <li>5. Independent artists, writers and performers</li> </ol>	<ol style="list-style-type: none"> <li>1. Meat product manufacturing</li> <li>2. Jewellery, luggage and leather goods stores</li> <li>3. Independent artists, writers and performers</li> <li>4. Machine shops, turned product, and screw, nut and bolt manufacturing</li> <li>5. Machinery, equipment and supplies merchant wholesalers</li> </ol>	<ol style="list-style-type: none"> <li>1. Commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance</li> <li>2. Specialized freight trucking</li> <li>3. Other amusement and recreation industries</li> <li>4. Full-service restaurants and limited-service eating places</li> <li>5. Architectural, engineering and related services</li> </ol>

Source: EMSI 2019.Q1—Employees and Self Employed.

### Largest Export Dollars Flowing into CF Yellowhead East Region, by Industry

Industry	CF Yellowhead East
Oil and gas extraction	\$644,778,601
Pulp, paper and paperboard mills	\$315,435,040
Farms	\$283,023,502
Specialized freight trucking	\$232,994,273
Support activities for mining, and oil and gas extraction	\$187,997,060
Sawmills and wood preservation	\$181,393,688
Other fabricated metal product manufacturing	\$118,231,556
Pipeline transportation of crude oil	\$101,777,512
Waste treatment and disposal	\$78,062,923
Commercial and industrial machinery and equipment rental and leasing	\$74,639,279
Utility system construction	\$68,127,344
Petroleum and coal product manufacturing	\$65,375,994
Logging	\$56,958,559

Source: EMSI 2019.Q3

### Business Patterns

Lastly, business patterns were analyzed using Statistics Canada's Businesses Registry (2013-2018). According to this database, the following are the industries with the largest number of businesses in the area:

With Employees	Without Employees
<ol style="list-style-type: none"> <li>1. Services to oil and gas extraction</li> <li>2. Commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance</li> <li>3. Residential building construction</li> <li>4. Electrical contractors and other wiring installation contractors</li> <li>5. All other specialty trade contractors</li> <li>6. Site preparation contractors</li> <li>7. Beef cattle ranching and farming, including feedlots</li> <li>8. Other scientific and technical consulting services</li> <li>9. Oil and gas pipeline and related structures construction</li> <li>10. Full-service restaurants</li> </ol>	<ol style="list-style-type: none"> <li>1. Beef cattle ranching and farming, including feedlots</li> <li>2. Lessors of residential buildings and dwellings (except social housing projects)</li> <li>3. Services to oil and gas extraction</li> <li>4. Commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance</li> <li>5. Other grain farming</li> <li>6. Residential building construction</li> <li>7. Hay farming</li> <li>8. Animal combination farming</li> <li>9. Oilseed (except soybean) farming</li> <li>10. Other scientific and technical consulting services</li> </ol>

**Supply Chain Gaps**

The following industries represent those which already exist but purchase significant value of goods and services, much from outside of the region. Providers of those goods and services could potentially be attracted into the economy to reduce leakage.

<b>Purchases from</b>	<b>Estimated Import Value 2015</b>	<b>% Imported from outside of CF Yellowhead East 2015</b>
<b>Sawmills and wood preservation</b>	\$117,918,534	76.6%
<b>Specialized freight trucking</b>	\$69,530,606	55.7%
<b>Lessors of real estate</b>	\$80,614,629	82.2%
<b>Depository credit intermediation</b>	\$66,709,917	73.5%
<b>General freight trucking</b>	\$59,972,564	67.6%
<b>Electric power generation, transmission and distribution</b>	\$68,400,649	79.8%
<b>Architectural, engineering and related services</b>	\$55,936,115	75.4%
<b>Other fabricated metal product manufacturing</b>	\$32,779,563	66.5%
<b>Basic chemical manufacturing</b>	\$29,881,201	71.2%
<b>Utility system construction</b>	\$18,692,897	46.6%

Source: EMSI 2019.Q1 based on National input-output tables from 2015



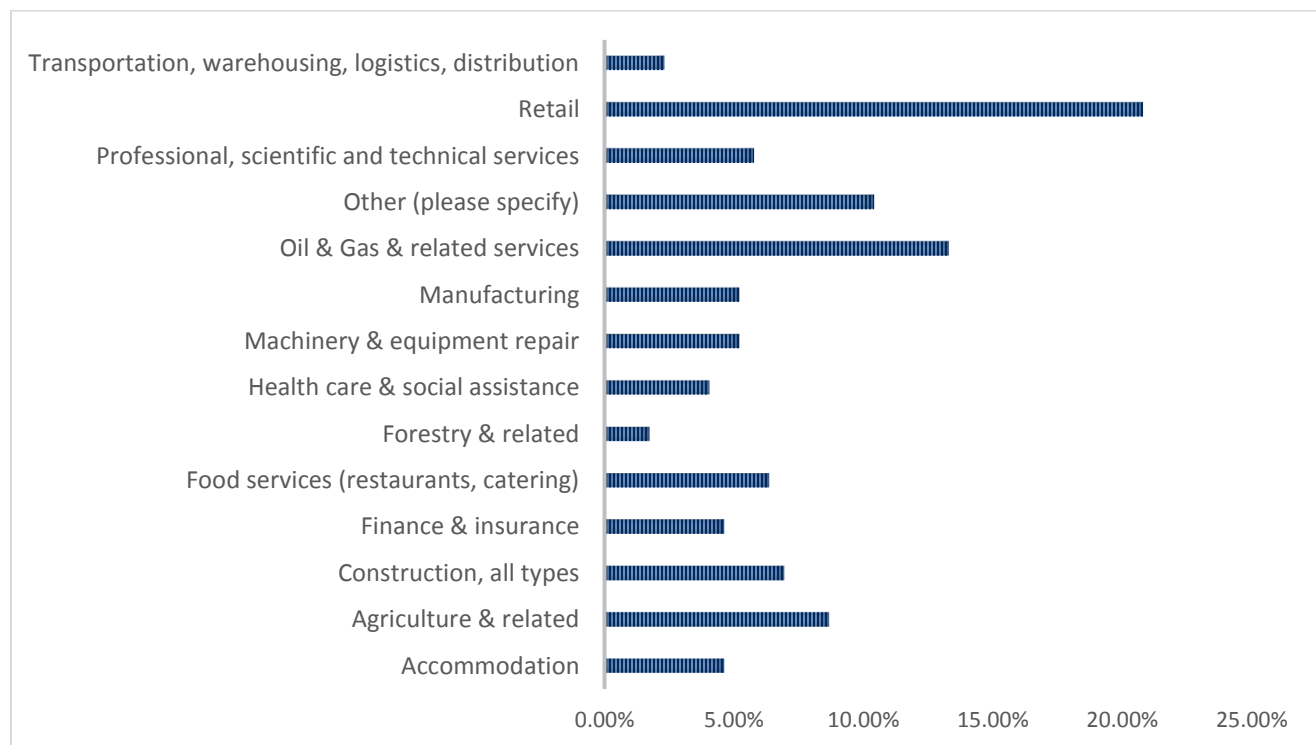
## 5 WHAT THE BUSINESSES SAID

Following are the summary of responses from businesses surveyed. There were 117 in-person surveys, mostly collected by phone interviews as well as 63 responses from an on-line business survey.

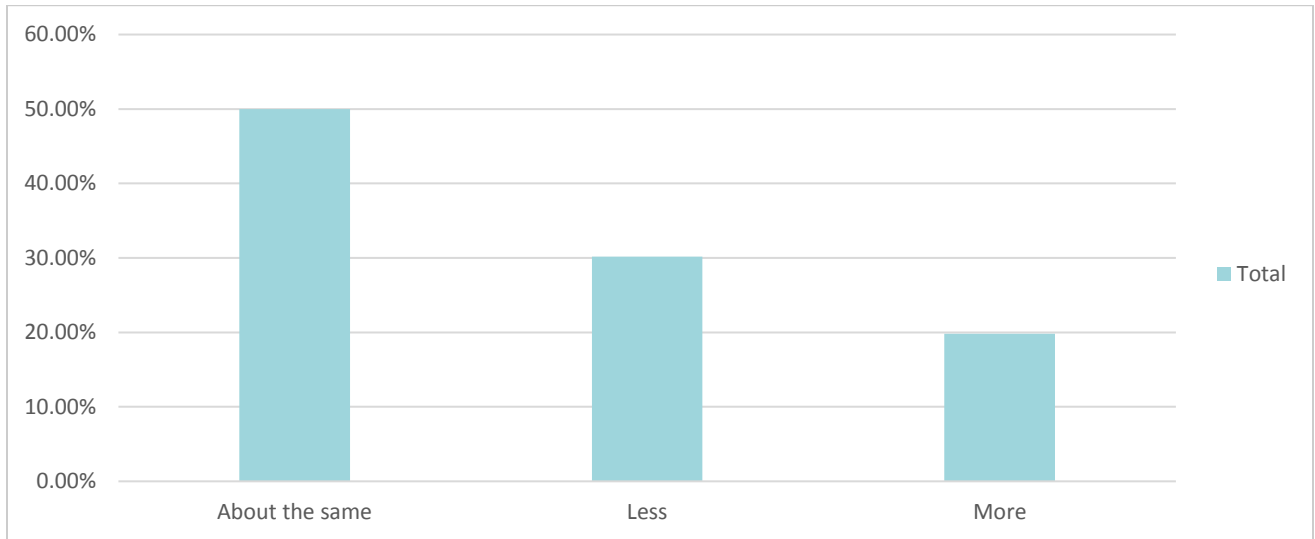
The questions within the survey were designed to query the businesses on three aspects of their operations:

- Current operations, employment and future planning
- Their level of diversification in terms of:
  - Products/services
  - Client base
  - Sectors served
  - Geographic reach
  - How they would like to diversify
- What types of assistance they would like to receive in order to best succeed

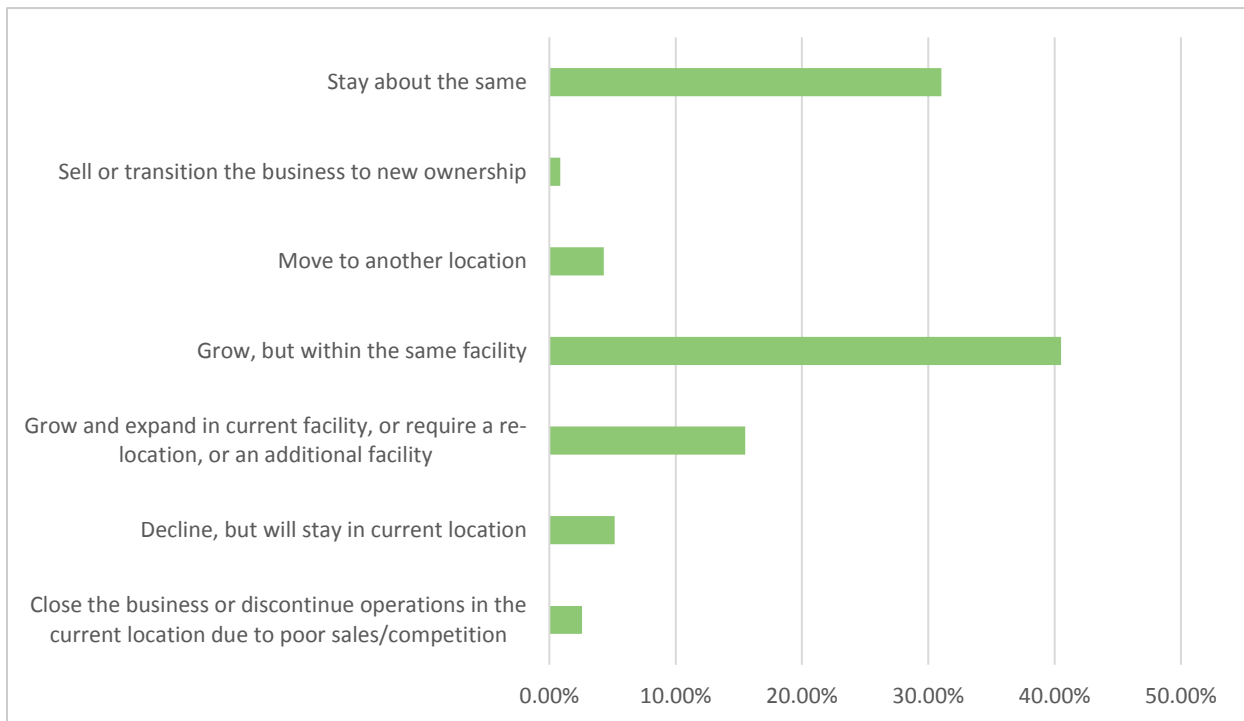
**Figure 1: In what sector is your business?**



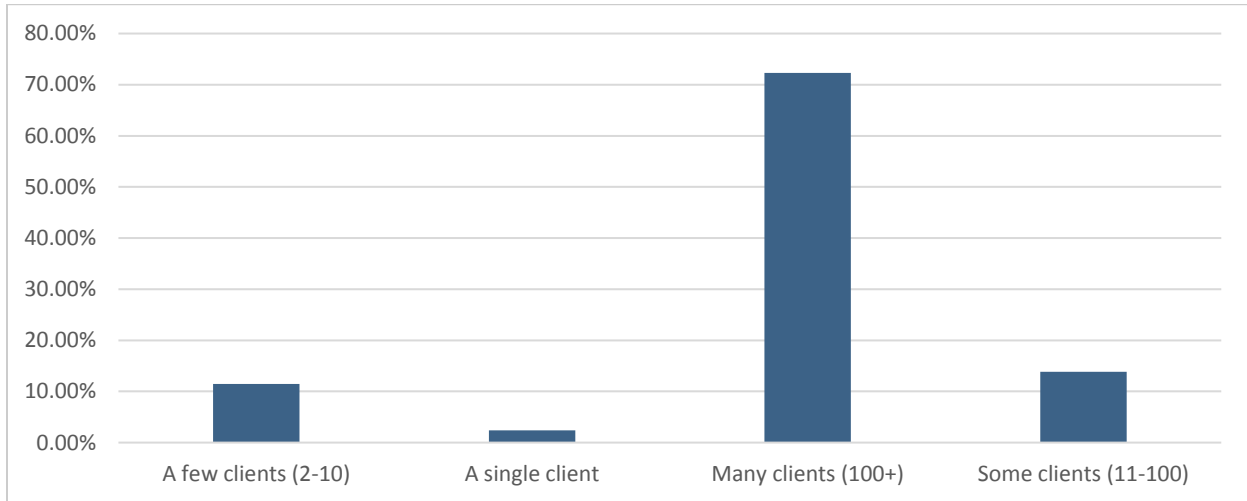
**Figure 2: Compared with 3 years ago, do you have more, less or about the same number of employees?**



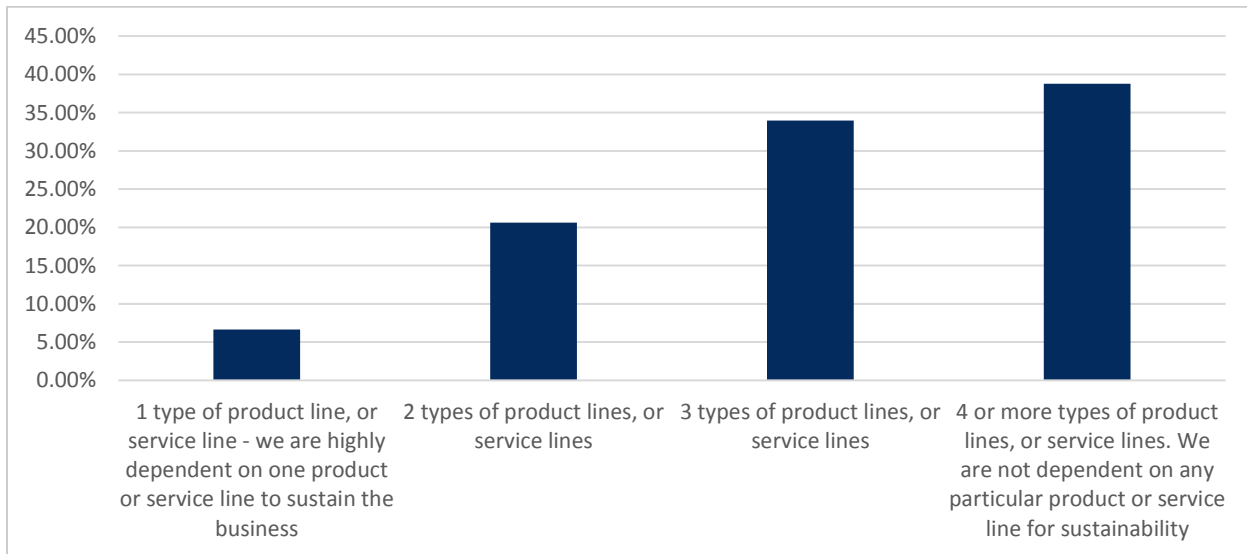
**Figure 3: In the next 3 years do you expect your business to grow, become smaller or stay about the same?**



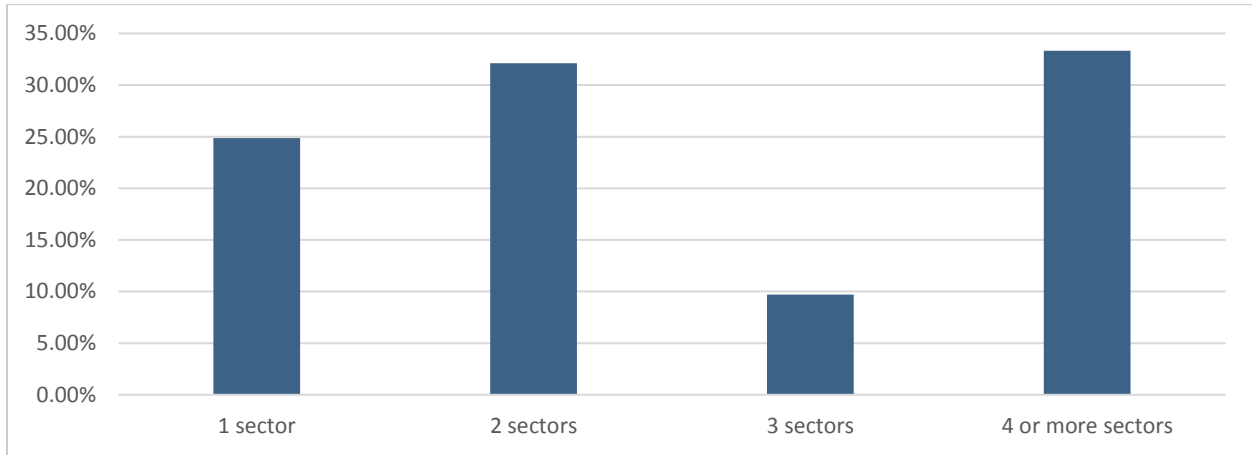
**Figure 4: How many clients does your business have?**



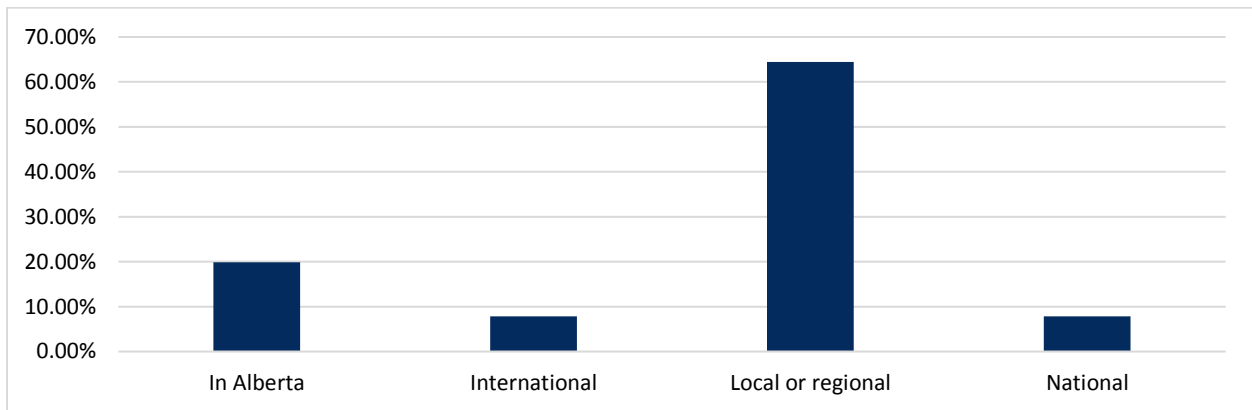
**Figure 5: How many products or services does your business offer?**



**Figure 6: How many sectors are you clients working in?**

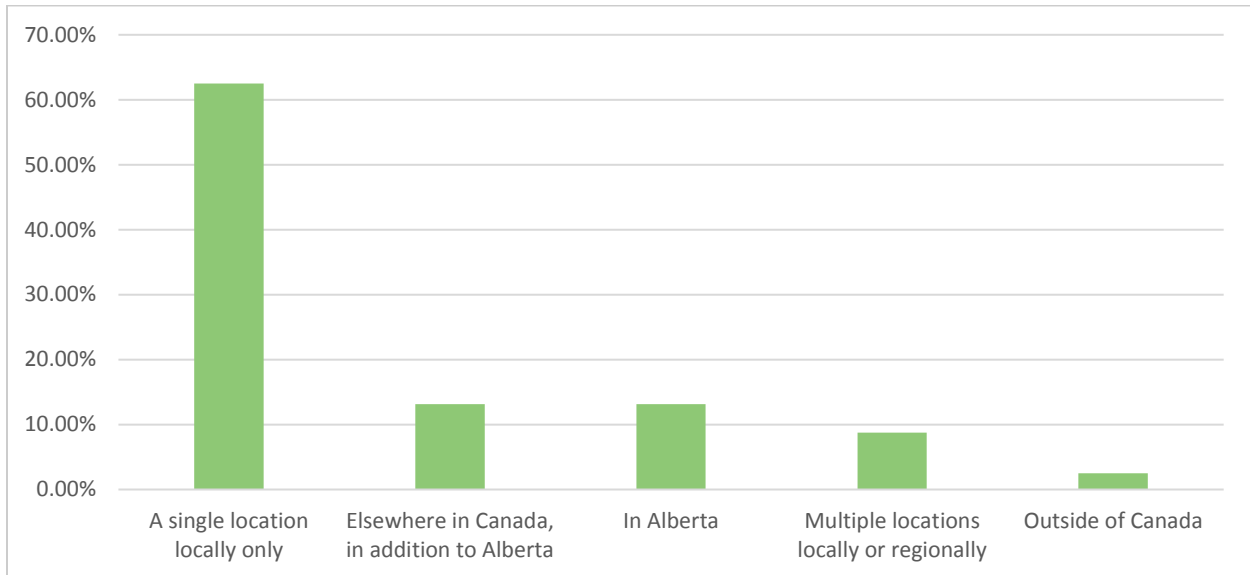


**Figure 7: How would you describe your market area?**

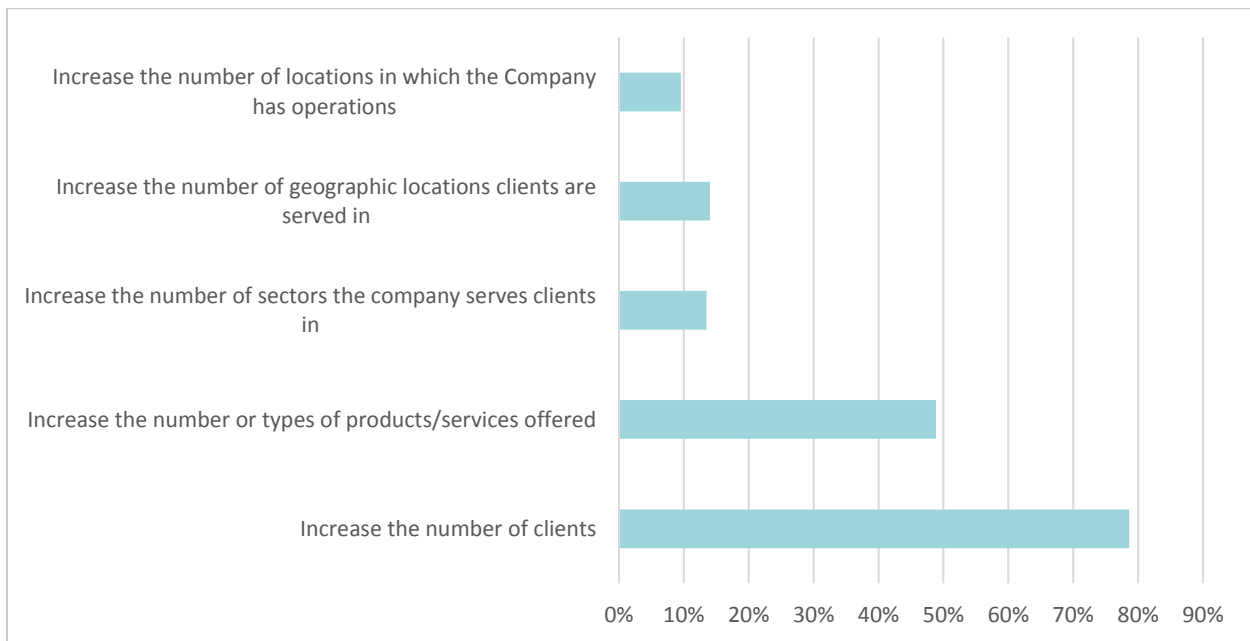




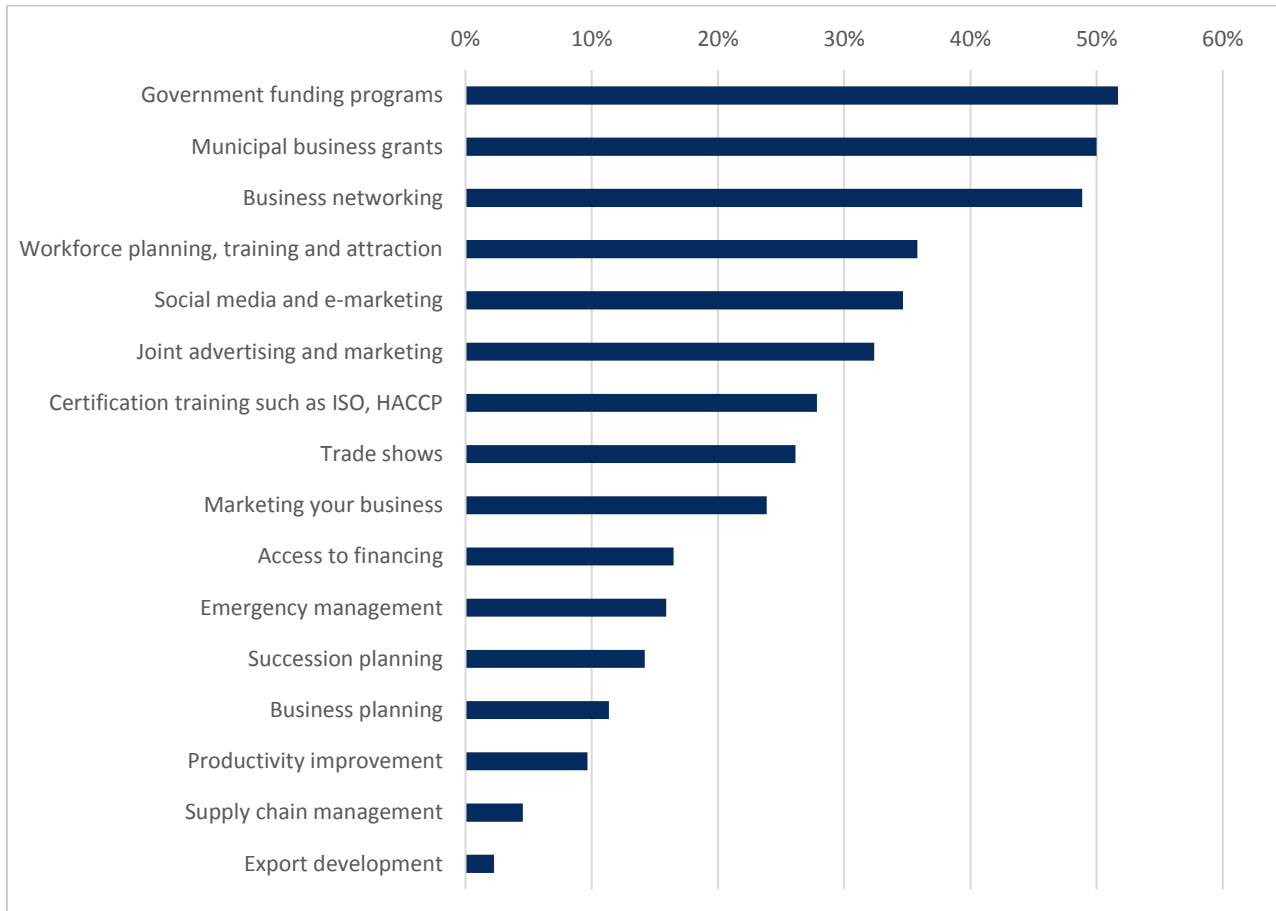
**Figure 8: Where does your business have locations?**



**Figure 9: Diversification actions your company would like to undertake:**



**Figure 10: What types of assistance would help you to succeed?**



6 STRENGTHS, CHALLENGES, OPPORTUNITIES, ASPIRATIONS, AND RESULTS (SCOAR®)



Most are familiar with a SWOT (strengths, weaknesses, opportunities and threats) analysis. Over the years, we have found that with using SWOT, communities tend to get mired in the weaknesses and threats they are facing and don't look at what is actually possible. Thus, we developed our SCOAR® analysis that while considering the challenges that a community has, focuses on using their strengths to take advantage of opportunities that will, in turn, create their preferred future. Following is the CF Yellowhead East's regional SCOAR®.



- Population in the region has grown by 7.1% since the last census
- 67% of the population is in the 15 to 64 year working age range
- Median age is 40 years
- Average household income was just over \$126,000/year
- The region enjoys a lower average cost of living compared to Alberta
- Over 17% of the population has an apprenticeship or trades diploma compared to 11% for the province and comparable (21%) number with diplomas and non-university certificates
- The male and female population of the region have similar education attainment
- There has been employment growth in a number of different occupations in the region (see figure 13 in Situational Analysis)
- Available workforce presents a number of investment attraction opportunities (see Section 3.5 in Situational Analysis)
- The region includes the Duvernay formation – one of the few areas of active oil and gas development/investment in Alberta
- In addition to oil and gas-related businesses there is a strong concentration of forest product-related businesses that have provided stable employment
- CFYE region borders the Greater Edmonton area with its large consumer base

- Rail service is available in several locations
- Good highway network through the region
- Lies within the Canamex Trade Corridor
- Good tourism assets with the WILD brand being developed in the region
- The region has an active economic development “ecosystem” facilitated by CFYE, GROWTH Alberta, Ministries of Labour and Economic Development, Trade and Tourism, local economic development staff, Chambers of Commerce and active Business Support Networks



- The region has a higher unemployment (8.1%) rate than Alberta (7.1%) and a lower workforce participation rate (70.6% vs 71.8%)
- The region has been growing slower (7.1% last census interval) than Alberta (11.2% for the same period)
- The female population in the region earns significantly less than the male population even though they have equivalent education attainment, indicating underemployment / utilization in the economy
- Lack of childcare services limits female participation
- Youth 18-24 years of age unemployment rate is 18.7% compared to 12.3% for Alberta
- Shovel-ready, serviced industrial land is scarce in the region
- There are few surplus or brownfield buildings available for redevelopment or reuse
- Broadband and cellular service is limited particularly in rural areas and along major highways (Interviews)
- Communities typically have small populations resulting in limited options and types of amenities and shopping availability
- Many businesses in the region are branch operations of a larger firm or are franchises. Therefore, local decision-making required to diversify or change the business is limited in scope
- Prosperity in the region is heavily dependent on oil and gas associated businesses
- Transfer of costs from the Province to local municipalities may impact funding available for other initiatives such as economic development.



- Increase opportunity for business diversification by strengthening broadband and cellular service (potentially capitalizing on recently announced TELUS and potentially Shaw planned and related investments in fibre service and anticipated 5G implementation)
- Focus on under-utilized female talent pool
- Businesses have a shared interest in municipal and other government support programs and incentives. A list of business programs and contacts could be centrally prepared and shared for local communities to post on their websites
- Web-based marketing tactics to help small businesses access markets beyond their home community to expand/diversify customer base
- Development of tourism product to attract Greater Edmonton and other urban tourists looking for unique rural experiences, day trips or camping
- Evaluate and upgrade hard economic infrastructure (water, wastewater, roads, telecommunications) as needed
- Develop serviced development land, especially along highway and rail corridors
- Evaluate brownfields and under-utilized buildings as potential assets for new or expanded business locations
- Attractive and inviting downtown/core areas with ample parking and consistent operating hours for stores and public-facing businesses
- Aggregate, sand and gravel development
- Agricultural diversification (new crops such as fibre hemp, protein crops and/or adding value to local products)
- Develop local business-to-business and retail supply relationships to retain wealth within the region
- Interviews indicate almost 50% of businesses plan to expand in the next 3 years - there may be opportunities to build upon their plans and engage to assist with their business planning and employment needs

A  
Aspirations

- A more diverse economy in the region that is resilient through market cycles
- Hard and soft infrastructure that supports business growth and investment attraction with associated talent
- Employment is stabilized; youth and newcomers will see opportunities to invest, live and work in the region
- Young people and families will remain (or return after advanced education) in the region as there are great employment and entrepreneurial opportunities
- Population growth and investment attraction will be possible to support the diverse and growing business community
- Stable municipal budgets and predictable tax revenue to plan and deliver local services

R  
Results

- A larger array of employment opportunities for all residents of the region
- Youth and new families attracted to career opportunities in the region
- The talent pool in the region is able to find rewarding and fulfilling work that utilizes available skills and knowledge
- New entrepreneurs emerge with businesses that build and diversify the region's economy
- The more stable economy provides a more stable tax base for municipalities and helps to sustain more vibrant communities with up-to-date infrastructure
- Public and private investment in amenities and services will be equal to or better than that of larger communities
- Home and real estate values will be stabilized and potentially increase as businesses grow, thrive and add employees with good incomes



## 7 KEY STRATEGIC ECONOMIC DEVELOPMENT THEMES

The following themes to promote economic diversification have emerged through a rigorous process that included a thorough study of the region's economic base, a review of studies and strategic documents, and a full consultation and stakeholder engagement exercise that engaged over 180 businesses and relevant stakeholders. The themes flowing from the CFYE SCOAR®, were confirmed at the CFYE working session and were considered given the mandate and capacity of CFYE.

These are strategic areas of focus, where the CFYE, GROWTH Alberta and regional partners should focus their resources and guide strategic decisions around the region's collective economic development:



**Economic  
Infrastructure**



**Sector  
Development**



**Entrepreneurial  
Development**

## 8 TOP 5 PRIORITY ACTIONS

Experience indicates that presenting a small number of key strategic actions for a region to focus on is far more effective than a long laundry list of items that seems impossible to implement. While the remainder of this report and the implementation plan will elaborate on these priorities, below are the Top 5 Priority Actions, focused on initiatives to be carried out first as the foundational actions required to realise the CFYE Region's Economic Diversification objectives. These initiatives help to build CFYE's reputation as a leader and a regional compass as well as building the capacity necessary to be more effective in implementing other initiatives using the strength of collaboration and cooperation.

Priority Strategic Action	Suggested Timing	LEAD & Support
<p>1) CFYE will adopt the mandate for building a collaborative culture among communities and organizations in the region. There is a good network of Business Support Networks, Chambers of Commerce, GROWTH, school districts and local economic development staff but many of these assets operate in isolation and would be more effective by sharing of best practices and resources.</p>	Immediate	CFYE and member communities
<p>2) Develop an opportunity sharing platform such as an umbrella business portal for the region to address business needs and opportunities. Information to be shared/included on this platform should include:</p> <ul style="list-style-type: none"> <li>■ Government programs and funding</li> <li>■ Regional jobs board</li> <li>■ Supply chain/business ads</li> <li>■ Investor information on available land, workforce, businesses for sale, investment incentives</li> <li>■ Links for partner economic development pages</li> </ul>	Short Term – starting Spring 2020	CFYE Chambers GROWTH BSN
<p>3) Build an inventory of serviced development land, brownfields that can be redeveloped and under-utilized space that might be marketed to expanding businesses. While</p>	Medium Term Starting Spring 2020	CFYE Chambers



larger communities with EDOs have such inventories at their fingertips, the smaller communities do not. A project could be developed to identify and promote locations in the region that are available and suitable for investors and businesses seeking new or larger locations.

Local Communities  
/ EDO's  
GROWTH

**4)** Develop opportunities in import substitution and supply chain management. Seize and develop opportunities identified in the "Imported Goods and Services" section of the Situation Analysis to further strengthen key economic drivers and exporting sectors. An advisory group from local businesses and communities could help to identify the best prospects for replacement; Chambers of Commerce could assist in identifying businesses in the region with the capability to fulfill the opportunities with appropriate assistance and business planning. Assist businesses with procurement training to improve success rates at bidding for new opportunities.

Medium – longer term  
Starting late 2020

CFYE  
GROWTH  
Local Communities  
Chambers

**5)** Support development of regional investments in Broadband Infrastructure and have the region be broadband ready. Telus and Shaw will be investing heavily in transmission media and equipment. Similarly, SuperNet will be upgraded by the Province for 5G implementation. CFYE and GROWTH are not mandated to lobby, but municipal partners are well positioned to make their case, as well as supplying past work and studies that support this investment. Work with partners to build business cases for ISP's to invest in the region.

Longer Term  
2021 and ongoing

CFYE  
GROWTH  
Local Communities  
Chambers  
Community Organizations

## 9 STRATEGIC ACTIONS

This section places the 5 priority actions listed above within the context of the 3 economic development themes and provides ancillary actions that will support the priority actions (that are in bold type).

### Theme #1

#### ECONOMIC INFRASTRUCTURE TO SUPPORT ECONOMIC DIVERSIFICATION



Economic diversification may be defined as the process of shifting an economy from one of dependence upon a single or limited number of industries into a more resilient economy comprised of multiple non-interdependent industries in a range of sectors and markets.

Economic diversification strategies encourage positive economic growth and business diversification, reduce risk and susceptibility to economic downturns, and thereby increase the sustainability and economic viability of both businesses and municipalities.

Diversification involves the development and growth of both existing and new businesses that will require both space or location to operate and tools to promote growth. The tools required include information and coaching, particularly with the small and mid-sized businesses that dominate the region.

#### Strategic Actions:

1. **CFYE will adopt the mandate for building a collaborative culture amongst communities and organizations in the region. There exists a good network of Business Support Networks, Chambers of Commerce, school districts and local economic development staff that are also supported by GROWTH, but many of these assets operate in isolation and would be more effective by sharing of best practices and resources.**
2. Develop tools that support collaborative working and cross-regional business support and are easily shared. For example, businesses expressed a strong interest in government programs and sources of various types of assistance. A centrally produced list of such types of assistance could be shared in a format that partner communities could post on their web site is an example of that would require little effort and produce significant value.
3. **Improved and competitive broadband was cited by businesses as an essential need for business development and diversification. Support development of regional investments in Broadband Infrastructure and have the region be broadband ready. Telus and Shaw will be investing heavily in transmission media and equipment in anticipation of 5G networks. Similarly, SuperNet will be upgraded by the Province for 5G implementation. CFYE and GROWTH are not mandated to lobby but municipal partners are well-positioned to jointly make the case for the region, as well as supplying past work and studies that support this investment. Work with partners to build business cases for ISPs to invest in the region.**

4. **Build an inventory of serviced development land, brownfields that can be redeveloped and under-utilized space that might be marketed to expanding businesses. While larger communities with EDOs have such inventories at their fingertips, the smaller communities do not. A project could be developed to identify and promote locations in the region that are available and suitable for investors and businesses seeking new or larger locations.**
5. Capitalize on available workforce information as an investment attraction tool. The Situation Analysis provides insights into the quality and quantity of skilled workforce available to a new or relocating business, as anywhere in the region is commutable.
6. Have a regional approach to streamlining policies and procedures for businesses and investors using the network of municipalities in the region. Planners in the region could be encouraged to share best practices and streamlined processes that will build the region's image for investment readiness and friendliness over time, reinforced by regular EDO and planning staff meetings.

## Theme #2

### SECTOR DEVELOPMENT TO SUPPORT ECONOMIC DIVERSIFICATION

Focus on developments that can influence sectors to adapt, change or develop new markets. Prior studies conducted point to opportunities in value-added processing of primary production in the region as does this one.



Using agriculture as an example, activities might include development of new crops such as fibre hemp or capitalizing on market trends towards protein crops adapted to the region such as varieties of peas or lentils. New crops encourage new development both on the farm and in the local value chains for equipment, seed and post-harvest processing and value-added businesses for the new crops.

Interviews indicate support for business networking that would promote opportunities for increased business-to-business opportunities and local synergies that would reduce the need for products and services required from outside the region. In addition, online marketing skills and export readiness would be welcome by the region's businesses as they look to diversify their client base.

There are emerging regional opportunities to consider in sectors such as aggregate development and value-added activity as well as tourism with the growing recognition of the WILD brand.

### Strategic Actions:

1. **Develop opportunities in import substitution and supply chain management. Seize and develop opportunities identified in the "Imported Goods and Services" section of the Situation Analysis to further strengthen key economic drivers and exporting sectors. An advisory group from local businesses and communities could help to identify the best prospects for replacement. Chambers of Commerce could assist in identifying businesses in the region with the capability to fulfill the opportunities with appropriate assistance and business planning.**

**Assist businesses with procurement training to improve success rates at bidding for new opportunities. Consider regional models similar to Whitecourt Buy & Sell & Share using social media platform.**

2. Build on existing momentum in agricultural diversification developed by GROWTH and other neighbouring REDAs. Fibre Hemp and value-added decortication provides one example that can readily be expanded in communities within the CFYE region. There will be other crops or value-added examples that can be leveraged with a more collaborative approach that engages the Agricultural Service Boards in the area. Form a regional agriculture and food/beverage taskforce. Supply farm business training and succession planning. Support financing and business planning for on-farm diversification projects. From recent and historical trends in industries like the cannabis industry, there will be consolidation and decrease in value of producers.
3. Support WILD Alberta to help grow and market tourism opportunities in the region. Proximity to Greater Edmonton area and existing tourist traffic are prime targets for culinary, beverage, camping, hunting, fishing and cultural experiences the region has to offer. Through community and CFYE networks tourism and experience bundles could be developed and marketed using the market channels that WILD has build in its initial years.
4. **Develop an opportunity sharing platform such as an umbrella business portal for the region to address business needs and opportunities. This site could be an income earner for the CFYE if it offers value to employers and service providers. Information to be shared/included on this platform should include:**
  - Government programs and funding
  - Regional jobs board
  - Supply chain/business ads
  - Investor information on available land, workforce, businesses for sale, investment incentives
  - Links for partner economic development pages

### Theme #3

#### FOCUSING ON ENTREPRENEURIAL DEVELOPMENT TO HELP TO DIVERSIFY THE YELLOWHEAD EAST ECONOMY

Most of the investment in a community comes from those businesses which already exist in a community and individuals or entrepreneurs who already live there. The economic base analysis suggests an opportunity to capitalize on the strong entrepreneurial nature of the region and the available, under-utilized female and youth workforce. The entrepreneurial drive could harness the potential of both young people and under-utilized female workers to drive opportunities such as those indicated in Theme 2 or in market opportunities that utilize individual talent in new ventures that build on strengths of the region.



### Strategic Actions

1. Promote entrepreneurship as a potential career path and possibility. School divisions in the region to hold Job Expos, Career Expos and experiential opportunities for students to learn about career options. Owning and managing a business could be included in such events to begin the process of recognizing the opportunity and the potential pathways to achieve that outcome. Programs like existing entrepreneur bootcamps, head-start in business and Lemonade Day should be built upon.
2. Offer entrepreneurship training as a component of courses or programs from which participants might be self-employed. Need for financial literacy training, export readiness, succession planning and social media marketing were cited by businesses across the region.
3. Build on programs promoting non-traditional careers for women. There are several organizations promoting women in trades or other non-traditional lines of work. Many of these trades or careers also have the potential to be independent businesses. For example, a female welder or machinist could work for a company requiring that skill, but also these types of positions could also be independent contractors working for themselves.
4. Build relationships to capitalize on business transitions. For example, the exit point for one business owner can be the entry point for a new owner. Women or youth might take a position with a business from which the owner intends to retire in a few years (or less). Relationships could be developed to enable the employee to gradually work into management and ownership positions while benefiting from the experience and mentorship of the retiring owner. The CFYE, Chambers of Commerce or local staff could assist in making introductions and/or facilitating mentoring relationships.
5. Capitalize on training opportunities done collaboratively with accounting firms and financial software such as QuickBooks or Sage 50. Participants might go on to employment or running their own business in accounting and bookkeeping services, which is a service needed by many SMEs in the region, in addition to IT services.
6. Build the literacy of existing businesses to use financial data they may have from tax filing. Work with accounting firms to help existing businesses be more successful and make better business and succession decisions, including farming businesses.

## 10 SUMMARY AND CONCLUSION

CFYE and its individual partners each have strengths, but as individual organizations, are faced with limited capacity. Working collectively, their capacity will be enhanced if common ground and alignment of objectives can be established. The Top 5 Priority Actions identified in this strategy will help to establish conditions for success by building capacity at both the regional and community level.

The themes and actions represent the best opportunities based on feedback from businesses and stakeholders, the working session and the situational analysis. The themes provide a direction and recommended actions provide the focus that will assist the CFYE board and staff in defining their plans going forward.

It is seldom that a region truly recognises that the whole is greater than the sum of the parts and the CFYE region, through this project, have recognised this and the economy and businesses in the region will benefit and increase the region's competitiveness. As is shown through all the workforce, supply chain and industry data, an investment in one community in the CFYE and GROWTH Alberta region benefits the entire region.