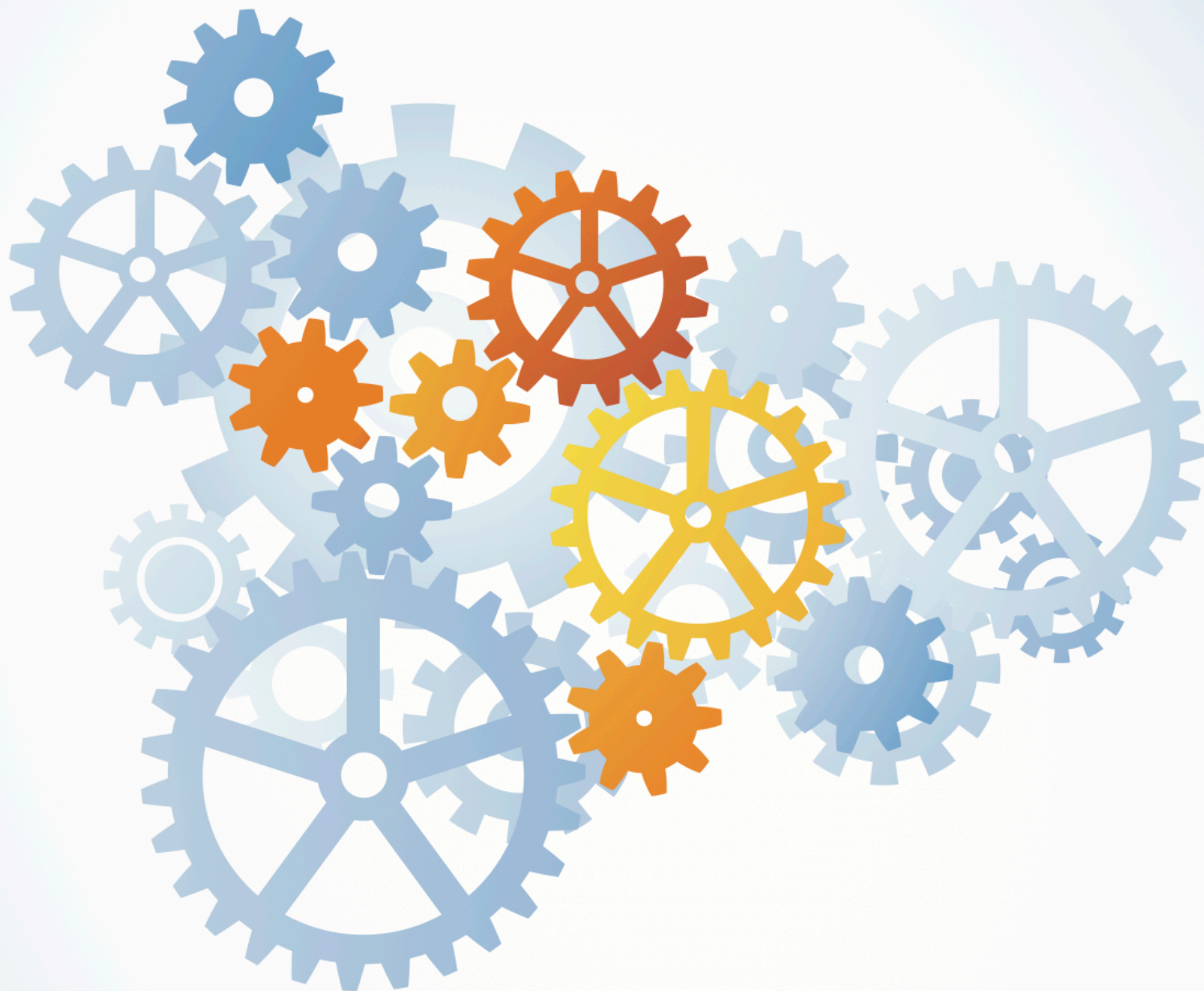




Prince Edward Island, Canada



2011 Economic Development Action Plan  
**Full Report**

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# 1 Executive Summary

The City of Summerside is in a position to benefit from the structural changes merging in the Canadian economy. This economic development strategy was completed to proactively examine the current and future economic opportunities in the City. Economic development efforts can be complex and attracting investment to any community across Canada is competitive. Structural changes are occurring across many economic sectors such as advanced manufacturing (i.e. aerospace, food processing) and green energy. In addition, knowledge-based industries are emerging in communities across Canada and necessary infrastructure needs to be in place to foster this economic growth. However, the role that a city like Summerside plays needs to be focused and strategic and must leverage much of the efforts that the Province of Prince Edward Island has been advancing over the previous years. Summerside has limited municipal economic development resources. This economic development strategy is a practical and sustainable blueprint for fostering growth in Summerside given the resources available.

## **Project Approach**

The economic development strategy reviews four of Summerside's existing frameworks for growth. They include the Strategic Plan, Official Plan, Integrated Community Sustainability Plan and the economic development incentive policy.

An economic base analysis examines demographic (i.e. population, household income, immigration), labour force (i.e. industries and occupations) and business characteristics (i.e. industries, business size) for Summerside. This analysis also includes the Province and Canada in characteristic discussions.

An infrastructure assessment explores the Province of Prince Edward Island's economic development objectives and the Summerside community's human, land use and physical infrastructure that can provide the capacity for advancing the local economy.

The project included three streams of community input: one-on-one business and economic development stakeholder interviews, online business consultations and community focus group sessions. This report summarizes the findings from the community consultations, and includes greater detail from the community focus group session in its appendices.

In creating an the economic development strategy for Summerside, identifying targeted growth sectors as areas of focus for investment and activity is an important step in providing strategic direction for a community. While the identification of these target sectors is crucial to the overall plan, focusing on these sectors by themselves can limit a community's competitive advantage. The City's economic development efforts must also be aligned with the City's other strategic planning documents (discussed previously) and the Province of Prince Edward Island's development efforts if the strategy is to be sound.

## Sectors of Convergence Approach

The sectors of convergence approach is rooted in the economic development notion of “cluster development”. Cluster development is the idea that businesses group together in nodes of concentration and that these nodes arise where resources are “thickest” – that is, where concentrations of talent, infrastructure, financial capital, etc. are present and available to participants within the cluster.

Most communities will have several business sectors where this “thickness” is particularly evident, where a concentration of business ventures, community organizations and institutional structures overlap in their areas of focus and expertise. These are often referred to as areas of local competitive advantage, and form the basis of strategic targeting exercises in economic development activity. From this perspective, each time an additional cluster is identified, the community’s competitive advantage or value proposition for a certain segment of potential investors is strengthened. However, industry sector clusters in and of themselves may not be sufficient to differentiate the local economy or to provide an area of competitive advantage for communities. The strategy asks:

- How can the City of Summerside identify a unique value proposition amongst competitors who may have similar concentrations of activity or investment targets?
- How can Summerside differentiate itself from competitors and – over time – begin to enhance its competitive advantage over other communities?

The answer to these questions is found through understanding the interactions between a community’s clusters. The notion of ‘convergence’ may provide the City with the opportunity to leverage industry cluster assets in a unique way, carving out a competitive advantage of Summerside.

At a practical level, this approach suggests that Summerside’s area of greatest competitive advantage lies in activities that incorporate multiple elements of activity from different cluster strengths. This “convergence” of industry sectors concentrated in the city differentiates and leverages the unique economic and community assets in Summerside. Such concentrations of assets represent areas of activity where industrial, commercial, community and institutional strengths may be leveraged to present a truly compelling case for investment attraction.

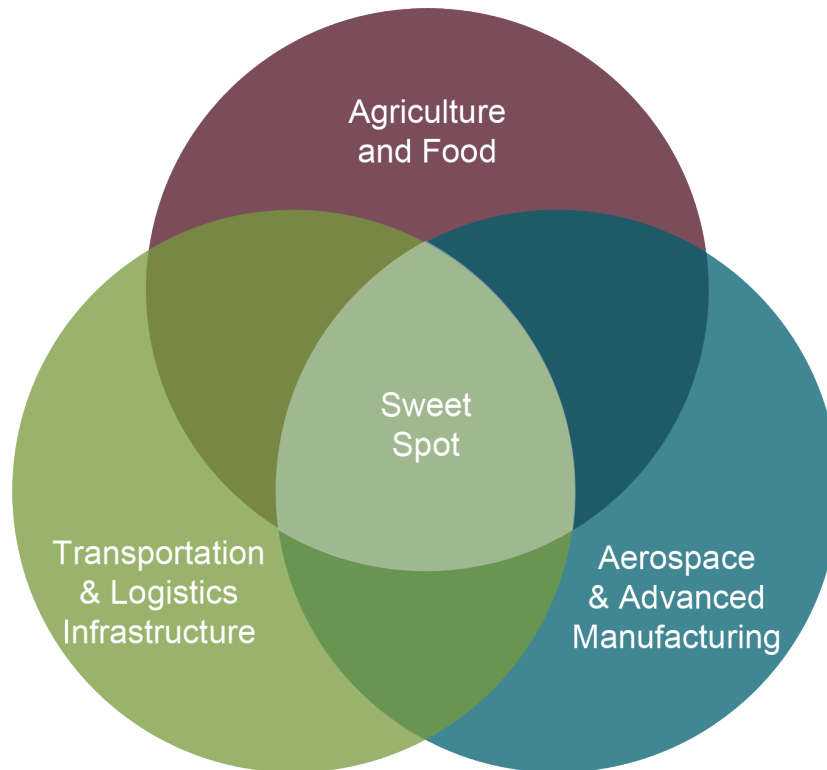
The City of Summerside has two areas of competitive advantage, the first in Health IT and emerging knowledge-based industries and the second in Transportation, Manufacturing and Food Systems.



## Mapping Summerside's Targets

The **Transportation, Manufacturing and Food Systems sector** is concerned with both the types of products that businesses in Summerside make, but also the ways in which those products are moved. The latter is especially critical given that food and agricultural products are time-sensitive, and require more sophisticated processes for tracing their movements.

FIGURE 1: THE TRANSPORTATION, MANUFACTURING AND FOOD SYSTEMS SWEET SPOT



The City has a number of assets that will assist in the development of this convergence sector. These assets include:

- A strong industry profile and educational institutions
- A skilled labour force with growing technical capabilities
- Sophisticated gateway infrastructure.

The growth opportunities that the City of Summerside should focus its efforts on include:

- Incorporating Slemon Park into Urban Boundary
- Designating new industrial lands
- Attracting research & development activity
- Facilitating the development of an Intermodal Hub
- Attracting investment to the Port
- Facilitating Pilot Projects in Biofuels and Advanced Materials

The **Emerging Knowledge Based Industry convergence sector** is focused on the City's existing strengths in health care and health IT, and its growing position in renewable energy and smart grid technologies. Together, these assets signal a growing opportunity in the emerging knowledge-based industries, where smart technology applications become the focus of emerging economic development and investment potential.

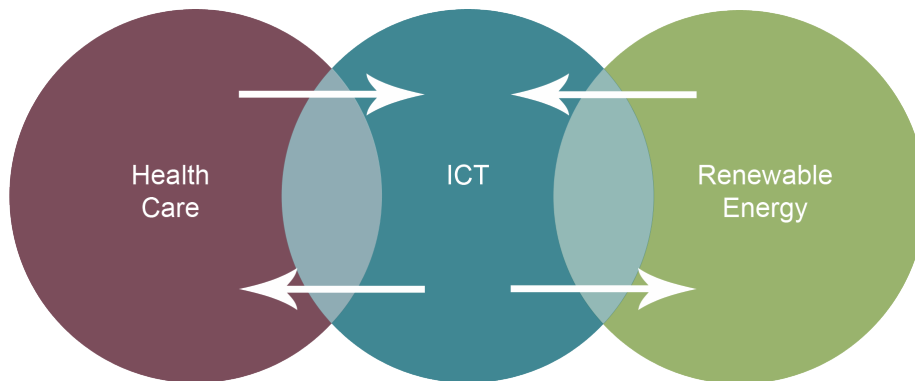
The City has a number of assets that will assist in the development of this convergence sector. These assets include:

- Significant health care services
- Emerging e-Health businesses
- Emerging ICT businesses
- Green energy assets
- Converging IT and green energy technologies
- Existing green energy expertise in the public utilities sector
- Knowledge-focused strengths at Holland College

The growth opportunities that the City of Summerside should focus its efforts towards include:

- Networking and collaboration with the health care and information technology sector
- Attracting research and development activity
- Examining opportunities for developing and servicing additional industrial lands
- Expanding post-secondary training
- Enhancing support for small and medium-sized enterprises

FIGURE 2: THE EMERGING KNOWLEDGE BASED INDUSTRY SECTOR



## Strategic Recommendations and Action Plan

Detailed research and consultation as part of project process has identified two strategic goals, and associated objectives, to guide the long-term development of Summerside.

1. New economic opportunities and collaborations emerge in Summerside based on the convergence of key economic sectors and assets.
  - 1.1. Focus internal and external business development efforts on the activities in the convergence between health care and emerging knowledge based industries.
  - 1.2. Build on transportation assets, focus internal and external development efforts on the activities in the convergence between agriculture, food systems and advanced manufacturing-aerospace.
  - 1.3. Undertake activities focused on building the enabling infrastructure that will support business development in Summerside.
2. Stakeholders, both internal and external, embrace the view of Summerside as a location of choice to live, work, and raise a family.
  - 2.1. Undertake structure and programming enhancements to ensure better communication of economic development priorities and activities among internal stakeholders
  - 2.2. Undertake structural and programming enhancements focused on improving relations with external stakeholders (residents, businesses, academia, provincial government), with the intent of building an understanding of the importance of Summerside to the Provincial economy.

## 2 Economic Development Context

Economic development is the process through which communities and regions seek to grow and diversify their local economies. There are a wide range of goals in this process – from economic stabilization to enhanced competitiveness to expanded community wellbeing – but most goals relate to improved performance of local markets, which will enhance local business viability, improve tax revenues flowing to local government, and create improved job opportunities for the local population.

Since the beginnings of municipally-led economic development in the 1920s, economic development practice has evolved dramatically. Initially, most economic development efforts were focused on external investment attraction, seeking to attract investment (often in the form of large industrial operations or government projects) from outside the community into the community. This focus began to shift in the 1980s as data and research began to suggest that upwards of 84% of new job creation was generated from within communities, either through new entrepreneurial ventures or through the expansion of existing businesses.

By 2000, the rise of Information & Communications Technologies (ICT), the emerging “green” industry sector and a new era of globalization and international trade had also begun to reshape economic development. Today, a comprehensive and proactive economic development approach will incorporate a wide range of elements, including:

- External investment attraction
- Investment readiness
- Business retention
- Business expansion
- Entrepreneurship support
- Internal and external marketing
- Local labour force development
- Economic data tabulation and research
- Infrastructure development (including built infrastructure, IT infrastructure and educational infrastructure)

The following section places this proposed strategy in the context of other policy structures that address these issues and objectives.

### 2.1 Current Policy Environment

In developing a new economic development strategy for the City of Summerside, consideration must be given to a range of other municipally-led initiatives and plans that will have a direct bearing on the implementation of the strategy and the overall development of the City in the coming years. A focused review of key documents was conducted to ensure effective alignment between this new economic development strategy and Summerside’s existing framework for growth. Although the City has collaborated with other organizations on a range of strategic initiatives, specific attention was given to the following plans:

- City of Summerside Strategic Plan, 2004
- City of Summerside Official Plan, 2006
- ICSP – A Sustainable Community Plan for Summerside, 2008 and
- Summerside Economic Development Incentive Policy.

### 2.1.1 City of Summerside Strategic Plan, 2004

The 2004 City of Summerside Strategic Plan sets out seven major priorities for the City of Summerside. This plan states a mission for Summerside to be Atlantic Canada's premier city. The priorities are as follows.

**Service Delivery** – This priority's aim is to provide more and better quality customer services and save costs at the same time. The strategies are to:

- Target city services to changing customer needs
- Plan effective use of available financial and human resources and
- Monitor, evaluate and improve service delivery with community input.

**Healthy Community** – The City's role to become a healthy community is to provide quality water and sewer infrastructure, supply recreational facilities and parklands and protect the natural environment. The City's strategies are to:

- Serve the community and visitors with modern recreation facilities
- Enhance Summerside's reputation for having some of the best quality drinking water and
- Partner in a community-based and holistic approach to community health.

**Workplace Health** – This priority is aimed at promoting a healthy and productive City work force.

**Economic Development** – The priority's vision is to have *a sustainable Summerside economy with balanced growth across all sectors*. The strategies are to:

- Promote collaboration between the City and its partners for the common economic benefit of the community and region
- Expand Summerside Electric to serve customer growth and pursue business opportunities
- Revitalize the Downtown and promote the overlapping Heritage District as a cultural tourism destination
- Promote the recreation and eco-tourism values of our waterfront assets
- Promote diversified business opportunities, particularly in exporting, and
- Facilitate more education and training choices.

**Communications** – This priority addresses the effective sharing and using of information whether it be understanding citizen needs, fostering good staff relations, providing decision-makers with timely information, promoting a positive image to investors or communicating with media.

**Financial Management** – The City is pressured to balance demands for infrastructure, public safety, economic development and recreation with taxes that satisfy taxpayers and encourage future growth. Infrastructure investments will ensure that the City does not fall



behind its needs and will secure a future competitive position for attracting new businesses and residents. The strategies are to:

- Sustain adequate revenue growth to finance City operations and capital investments
- Exercise prudent management in controlling expenditures and debt and
- Protect the long-term sustainability of capital assets.

**City Planning** – This priority is aimed at Summerside being a planning innovator by containing compact, fully-serviced urban growth within areas most suitable for development, avoiding urban sprawl and protecting agricultural lands.

Although not all priorities are directly related to economic development, the economic development priority emphasizes strategies and initiatives to help foster sustainable economic growth, a diversified economy, a skilled labour force and an expanded tax base. This present economic development strategy will advance and more thoroughly articulate these strategies and initiatives. In addition, the new City strategic planning process will need to integrate strategies and initiatives coming from this strategy development process.

### 2.1.2 City of Summerside Official Plan, 2006

The City Council's strategic vision for future development as described in the Official Plan is to:

*Develop a unified and influential City which is economically and environmentally sustainable, has a growing population across all age groups, balances tradition with modernity, maintains high standards of livability, and provides quality services to residents, the surrounding region and visitors.<sup>1</sup>*

The Official Plan lays out many long term goals. The most relevant goals related to this economic development strategy are:

- Promote a sustainable economic development strategy for the City to support future population growth and to make the best use of local resources, while reducing vulnerability to external economic changes.
- Improve the aesthetic and amenity values of the City's built environment for the enjoyment of existing residents, for attracting new residents and businesses, and for reinforcing Summerside's attractions as a regional service and tourist centre.
- Encourage a functional system of attractive commercial areas, each developed on an integrated basis to enhance their competitive drawing powers for particular customer markets.
- Support a planned industrial strategy for the City to attract desirable, new industries in special purpose industrial areas, with a focus on quality industrial park development, transportation accessibility and minimization of conflicts with other land uses.

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<sup>1</sup> City of Summerside Official Plan, 2006, p.2-4.

<sup>2</sup> Ibid. p.2-4 to 2-6.

<sup>3</sup> Sales and service n.e.c. occupations include hairstylists, funeral directors, cleaners, butchers, food service attendants, service station attendants, dry cleaning occupations, etc.

<sup>4</sup> The Island Communiversity: Report on Phase I of the Prince County Post Secondary

- Provide for adequate and cost-effective institutional facilities to serve community needs for education and training, culture, recreation, health care, public safety and government, taking account of how population changes will affect demands for certain services.
- Improve and expand the City's water, sewage, storm drainage and electrical infrastructure at adequate standards and in a manner consistent with sound growth management policies<sup>2</sup>

The Official Plan makes reference to some of the City's economic assets such as the Slemon Park, GST Centre and tourism industry. In addition, the Plan refers to a higher level urban economy such as the generation of new value-added production and the promising technological industries. The opportunities and challenges that are referenced include the access to the Confederation Bridge, the market dominance of multinational organizations influencing the price of agricultural products, government downloading of services and the technological skill requirements for the new knowledge based economy. The Plan states that Council's policy is to take a lead role in organizing and facilitating a joint government/business approach for economic development and to evolve the Official Plan and development control by-law. This economic development strategy will need to integrate these opportunities and provide strategic direction to overcome these economic challenges presented in the Official Plan.

### 2.1.3 ICSP – A Sustainable Community Plan for Summerside, 2008

An Integrated Community Sustainability Plan (ICSP) builds on and enhances existing planning instruments such as municipal planning strategies and land use by-laws. The *Sustainable Community Plan for Summerside* integrates the economic, environmental, social and cultural sustainability principles and strives to strike a balance between the needs of the greater community and the demands of sustainable development. This plan identifies eight City projects and two City management controls (Summerside Strategic Plan and Summerside Official Plan described earlier) that support sustainable community planning. These projects and management controls are provided in the table.

FIGURE 3: SUSTAINABLE COMMUNITY PLAN FOR SUMMERSIDE THEMES AND PROJECTS

Theme	Projects
Strategic Core	Strategic Plan and Official Plan
Community Development	Connector Plan
Health and Wellness	Recreation & Green Plan and Active Transport Plan
Environment	Summerside Wind Energy Plan, Summerside Co-Generation Plan, Summerside Biomass Strategy, Wellfield Management Plan, Sludge Management Plan

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<sup>2</sup>Ibid. p.2-4 to 2-6.

A large part of the Summerside economic development strategy will integrate other aspects of environmental, social and cultural sustainability.

#### 2.1.4 Summerside Economic Development Incentive Policy

The purpose of the Summerside Economic Development Incentive Policy is to enhance the city's competitive business environment. The City of Summerside staff developed a stimulus program to assist the development community and encourage investment thereby producing a ripple effect throughout the larger economy. The larger benefit being business and employment opportunities for the local tradespeople, crafts people, and construction firms who may be commissioned by developers.

Two community-wide programs were developed:

- **Tax incentives** – The City provides tax abatements for new developments and expansions by rebating the municipal tax component of the incremental assessment increase. This program applies for a minimum of three years on any incremental assessment for projects that achieve more than \$500,000 in new assessment (provided at least 25% of the increased assessment is commercial).
- **Electrical energy cap rate protection incentives** – As the City is the owner of the electric utility, Summerside Electric can lock in electrical energy rates to qualifying projects within the City. The locked rate will remain in place for a three to five year period.

The economic development strategy will identify opportunities where this incentive program can be promoted and leveraged to help attract business investment to Summerside.

## 3 Economic Base Analysis

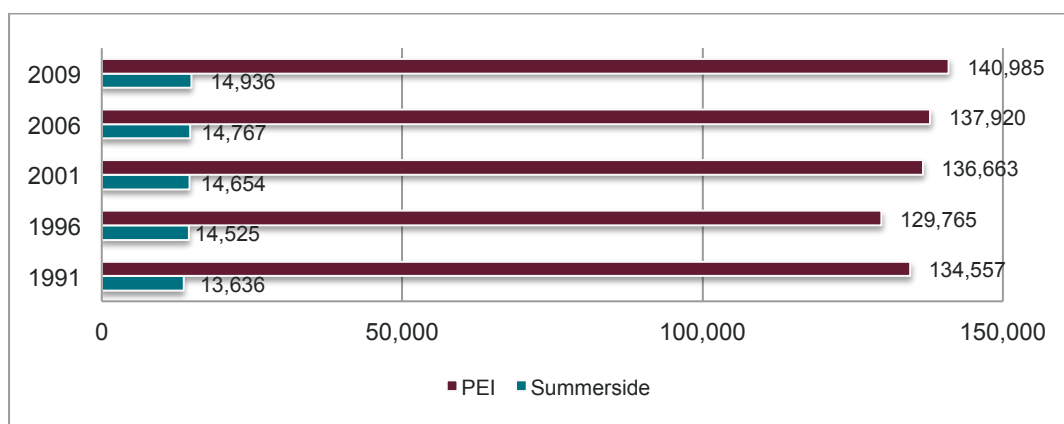
The economic base analysis for the City of Summerside examines the characteristics of the community's demographics, labour force and businesses. This analysis helps determine key patterns of change and trends that can influence the strategic directions of the economic development strategy.

### 3.1 Demographic Characteristics

#### 3.1.1 Population Growth

The City of Summerside has experienced slow population growth from 1991 to 2009. During this time period, the City's population grew from 13,636 to 14,936, a net increase of 1,300 residents over 18 years (9.5%). (Figure 4). In comparison, the Province of Prince Edward Island's population is estimated to have grown by 6,428 residents (a 4.8% increase).

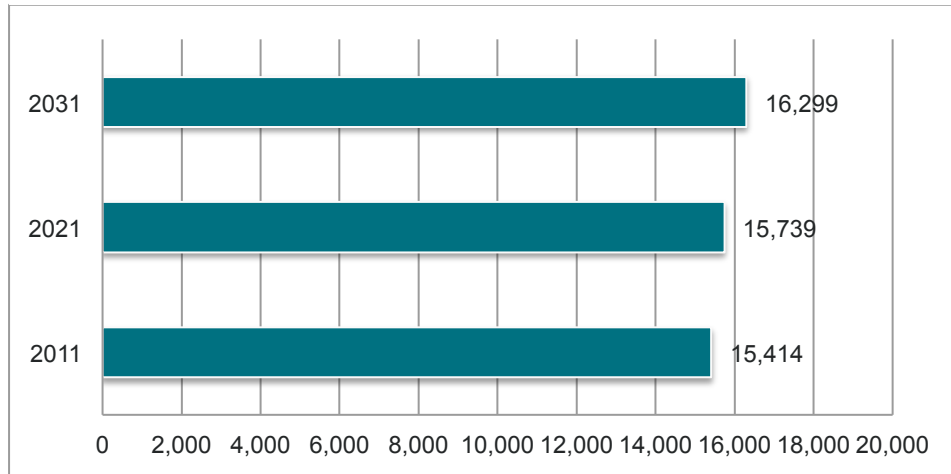
FIGURE 4: HISTORIC POPULATION GROWTH, SUMMERSIDE AND PEI 1991-2009



Source: Derived from Statistics Canada (Census of Population, 2001 & 2006) & Province of Prince Edward Island Statistics Bureau, 36<sup>th</sup> Annual Statistical Review, 2009 by Millier Dickinson Blais Inc.

It is estimated that the population of Summerside as of 2011 is 15,414. The population is forecast to increase over the next ten years to 15,739 residents (+325) and in twenty years to 16,299 (+885) (Figure 5). The slower rate of population growth for the City has both positive and negative implications. On the positive side, the slow population growth will protect the quality of life that many residents have chosen and enjoy and may limit any expensive municipal infrastructure and development expansions. On the negative side, slow population growth will limit demand for additional commercial/retail space as much of the local market is serviced by existing businesses.

FIGURE 5: CURRENT AND FORECASTED POPULATION GROWTH, SUMMERSIDE, 2011-2031  
(20 YEAR PERIOD)



Source: Derived from City of Summerside Major Project Reviews, 2009 by Millier Dickinson Blais Inc. and Manifold Data Mining, 2011.

Note: The Summerside Market Overview, 2009 document drew the historic projected data from Statistics Canada Census; City of Summerside Technical Services 2009, Based on Canada Provincial Projections.

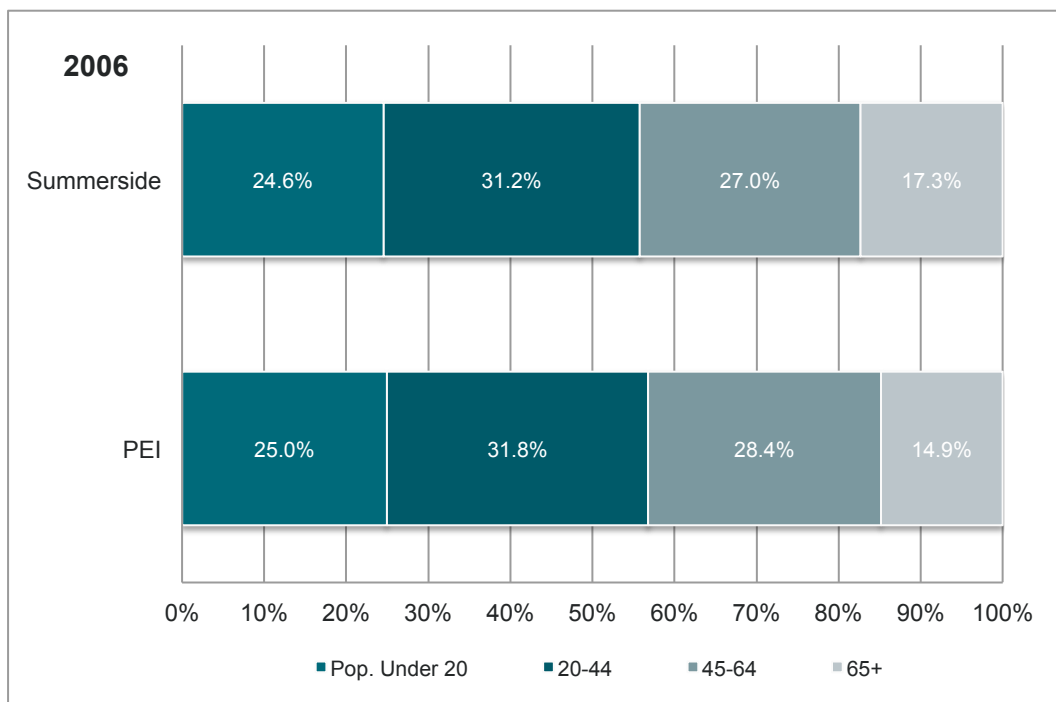
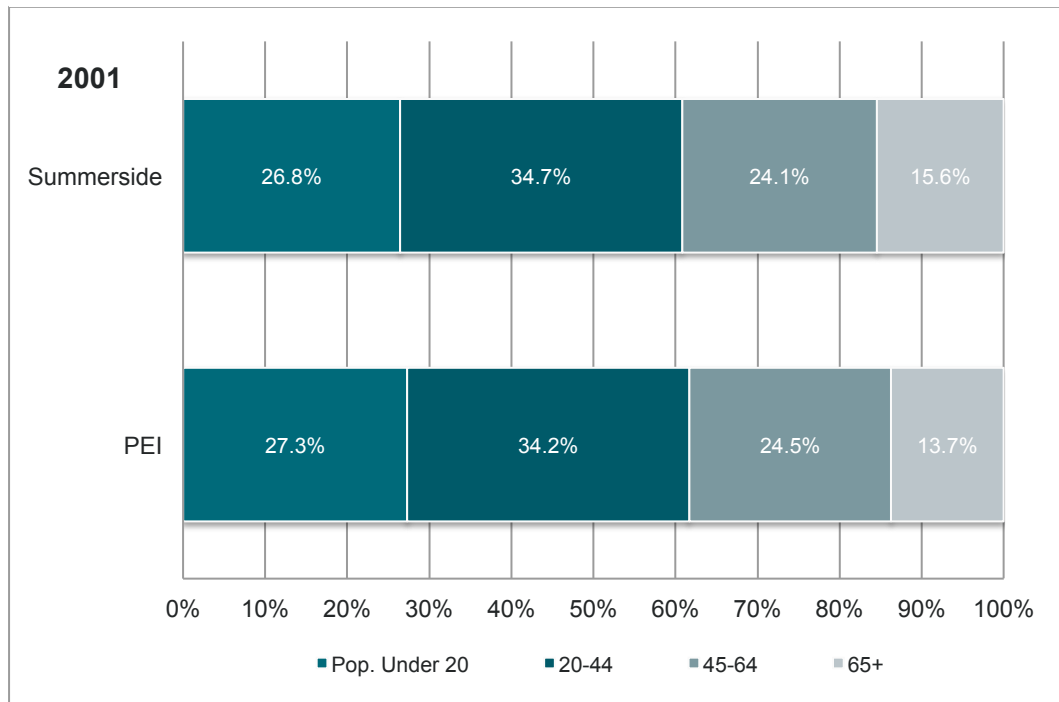
### 3.1.2 Population by Age Structure

A review of the age structure for the City of Summerside from 2001 to 2006 reveals some important considerations for the City as it moves forward. Figure 6 illustrates the changes in the City's demographic profile over this period. In 2001, 34.7% of the local population was within the 20-44 year old age group. The next largest demographic group was under the age of 20 (26.8%). There were similar age structure characteristics with the Province of Prince Edward Island. In 2006, Summerside's largest population segment remained the 20-44 year olds (31.2%), but the next largest segment was the 45-64 year olds (27.0%). The proportion of the population under the age of 20 decreased to 24.6%. The Province also exhibited a similar trend.

The higher percentages in Summerside's population between the age 45-64 years and over 65 and lower percentages under the age of 20 and between the ages 20-44 indicates the community's struggle in attracting and retaining youth and the young population. The economic development strategy will need to provide direction for retaining the young workforce by providing advanced educational and employment opportunities in Summerside.



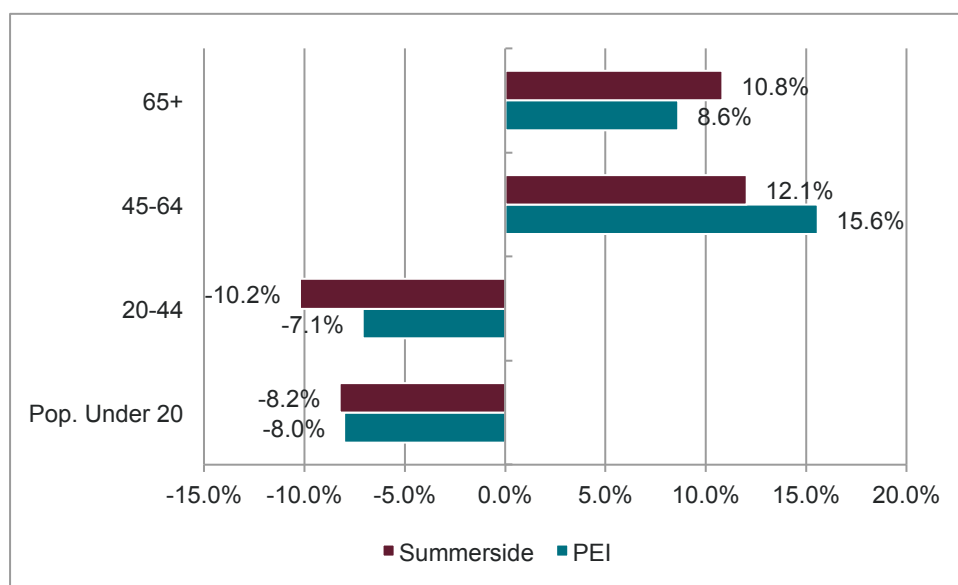
FIGURE 6: AGE STRUCTURE, SUMMERSIDE AND PEI, 2001 AND 2006



Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

Examining growth by age cohort between 2001 and 2006 indicates that the fastest growing age groups were the population segments 45-64 and over 65 years with each cohort growing by 12.1% and 10.8% respectively for Summerside (Figure 7). The Province also had strong growth in these two cohorts which is indicative of an aging population. This is a trend that is occurring in other provinces and nationally. The negative growth in the population under 20 and 20-44 years of age is problematic and has economic implications for educational services. The aging population also has economic implications for the demand for community and health care services.

FIGURE 7: POPULATION GROWTH BY AGE GROUP, 2001 TO 2006

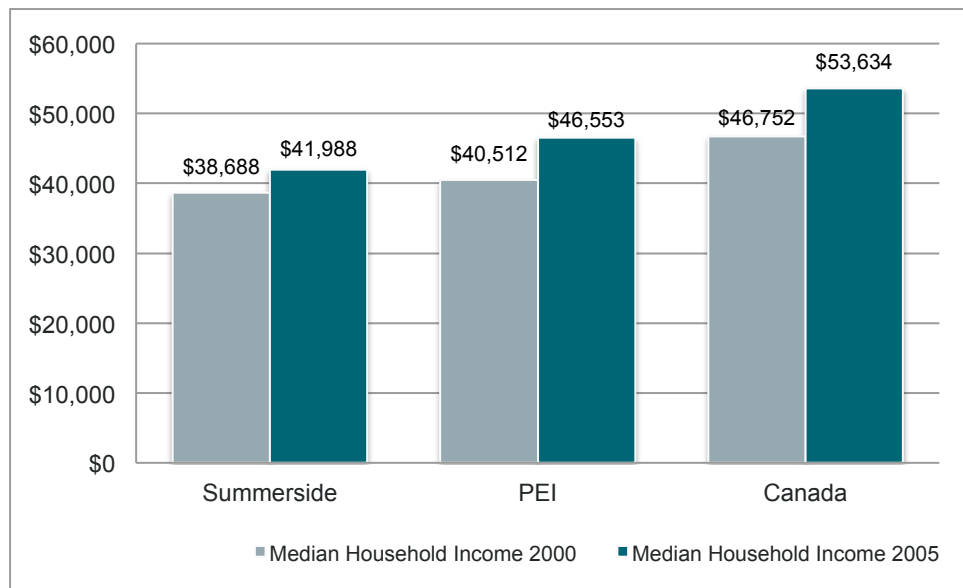


Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

### 3.1.3 Household Income

The median household income in Summerside has consistently remained lower than the Province and Canada (Figure 8). The lower median income circumstantially suggests that there are lower living costs in Summerside, particularly for housing, than the Province and Canada.

FIGURE 8: MEDIAN HOUSEHOLD INCOME, SUMMERSIDE, PEI, AND CANADA, 2000 & 2005



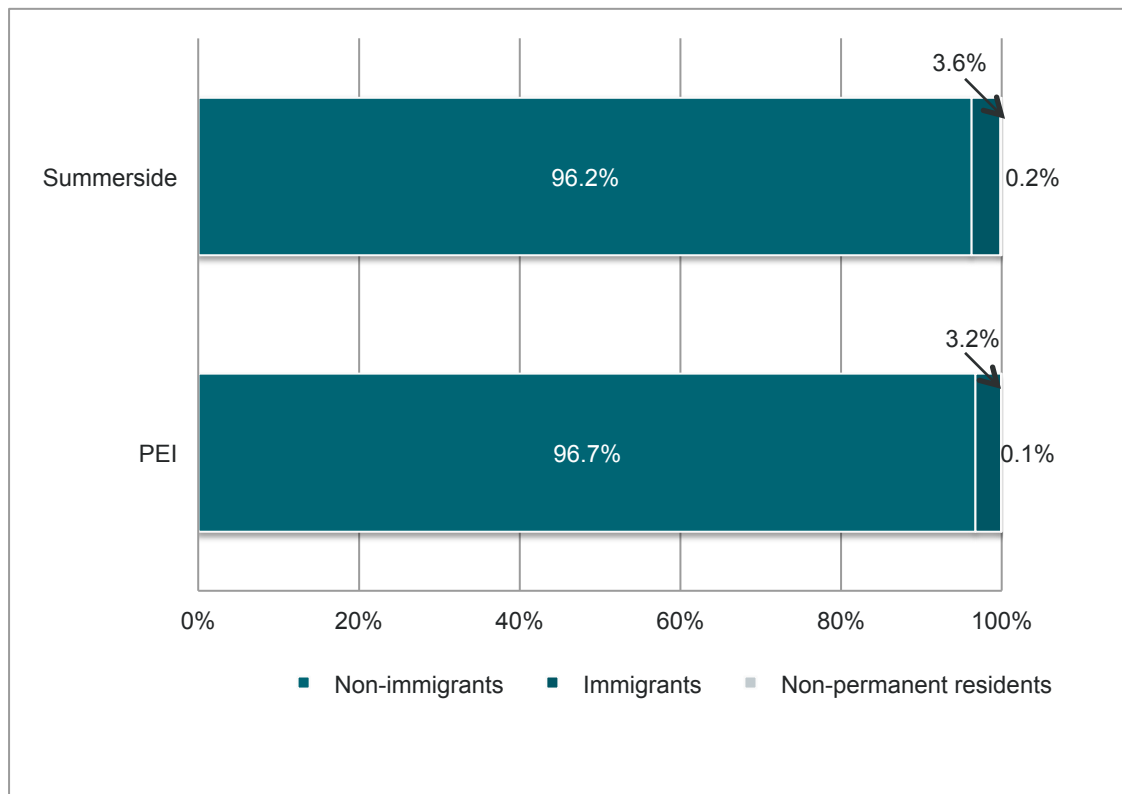
Source: Derived from Statistics Canada (Census of Population, 2001 & 2006) by Millier Dickinson Blais Inc.

### 3.1.4 Immigration and Ethnic Diversity

Immigration will be the primary source of population growth in Canada over the next few decades, given the declining rates of population growth by natural increase. As a result, governments across Canada are implementing strategies designed to attract skilled immigrants. Government initiatives such as the federal “Foreign Credentials Referral Office” help new Canadians transition into the Canadian labour market. Summerside has not attracted nearly as many new Canadians as similarly-sized communities in Ontario and British Columbia. In 2006, the non-immigrant population was 96.2% of the total Summerside population compared to 96.7% for the Prince Edward Island population. In comparison, Ontario’s non-immigrant population was 70.8% in 2006. Only 3.6% of Summerside’s population had immigrated to Canada and 2.5% of the 3.6% immigrated prior to 1991.

Summerside needs to its attractiveness for migrants and immigrant skilled workers. There is also a need to communicate the benefits of a skilled immigrant workforce to local business and industry.

FIGURE 9: POPULATION BY IMMIGRANT STATUS, SUMMERSIDE AND PEI, 2006



Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

The ethnic diversity of a community can also have wide implications in terms of the cultural and community services that may be required to support this portion of the local population and the approach for attracting and sustaining a skilled workforce. Most importantly, diversity in a community is also an indicator of tolerance or openness within a community, and the degree to which a community is viewed as supportive of a wide range of residents.

Statistics Canada gathers data by visible minority status, which is covered by the broad definition of individuals that are “non-Caucasian in race or non-white in colour, other than Aboriginal.” The concept, definition, and classification originally set out in the Employment Equity Act has been met by some contention based on its arbitrary classification of individuals into broad categories, obscuring some differences that may be important within each classification. For example, a Canadian-born individual that self-identifies as “Chinese” may have a very different set of experiences and cultural values than someone who immigrated to Canada from China. However, visible minority status remains a relatively reliable statistical method of quantifying some level of diversity in an area.

Overall, the population of those with visible minority status in Summerside increased by 71.4% between 2001 and 2006 (Figure 10). Visible minorities in Summerside total 240 residents, and in PEI total 1,825 residents for 2006. The only visible minority group driving growth is the Black population.

Future labour force growth in the Province is dependent on the immigration of skilled individuals from outside of North America. Summerside appears to be challenged in attracting and retaining workers from diverse cultural groups. Ultimately, Summerside and PEI are challenged to ensure future competitiveness and economic growth.

FIGURE 10: POPULATION BY VISIBLE MINORITY STATUS, SUMMERSIDE AND PEI, 2001-2006

	City of Summerside			PEI		
	2006	2001	% Change	2006	2001	% Change
Total population	14,270	14,325	-0.4%	134,205	133,385	0.6%
Total visible minority population	240	140	71.4%	1,825	1,180	54.7%
Chinese	25	20	25.0%	250	205	22.0%
South Asian	15	0	0.0%	130	115	13.0%
Black	120	75	60.0%	645	370	74.3%
Filipino	10	0	0.0%	30	35	-14.3%
Latin American	0	0	0.0%	215	75	186.7%
Southeast Asian	0	20	-100.0%	30	45	-33.3%
Arab	10	15	-33.3%	260	175	48.6%
West Asian	0	10	-100.0%	30	15	100.0%
Korean	0	0	0.0%	70	15	366.7%
Japanese	10	0	0.0%	65	75	-13.3%
Visible minority; n.i.e.	50	0	0.0%	60	30	100.0%
Multiple visible minority	10	0	0.0%	25	20	25.0%
Not a visible minority	14,025	14,180	-1.1%	132,375	132,205	0.1%

Source: Derived from Statistics Canada (Census of Population, 2001 & 2006) by Millier Dickinson Blais Inc.

## 3.2 Labour Force Characteristics

### 3.2.1 Labour Force Profile

Statistics Canada collects labour force data for the Canadian population aged 15 and over. In 2006, there were 7,680 people (65.7% participation rate) in the labour force in the City of Summerside. Of these people 6,730 were employed (57.5% employment rate) and there was a 12.2% unemployment rate. These are lower participation rate and employment rate percentages, and a higher unemployment rate than the Province and Canada. These rates suggest that there are opportunities to employ more of the labour force in the community. Recent weak economic conditions since 2006 have contributed to the higher estimated unemployment rate of 13.1% in 2011. The labour force and the number of people employed are estimated to have grown by 2011 to 8,460 and 7,354 respectively. These rates suggest continued opportunities to employ more of the labour force.



FIGURE 11: LABOUR FORCE INDICATORS, SUMMERSIDE, PEI AND CANADA, 2011 AND 2006

	City of Summerside		Prince Edward Island	Canada
	2011	2006	2006	2006
Total population 15 years and over by labour force activity	12,922	11,695	110,205	25,664,220
<b>In the labour force</b>	8,460	7,680	75,210	17,146,135
<b>Employed</b>	7,354	6,730	66,855	16,021,180
<b>Unemployed</b>	1,107	940	8,350	1,124,955
<b>Not in the labour force</b>	4,462	4,020	34,995	8,518,085
<b>Participation rate</b>	65.5	65.7	68.2	66.8
<b>Employment rate</b>	56.9	57.5	60.7	62.4
<b>Unemployment rate</b>	13.1	12.2	11.1	6.6

Source: Derived from Statistics Canada (Census of Population, 2001 & 2006) and Manifold Data Mining, 2011 by Millier Dickinson Blais Inc.

It is estimated that in 2011, there are 1,458 residents (72.1% participation rate) between the ages of 15 to 24 in the labour force. There are only 1,168 residents employed (57.8% employment rate) in this age group. The unemployment rate for this age group is high at 19.9%, which suggests that there are limited local employment opportunities. The labour force that is 25 years and older is much larger at 10,900 residents. There remains a high unemployment rate for this segment of the labour force at 11.7%. Atlantic Canada has typically had higher unemployment rates than Ontario and western Canada, but there are employment opportunities less dependent on physical location, specifically in knowledge based and creative industries.

FIGURE 12: SUMMERSIDE - LABOUR FORCE ACTIVITY BY POPULATION GROUP, 2011

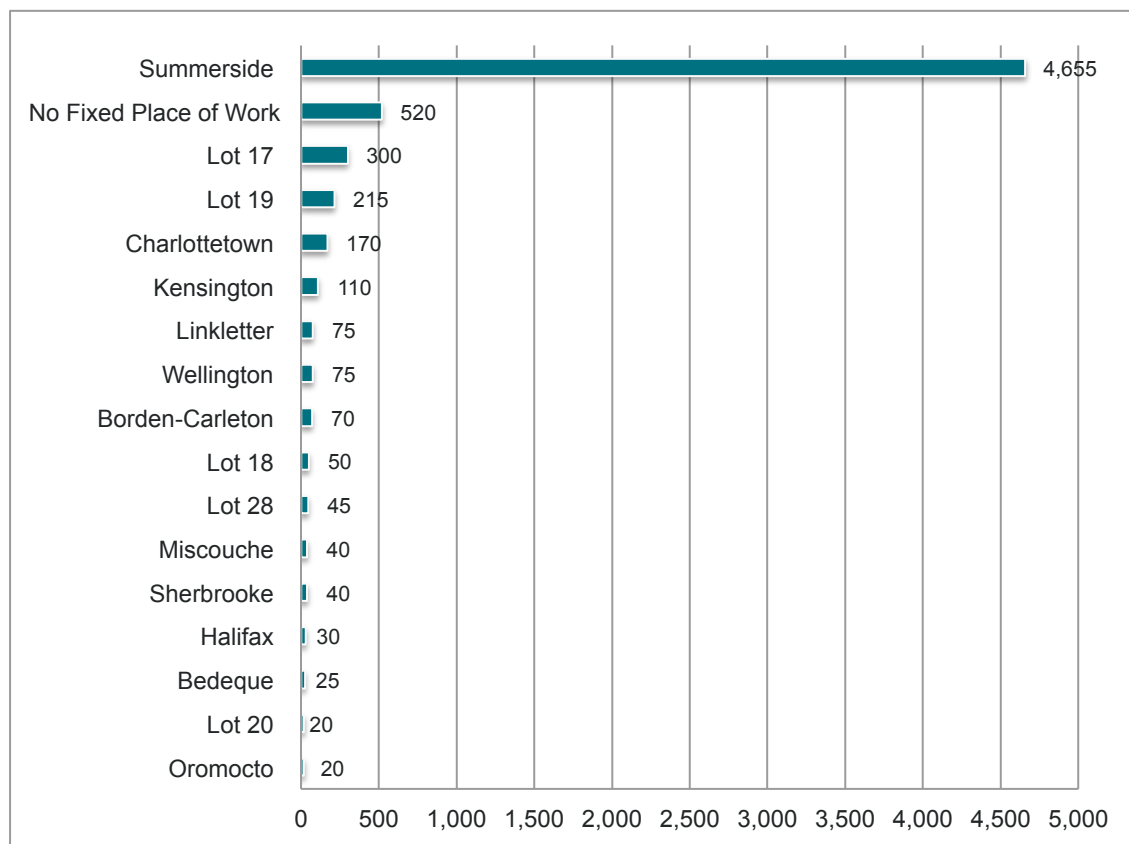
<b>Population 15 to 24 years - Labour force activity</b>	<b>2,022</b>
In the labour force	1,458
Employed	1,168
Unemployed	290
Not in the labour force	564
Participation rate	72.1
Employment rate	57.8
Unemployment rate	19.9
<b>Population 25 years and over - Labour force activity</b>	<b>10,900</b>
In the labour force	7,002
Employed	6,186
Unemployed	816
Not in the labour force	3,898
Participation rate	64.2
Employment rate	56.7
Unemployment rate	11.7

Source: Derived from Manifold Data Mining, 2011 by Millier Dickinson Blais Inc.

### 3.2.2 Labour Force by Place of Work

Participation and employment rates consider the resident workforce, but do not provide an indication of where these workers are employed. Based on the results of the place of work data provided by Statistics Canada (2006) the majority of residents (4,655) work within the City. The next three most common locations outside of the City are Lot 17 (300), Lot 19 (215) and Charlottetown (170). There were also 520 Summerside residents that had no fixed workplace. The people that fall into this category are commonly employed in the construction industry. These statistics indicate very low levels of out commuting in the City and a very strong live-work balance.

FIGURE 13: COMMUTING FLOWS, CITY OF SUMMERSIDE, CENSUS SUBDIVISIONS, 2006

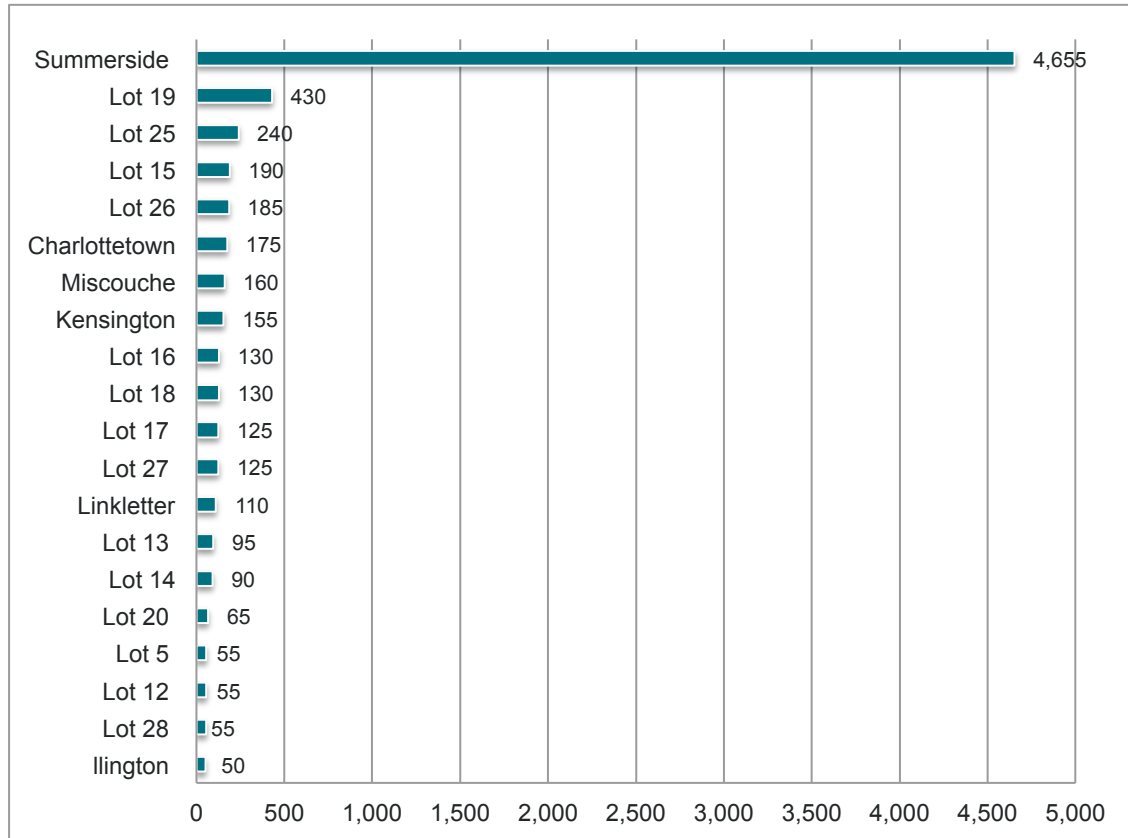


Note: For the City of Summerside, the place of work data includes those who worked from home  
Source: Statistics Canada (Census of Population, 2006).

Conversely, Summerside is a regional employment centre as presented in the Figure 14 Place of Work data. Some of the larger communities that Summerside draws commuters from include Lot 19 (430), Lot 25 (240), Lot 15 (190), Lot 26 (185) and Charlottetown (175).

The high number of residents who both live and work locally along with the people who commute into Summerside for employment purposes creates skills development opportunities to a larger labour pool.

FIGURE 14: COMMUTING FLOWS, CITY OF SUMMERSIDE, CENSUS SUBDIVISIONS, 2006



Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

Note: Summerside Places of Work data above does not include the communities where there were 45 to 20 people. For the City of Summerside, the place of work data includes those who worked from home. Statistics Canada suppresses commuting data when the commuting flow is below 20 individuals, so Census subdivisions that receive fewer than 20 residents are not included.

### 3.2.3 Labour Force by Occupation

The labour force is often assessed by occupation using the National Occupational Code System devised by Statistics Canada and by industry using the North American Industrial Classification System (presented later in the section). An assessment of occupations addresses the skills capacity of the local workforce. Occupational assessments reveal clusters of the type of work being done and the skills available in the local workforce to attract new businesses. Figure 15 provides a profile of the concentration of the labour force by occupation for Summerside in 2006 and 2011. Areas of high labour force concentration for 2011 include:

- Sales and service occupations (27.6%)
- Business, finance and administration occupations (19.0%) and
- Trades, transport and equipment operators and related occupations (13.1%).

Figure 15 also includes the increase in the labour force over the previous five years. The number of additional people in the labour force is estimated to increase by 762 (10.1%). The largest concentrations are in sales and service (202) and business, finance and administration occupations (121); however the largest percentage of growth is in natural and applied sciences and related occupations (22.6%).

FIGURE 15: TOTAL EXPERIENCED LABOUR FORCE 15 YEARS AND OVER BY OCCUPATION, CITY OF SUMMERSIDE, 2011

	City of Summerside				2006 - 2011	
	2011	% Total	2006	% Total	Number	% Increase/Decrease
<b>A Management occupations</b>	615	7.4%	540	7.1%	75	13.9%
<b>B Business, finance and administration occupations</b>	1,581	19.0%	1,460	19.3%	121	8.3%
<b>C Natural and applied sciences and related occupations</b>	331	4.0%	270	3.6%	61	22.6%
<b>D Health occupations</b>	593	7.1%	540	7.1%	53	9.8%
<b>E Occupations in social science, education, government service and religion</b>	573	6.9%	540	7.1%	33	6.1%
<b>F Occupations in art, culture, recreation and sport</b>	124	1.5%	125	1.7%	-1	-0.8%
<b>G Sales and service occupations</b>	2,292	27.6%	2,090	27.7%	202	9.7%
<b>H Trades, transport and equipment operators and related occupations</b>	1,085	13.1%	990	13.1%	95	9.6%
<b>I Occupations unique to primary industry</b>	497	6.0%	435	5.6%	62	14.3%
<b>J Occupations unique to processing, manufacturing and utilities</b>	621	7.5%	560	7.4%	61	10.9%
<b>All Occupations</b>	<b>8,313</b>	<b>100.0%</b>	<b>7,550</b>	<b>7.4%</b>	<b>762</b>	<b>10.1%</b>

Source: Derived from Statistics Canada (Census of Population, 2006) and Manifold Data Mining, 2011 by Millier Dickinson Blais Inc.

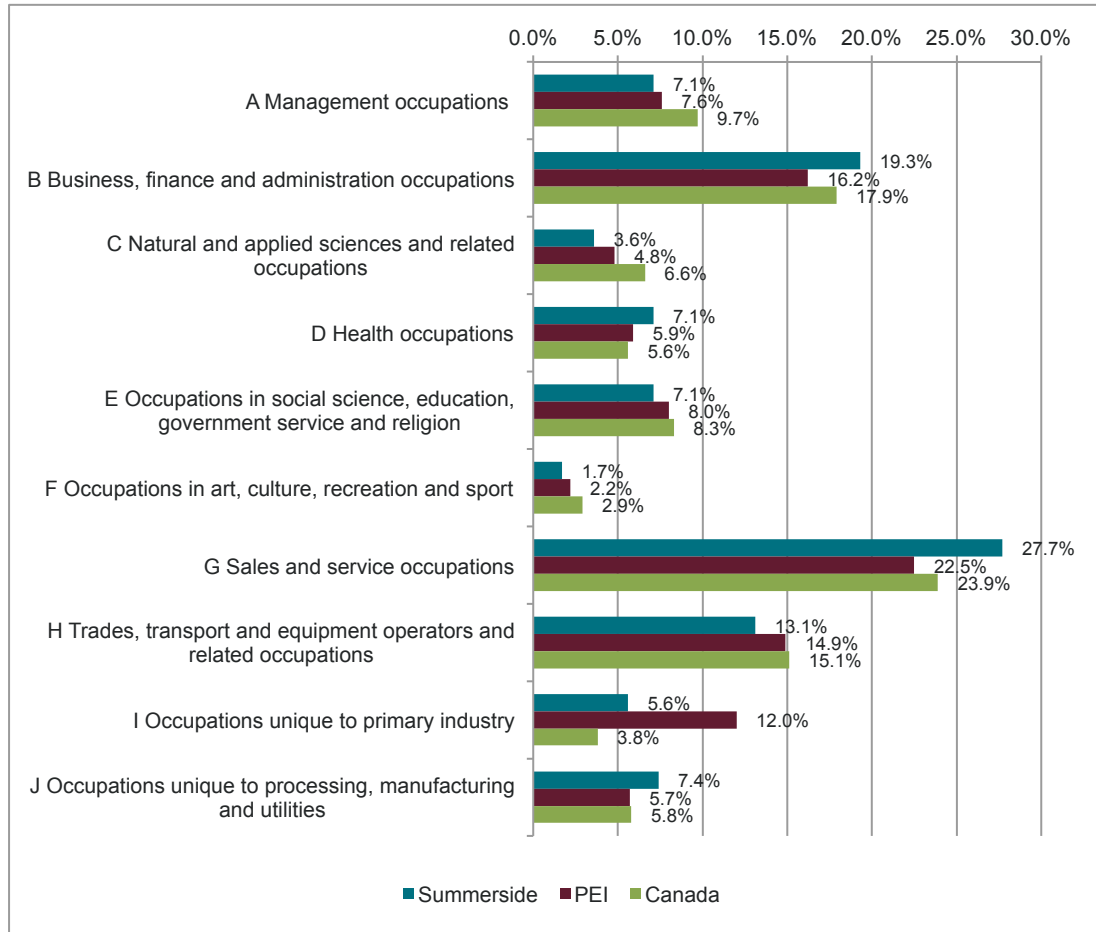
Figure 16 compares Summerside's concentration to Prince Edward Island and Canada. There are notable differences in the percentages engaged in these occupations. Summerside has higher percentages than PEI and Canada in:

- Sales and service occupations
- Business, finance and administration occupations
- Health occupations and
- Occupations unique to processing, manufacturing and utilities.

The specific occupations will be examined later within these broad categories to identify available skills for business growth as well as the skills gap that might be holding back business and economic growth.



FIGURE 16: EMPLOYMENT SHARE BY OCCUPATIONS OVER 15 YEARS OF AGE, 2006



Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

Figure 17 compares the pattern of employment by occupation between men and women in the City of Summerside to PEI and Canada. There are large differences in many of the occupation classifications. The largest gender difference is in trades, transport and equipment operators with 25.5% of the male population over 15 years of age employed in this occupation, compared to 1.5% for females. PEI and Canada also have large percentages of males and a small percentage of females employed in this occupation group. The region has large percentages of male residents also employed in sales and service occupations (20.2%); however, the Province also has a large percentage of males residents employed in occupations unique to the primary industry (19.1%).

FIGURE 17: OCCUPATIONS OVER 15 YEARS OF AGE, GENDER COMPARISON, 2006

	City of Summerside		PEI		Canada	
Gender	Male	Female	Male	Female	Male	Female
<b>A Management occupations</b>	8.8%	5.6%	8.7%	6.4%	11.6%	7.5%
<b>B Business, finance and administration occupations</b>	11.0%	27.0%	7.6%	25.2%	9.7%	27.1%
<b>C Natural and applied sciences and related occupations</b>	5.2%	2.2%	7.0%	2.6%	9.7%	3.0%
<b>D Health occupations</b>	2.1%	11.9%	1.7%	10.3%	2.1%	9.5%
<b>E Occupations in social science, education, government service and religion</b>	5.2%	8.9%	4.4%	11.8%	5.1%	12.1%
<b>F Occupations in art, culture, recreation and sport</b>	1.5%	1.7%	1.8%	2.6%	2.5%	3.5%
<b>G Sales and service occupations</b>	20.2%	34.7%	16.2%	29.2%	19.3%	29.1%
<b>H Trades, transport and equipment operators and related occupations</b>	25.5%	1.5%	27.1%	2.2%	26.7%	2.2%
<b>I Occupations unique to primary industry</b>	10.1%	1.8%	19.1%	4.7%	5.7%	1.8%
<b>J Occupations unique to processing, manufacturing and utilities</b>	10.2%	4.8%	6.3%	5.0%	7.5%	4.1%

Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

### Labour Force by Occupation: Creative Class Industries versus Service, Working Agricultural Class Industries

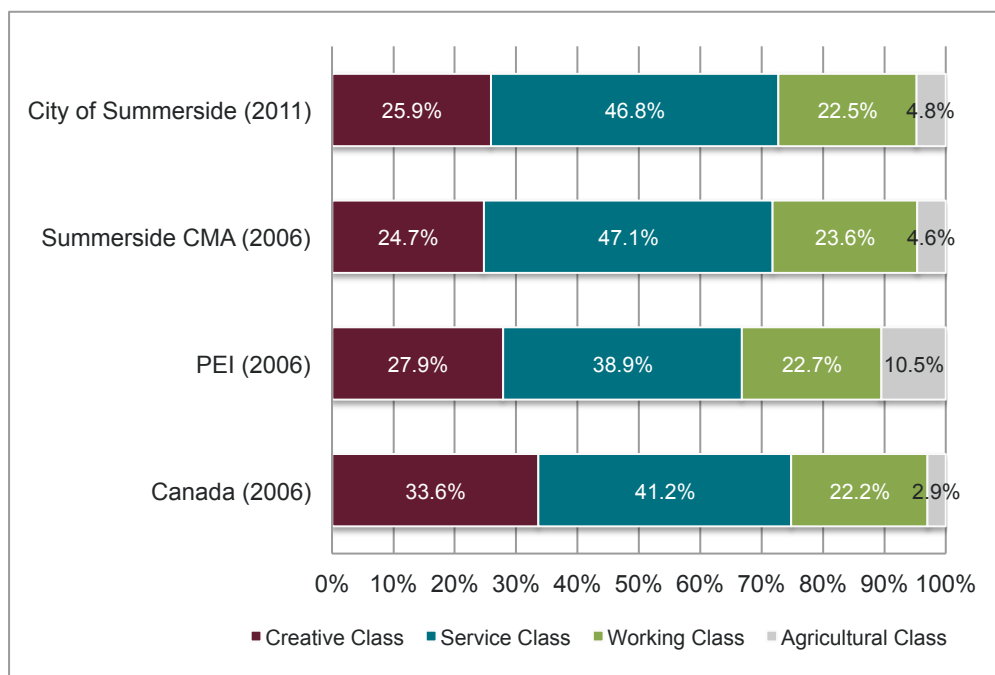
Dr. Richard Florida has helped popularize the notion of the “creative class”. In his book *The Rise of the Creative Class*, Dr. Florida details the significant societal and economic impact that the creative class of worker is having on both local and international economies and the shifts being made to attract and retain this type of workforce, as more and more economic developers realize the importance of this aspect of a workforce. He defines the creative class as including people in:

- Science and engineering
- Architecture and design
- Education
- Arts, music and entertainment
- Business and finance
- Law, and
- Health care and related fields.

Figure 18 shows the percentages of workers in each occupation class for the Summerside Census Metropolitan Area (CMA) compared to PEI and Canada for 2006 and the City of Summerside in 2011. As is evident in this figure for 2006, the Summerside CMA's creative class (24.2%) trails PEI (27.5%) and is significantly behind Canada (33.2%). The low classification proportion is due to Summerside's service based economy, which accounts for

nearly half (47.1%) of the labour force. The City of Summerside's estimated occupational classification for 2011 follows a very similar trend to the Summerside CMA of 2006 as nearly half (46.8%) of the resident labour force population is classified as in a serviced based occupation. Given the fact that creative occupations are generally higher paying than other classifications, Summerside is at risk of falling behind PEI and Canada with respect to income levels (identified earlier) and wealth generation. The low concentration of creative workers may also challenge the area in supporting and attracting businesses in the targeted sectors, which will be further discussed later in the economic development strategy.

FIGURE 18: OCCUPATION CLASS, 2006 AND 2011



Source: Statistics Canada, Census of Population, 2006 using the University of Toronto's Martin Prosperity Institute classification.

Note: The table presented above provides occupational data for the Summerside Census Metropolitan Area and not Census Subdivision (City of Summerside).

Figure 19 highlights the Summerside's creative occupations in more detail. The largest concentration of jobs for the City of Summerside (2011) and the Summerside CMA (2006) are:

- Managers in retail trade, food and accommodation services (13.5%, 13.1% respectively)
- Teachers and professors (12.2%, 12.9%) and
- Nurse supervisors and registered nurses (10.9%, 11.2%).

There is also a concentration of technical occupations related natural and applied sciences (8.3%), which is larger than the 2006 CMA concentration of 5.1%.

FIGURE 19: CREATIVE OCCUPATIONS, 2006 & 2011

	City of Summerside		Summerside CMA	
	2011		2006	
	Number of Residential Labour Force	% of Total	Number of Residential Labour Force	% of Total
All Creative Occupations	2,095	100.0%	2,055	100.0%
<b>A0 Senior management occupations</b>	99	4.7%	75	3.6%
<b>A1 Specialist managers</b>	95	4.5%	80	3.9%
<b>A2 Managers in retail trade, food and accommodation services</b>	283	13.5%	270	13.1%
<b>A3 Other managers, n.e.c.</b>	138	6.6%	180	8.8%
<b>B0 Professional occupations in business and finance</b>	149	7.1%	130	6.3%
<b>B1 Finance and insurance administration occupations</b>	106	5.1%	105	5.1%
<b>C0 Professional occupations in natural and applied sciences</b>	157	7.5%	175	8.5%
<b>C1 Technical occupations related to natural and applied sciences</b>	174	8.3%	105	5.1%
<b>D0 Professional occupations in health</b>	138	6.6%	160	7.8%
<b>D1 Nurse supervisors and registered nurses</b>	228	10.9%	230	11.2%
<b>D2 Technical and related occupations in health</b>	66	3.1%	60	2.9%
<b>E0 Judges, lawyers, psychologists, social workers, ministers of religion, and policy and program officers</b>	82	3.9%	90	4.4%
<b>E1 Teachers and professors</b>	256	12.2%	265	12.9%
<b>F0 Professional occupations in art and culture</b>	51	2.5%	40	1.9%
<b>F1 Technical occupations in art, culture, recreation and sport</b>	73	3.5%	90	4.4%

Source: Statistics Canada, Census of Population, 2006 and Manifold Data Mining Inc., 2011 using the University of Toronto's Martin Prosperity Institute classification.

As Figure 20 indicates, service-based occupations account for the largest number of the residential labour force at 3,780 in 2011 and 3,915 for the CMA in 2006. The largest concentrations are:

- Clerical occupations (24.9% and 25.7% respectively)
- Sales and service n.e.c. occupations<sup>3</sup> (20.6%, 18.9%) and
- Retail salespersons and sales clerks (9.3%, 9.2%).

These three classifications alone account for over half of service-based occupations. Occupations that typically serve the tourism based economy such as chefs and cooks and occupations in travel and accommodation make a sizable portion of the labour force.

FIGURE 20: SERVICED BASED OCCUPATIONS, 2006 & 2011

	City of Summerside		Summerside CMA	
	2011		2006	
	Number of Residential Labour Force	% of Total	Number of Residential Labour Force	% of Total
All Service-Based Occupations	3,780	100.0%	3,915	100.0%
<b>B2 Secretaries</b>	177	4.7%	135	3.4%
<b>B3 Administrative and regulatory occupations</b>	162	4.3%	175	4.5%
<b>B4 Clerical supervisors</b>	46	1.2%	55	1.4%
<b>B5 Clerical occupations</b>	941	24.9%	1,005	25.7%
<b>D3 Assisting occupations in support of health services</b>	161	4.3%	145	3.7%
<b>G0 Sales and service supervisors</b>	90	2.4%	115	2.9%
<b>G1 Wholesale, technical, insurance, real estate sales specialists, and retail, wholesale and grain buyers</b>	110	2.9%	125	3.2%
<b>G2 Retail salespersons and sales clerks</b>	351	9.3%	360	9.2%
<b>G3 Cashiers</b>	213	5.6%	250	6.4%
<b>G4 Chefs and cooks</b>	218	5.8%	205	5.2%
<b>G5 Occupations in food and beverage service</b>	207	5.5%	175	4.5%
<b>G6 Occupations in protective services</b>	97	2.6%	110	2.8%
<b>G7 Occupations in travel and accommodation, including attendants in recreation and sport</b>	100	2.7%	75	1.9%
<b>G8 Child care and home support workers</b>	127	3.4%	245	6.3%
<b>G9 Sales and service occupations, n.e.c.</b>	779	20.6%	740	18.9%

Source: Statistics Canada, Census of Population, 2006 and Manifold Data Mining Inc., 2011 using the University of Toronto's Martin Prosperity Institute classification.

<sup>3</sup> Sales and service n.e.c. occupations include hairstylists, funeral directors, cleaners, butchers, food service attendants, service station attendants, dry cleaning occupations, etc.

The working class labour force has an estimated 1,817 people in 2011 for the City of Summerside (Figure 21). The largest occupation concentrations for the City of Summerside (2011) and the Summerside CMA (2006) are:

- Machine operators in manufacturing (14.1%, 15.3% respectively)
- Mechanics (12.8%, 13.0%)
- Trades helpers, construction and transportation labourers and related occupations (11.8%, 10.7%) and
- Transportation equipment operators and related workers (10.9%, 13.0%).

One occupational classification that has a sizably larger labour force percentage than the Summerside CMA is construction trades (8.2% for the City of Summerside versus 6.9% for the Summerside CMA).

FIGURE 21: WORKING CLASS OCCUPATIONS, 2006 & 2011

	City of Summerside		Summerside CMA	
	2011		2006	
	Number of Residential Labour Force	% of Total	Number of Residential Labour Force	% of Total
All Working Class Occupations	1,817	100.0%	1,960	100.0%
H0 Contractors and supervisors in trades and transportation	36	2.0%	30	1.5%
H1 Construction trades	148	8.2%	135	6.9%
H2 Stationary engineers, power station operators and electrical trades and telecommunications occupations	98	5.4%	110	5.6%
H3 Machinists, metal forming, shaping and erecting occupations	36	2.0%	35	1.8%
H4 Mechanics	232	12.8%	255	13.0%
H5 Other trades, n.e.c.	38	2.1%	50	2.6%
H6 Heavy equipment and crane operators, including drillers	86	4.7%	85	4.3%
H7 Transportation equipment operators and related workers, excluding labourers	198	10.9%	255	13.0%
H8 Trades helpers, construction and transportation labourers and related occupations	214	11.8%	210	10.7%
I2 Primary production labourers	111	6.1%	115	5.9%
J0 Supervisors in manufacturing	74	4.1%	55	2.8%
J1 Machine operators in manufacturing	257	14.1%	300	15.3%
J2 Assemblers in manufacturing	110	6.1%	120	6.1%
J3 Labourers in processing, manufacturing and utilities	180	9.9%	205	10.5%

Source: Statistics Canada, Census of Population, 2006 and Manifold Data Mining Inc., 2011 using the University of Toronto's Martin Prosperity Institute classification.

The labour force in agricultural class occupations is estimated to total 386 residents for the City of Summerside in 2011 and 385 residents in the Summerside CMA in 2006. The majority of the agricultural class is engaged in occupations unique to agriculture (52.3%). Most of the occupations unique to forestry-operations, mining oil and gas extraction and fishing would be engaged in fishing.

FIGURE 22: AGRICULTURAL CLASS OCCUPATIONS, 2006 & 2011

	City of Summerside		Summerside CMA	
	2011		2006	
	Number of Residential Labour Force	% of Total	Number of Residential Labour Force	% of Total
All Agricultural Class Occupations	386	100.0%	385	100.0%
I0 Occupations unique to agriculture, excluding labourers	202	52.3%	220	57.1%
I1 Occupations unique to forestry operations, mining, oil and gas extraction and fishing, excluding labourers	184	47.7%	165	42.9%

Source: Statistics Canada, Census of Population, 2006 and Manifold Data Mining Inc., 2011 using the University of Toronto's Martin Prosperity Institute classification.

### 3.2.4 Educational Attainment

The level of educational attainment in a municipality can be used as a general indicator of the capacity for innovation of the local population. Educational attainment can be seen as a factor to the quality of the human capital (assessed later in the report) of a municipality or the accumulation of skills and talents in the workforce.

In 2006, less than half (45.9%) of the regional population 15 years of age and older had attained some form of post-secondary education, significantly lower than the rest of Canada (50.7%) and lower than PEI (47.9%). The population base in Summerside is more inclined to attain college education (20.9%) than any university education (11.1%), which may reflect the importance of the province's agricultural sector and local service-based economy (Figure 23). The City's population base proportion having attained an apprenticeship (10.2%) was similar to provincial and national trends.

*The Island Communitiversity: Report on Phase 1 of the Prince County Post Secondary-Project* (2005) raises similar concerns over the low rates of post-secondary education in Summerside. This report states that for employers, post-secondary education develops and maintains relevant, current skills in the labour force and carries out vital research and innovation. It continues to state that at the societal level, post-secondary education is crucial to economic development, prosperity and sustainability.<sup>4</sup>

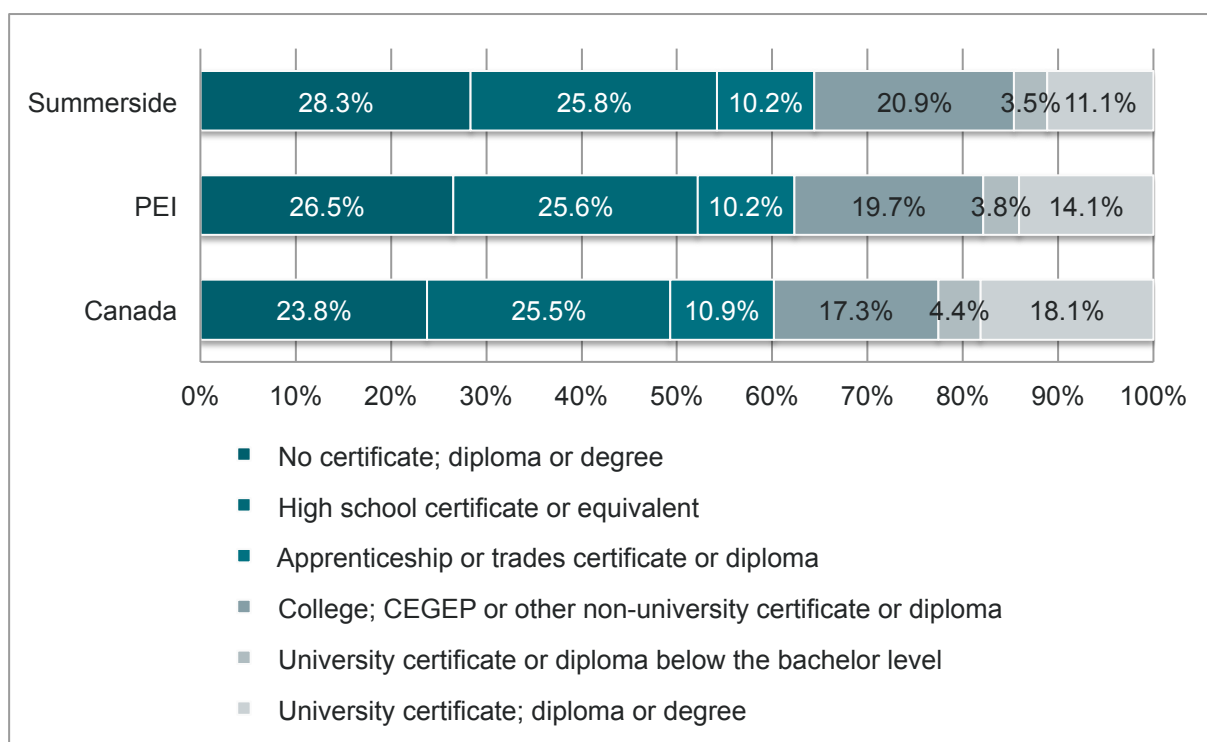
The authors of the Report also recognize that Summerside is at a disadvantage as the University of Prince Edward Island is located in Charlottetown, located more than 60

<sup>4</sup> The Island Communitiversity: Report on Phase I of the Prince County Post Secondary Project, completed by The IRIS Group, November, 2005, p.6.

kilometres away, and other schools such as Mount Allison University or Dalhousie University are located out of the province. Many students need to relocate, which drives up the cost of a university education. Immediate proximity to post-secondary education makes them more accessible for the population. In addition, proximity to schools enables the attraction of a workforce with higher education attainment levels.

Greater consideration should be given to ways to create local opportunities for university graduates in order to improve Summerside's labour force credentials and employment prospects. This is particularly important given the nation's shift towards a more technology based, higher value-added economy.

FIGURE 23: HIGHEST EDUCATIONAL ATTAINMENT, 2006



Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

As Figure 24 indicates, of the 5,365 Summerside's residents over the age of 15, the highest concentrations by major field of study were in:

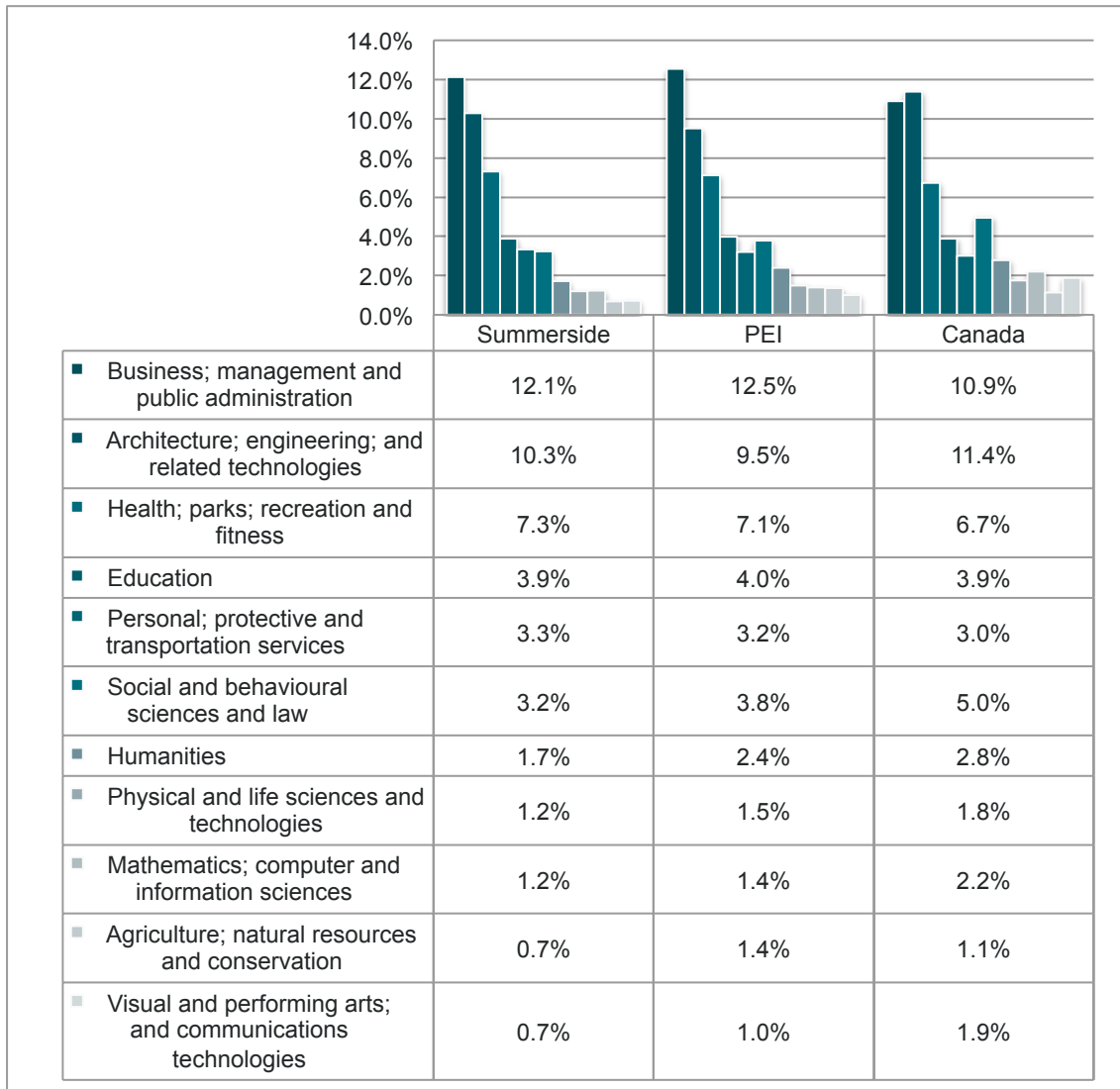
- Business, management and public administration (12.1%)
- Architecture, engineering and related technologies (10.3%) and
- Health, parks, recreation and fitness (7.3%).

These three major fields account for nearly thirty percent (29.7%) of the Summerside resident labour force. Compared to the Province and nation, Summerside had a slightly higher concentration of graduates in these three fields at 29.1% and 29.0% respectively. Another educational field of study worth noting, outside of the top three concentrations, is personal, protective and transportation services where 3.3% of the population over 15 years of age in



Summerside has education in this field. Nationally, only 3.0% have education in this field of study.

FIGURE 24: EDUCATION BY MAJOR FIELD OF STUDY, POPULATION OVER THE AGE OF 15, 2006



Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

### 3.2.5 Labour Force by Industry

Another method of assessing Summerside's labour force is by Industry, using the North American Industrial Classification System (NAICS). This assessment provides insight into industry concentrations and local economic activity. The labour force by industry data is intended to convey the overall strength and diversity of the local workforce. In this context, consideration is given to the total workforce by sector, regardless of whether or not the individual is employed or working within Summerside. Figure 25 provides a comparison between the labour force by industry for the Summerside CMA, PEI and Canada. It can be seen that in 2006, the highest concentration of the labour force was in three industries:

Manufacturing (13.5%), Retail Trade (13.3%) and Health Care and Social Assistance (12.0%), which is consistent with the top three Canadian industries.

FIGURE 25: LABOUR FORCE BY INDUSTRY, SUMMERSIDE CMA, PEI AND CANADA, 2006

	Summerside CMA		PEI		Canada
	Number	% Total Labour Force	Number	% Total Labour Force	% Total Labour Force
All Industries	8,475		74,510		
<b>11 Agriculture, Forestry, Fishing and Hunting</b>	455	5.4%	8,780	11.8%	3.1%
<b>21 Mining and Oil and Gas Extraction</b>	65	0.8%	435	0.6%	1.4%
<b>22 Utilities</b>	40	0.5%	300	0.4%	0.8%
<b>23 Construction</b>	385	4.5%	4,885	6.6%	6.3%
<b>31-33 Manufacturing</b>	1,140	13.5%	7,000	9.4%	11.9%
<b>41 Wholesale Trade</b>	205	2.4%	1,595	2.1%	4.4%
<b>44-45 Retail Trade</b>	1,130	13.3%	8,120	10.9%	11.4%
<b>48-49 Transportation and Warehousing</b>	215	2.5%	2,575	3.5%	4.9%
<b>51 Information and Cultural Industries</b>	120	1.4%	1,195	1.6%	2.5%
<b>52 Finance and Insurance</b>	185	2.2%	1,640	2.2%	4.1%
<b>53 Real Estate and Rental and Leasing</b>	170	2.0%	1,050	1.4%	1.8%
<b>54 Professional, Scientific and Technical Services</b>	250	2.9%	2,910	3.9%	6.7%
<b>55 Management of Companies and Enterprises</b>	0	0.0%	70	0.1%	0.1%
<b>56 Administrative and Support, Waste Management and Remediation Services</b>	370	4.4%	2,920	3.9%	4.3%
<b>61 Educational Services</b>	420	5.0%	4,625	6.2%	6.8%
<b>62 Health Care and Social Assistance</b>	1,015	12.0%	7,140	9.6%	10.2%
<b>71 Arts, Entertainment and Recreation</b>	140	1.7%	1,720	2.3%	2.1%
<b>72 Accommodation and Food Services</b>	920	10.9%	6,005	8.1%	6.7%
<b>81 Other Services (Except Public Administration)</b>	330	3.9%	3,475	4.7%	4.9%
<b>91 Public Administration</b>	920	10.9%	8,070	10.8%	5.8%

Source: Derived from Statistics Canada (Census of Population, 2006) by Millier Dickinson Blais Inc.

The resident labour force decreased slightly (-35, or -0.4%) between 2001 and 2006 (Figure 26). The decline was largely driven by labour force losses in the wholesale trade (-115), agriculture (-90), other services (-70) and information and culture (-60) industries.

Manufacturing is the Summerside CMA's largest labour force industry accounting for 13.5% of all resident labour, which also declined by 30 residents (-2.6%). By 2011, it is estimated that for the City of Summerside the manufacturing industry accounts for a labour force of 1,082 residents (13.0% of the total labour force) (Figure 26). Retail trade (14.0% of the labour force) has out placed manufacturing as the largest labour force industry. The City's decline in manufacturing is consistent with the rest of Canada and across the United States, as the economy shifts from one focused on goods producing to one focused on high value services. In addition, recent global economic challenges have further exacerbated the decline in the manufacturing industry. However, the concentration of labour force activity in Summerside's manufacturing industry is still higher than estimates for the Province (7.2%) and Canada (10.4%), demonstrating Summerside's resilience in manufacturing.<sup>5</sup> Of particular interest is the food processing sector and advanced manufacturing sector (related to aerospace) as drivers of Summerside's manufacturing industry and economy. Employers such as Cavendish Farms a key component of the food processing industry attract a number of employees from Summerside and the surrounding area. Supporting the aerospace industry cluster in Summerside is the Slemon Aerospace Park. This business park is 600 hectares (1,500 acres) of industrial property, with over 50,000 square metres of state-of-the art manufacturing and hanger facilities<sup>6</sup>.

Retail trade has shown growth from 2001 to 2006 with an additional 115 residents working in this industry over the five year time period. In 2006, there were 1,130 residents working in retail trade (13.3% of the total). In addition, health care and social assistance also grew by 100 residents from 2001 to 2006. This health care industry accounted for 12.0% of the total labour force. The retail trade industry in Summerside in 2006 had a higher concentration of total labour force than in PEI (10.9%) and Canada (11.4%). While this demonstrates strength in the industry, a caveat here is the low-wage nature of employment in service industries.

The health and social assistance industry in the Summerside CMA grew by 10.9% from 2001 to 2006 and demonstrated a higher concentration of total labour force in the industry than in PEI (9.6%) and the rest of Canada (10.2%). The Prince County Hospital is located in Summerside and likely contributes to the high labour force shares in this industry. By 2011, there were an estimated 985 residents working in this industry, accounting for 11.8% of the total labour force.

The Agriculture industry has steadily decreased in the Summerside CMA between 2001 and 2006 (-16.5%). Agriculture represented 5.4% of the total labour force in Summerside in 2006, significantly lower than PEI (11.8%), yet slightly higher than Canada (3.1%). It is estimated that by 2011 there are 428 residents (5.1% of the labour force) in the City of Summerside working in agricultural industries.

Knowledge-based and creative class industries include those within the information and cultural industries and the professional, scientific and technical services (PSTS) industry. By examining the information and cultural industries sector, the total share of labour force in 2006 for the Summerside CMA was 1.4%. By 2011, it is estimated that the City's information and cultural industries accounts for also 1.4% (120 residents) of the labour force. In 2006, the professional, scientific and technical services industry In the Summerside CMA represented 2.9% of the total labour force, which was a marginal increase from 2001 of 20

<sup>5</sup> Statistics Canada, Labour Force Information, March 2011, Catalogue No. 71-001-X.

<sup>6</sup> City of Summerside. Summerside's Aerospace Sector.

residents. It is estimated that in 2011, there are 244 residents working in this industry (2.9%), similar to the Summerside CMA in 2006. These industry results suggest Summerside has transitioned slowly towards a knowledge-based economy.

FIGURE 26: LABOUR FORCE BY INDUSTRY – GROWTH AND DECLINE, CITY OF SUMMERSIDE 2011 AND SUMMERSIDE CMA 2001 & 2006

	City of Summerside		Summerside CMA				
Labour Force by NAIC Industry	2011		2006		2001	2001-2006	
	Number	% of labour force	Number	% of labour force	Number	Number	% Change
All Industries	8,331		8,475		8,510	-35	-0.4%
11 Agriculture, Forestry, Fishing and Hunting	428	5.1%	455	5.4%	545	-90	-16.5%
21 Mining and Oil and Gas Extraction	43	0.5%	65	0.8%	10	55	550.0%
22 Utilities	43	0.5%	40	0.5%	20	20	100.0%
23 Construction	318	3.8%	385	4.5%	440	-55	-12.5%
31-33 Manufacturing	1,082	13.0%	1,140	13.5%	1,170	-30	-2.6%
41 Wholesale Trade	184	2.2%	205	2.4%	320	-115	-35.9%
44-45 Retail Trade	1,168	14.0%	1,130	13.3%	1,015	115	11.3%
48-49 Transportation and Warehousing	168	2.0%	215	2.5%	270	-55	-20.4%
51 Information and Cultural Industries	120	1.4%	120	1.4%	180	-60	-33.3%
52 Finance and Insurance	138	1.7%	185	2.2%	180	5	2.8%
53 Real Estate and Rental and Leasing	134	1.6%	170	2.0%	95	75	78.9%
54 Professional, Scientific and Technical Services	244	2.9%	250	2.9%	230	20	8.7%
55 Management of Companies and Enterprises	0	0.0%	0	0.0%	0	0	0.0%
56 Administrative and Support, Waste Management and Remediation Services	407	4.9%	370	4.4%	350	20	5.7%
61 Educational Services	433	5.2%	420	5.0%	395	25	6.3%
62 Health Care and Social Assistance	985	11.8%	1,015	12.0%	915	100	10.9%
71 Arts, Entertainment and Recreation	150	1.8%	140	1.7%	160	-20	-12.5%
72 Accommodation and Food Services	948	11.4%	920	10.9%	880	40	4.5%
81 Other Services (Except Public Administration)	353	4.2%	330	3.9%	400	-70	-17.5%
91 Public Administration	985	11.8%	920	10.9%	935	-15	-1.6%

Source: Derived from Statistics Canada (Census of Population, 2001&2006) and Manifold Data Mining, 2011 by Millier Dickinson Blais Inc.

## Location Quotient Analysis

In order to determine the level and degree of business and industrial specialization, thus the economic diversity that may be developing in Summerside, location quotients (LQs) have been calculated to identify and measure the concentration of industry/business activity by major sector and/or sub-sectors. Location quotients are a commonly used tool in economic analysis. They assess the concentration of economic activities within a smaller area relative to the overarching region in which it resides. For the purposes of this economic base analysis, location quotients have been calculated that compare Summerside's industry sector labour force concentration relative to PEI and Canada (Figure 27).

A location quotient greater than 1.0 for a given sector indicates a local concentration of economic activity as compared to the overarching region (PEI, another region or Canada) and may be an indication of competitive advantage with respect to the attraction of that industry sector. Location quotients equal to 1.0 for a given sector suggest that the study area has the same concentration of economic activity as the overarching region. Finally, a location quotient of less than 1.0 suggests that the community does not have a strong competitive advantage in that sector.

In theory, an industrial or business concentration that is greater than the overarching regional average may also represent the export base of the participating municipality (both in terms of products or services). Businesses that make up this export base may have chosen to locate in the community due to certain local or regional competitive advantages. These competitive advantages can be used to attract additional investment, in the same or complementary industries.

The industry concentration in Summerside relative to PEI reveals the highest concentration of labour in the following sectors in 2006:

- Manufacturing (LQ 1.43)
- Real estate and rental and leasing (LQ 1.42)
- Accommodation and food services (LQ 1.35)
- Mining and oil and gas extraction (LQ 1.31)
- Health care and social assistance (LQ 1.25)

The industry concentration in Summerside relative to Canada reveals the highest concentration of labour force in the following sectors in 2006:

- Public administration (LQ 2.04)
- Accommodation and food services (LQ 1.70)
- Agriculture (LQ 1.65)
- Retail trade (LQ 1.23)
- Health care and social assistance (LQ 1.16)

Manufacturing is the most concentrated industry in Summerside, and demonstrates that the City has an export orientation in this sector compared to PEI. Manufacturing benchmarked against Canada (LQ 1.09) demonstrates that Summerside also has a higher industry concentration. This may be attributed to the aerospace cluster in Summerside, among other advanced manufacturing activity.

The high LQ for accommodation and food services indicates that Summerside, when benchmarked against PEI (LQ 1.35) and Canada (LQ 1.70), has an industry concentration. In addition, Summerside demonstrates a high concentration of retail activity, when benchmarked against PEI (LQ 1.22) and Canada (LQ 1.23). This finding can be attributed to the tourism industry in Summerside and suggests that the City has the capacity to support growth in tourism.

When benchmarked against PEI and Canada, industries with low LQs included:

- Construction
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Professional, scientific and technical services
- Educational services
- Arts, entertainment and recreation and
- Other services.

These findings suggest that Summerside has low industry concentrations and are at a competitive disadvantage in these sectors. This is of concern considering the prospect of developing local knowledge-based and creative industries.

FIGURE 27: SUMMERSIDE LOCATION QUOTIENTS, 2006.

Summerside Location Quotients	PEI	Canada
11 Agriculture, Forestry, Fishing and Hunting	0.46	1.65
21 Mining and Oil and Gas Extraction	1.31	0.36
22 Utilities	1.17	0.66
23 Construction	0.69	0.60
31-33 Manufacturing	1.43	1.09
41 Wholesale Trade	1.13	0.50
44-45 Retail Trade	1.22	1.23
48-49 Transportation and Warehousing	0.73	0.42
51 Information and Cultural Industries	0.88	0.58
52 Finance and Insurance	0.99	0.40
53 Real Estate and Rental and Leasing	1.42	0.89
54 Professional, Scientific and Technical Services	0.76	0.44
55 Management of Companies and Enterprises	0.00	0.00
56 Administrative and Support, Waste Management and Remediation Services	1.11	1.14
61 Educational Services	0.80	0.76
62 Health Care and Social Assistance	1.25	1.16
71 Arts, Entertainment and Recreation	0.72	0.88
72 Accommodation and Food Services	1.35	1.70
81 Other Services (Except Public Administration)	0.83	0.87
91 Public Administration	1.00	2.04

Source: Derived from Statistics Canada (Census of Population, 2001&2006) by Millier Dickinson Blais Inc.

### 3.3 Business Characteristics

Statistics Canada's Canadian Business Pattern Data provides a record of the total number of local business establishments by industry and size. Sources of information are from the Statistics Canada survey program and the Business Number registration which is collected from the Canada Revenue Agency (CRA). The business data collected includes all local business which meets at least one of the three following criteria:

1. Have an employee workforce for which they submit payroll remittances to CRA; or
2. Have a minimum of \$30,000 in annual sales revenue; or
3. Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years.

The Canadian Business Patterns Data records business counts by "Total", "Indeterminate", and "Subtotal categories". The establishments in the "Indeterminate" category include the self-employed and cottage industries, (i.e. those who do not maintain an employee payroll, but may have a workforce consisting of contracted workers, family members or business owners). A review of the results provides an understanding of the business growth or decline by NAICS codes, the size of operations in terms of the number of employees and the historical performance of the sector over the period 2007 to 2010.

Figure 28 highlights the number of businesses in each industry category for the region. Of the 930 business establishments, the following industries had the largest concentrations of total businesses in 2010:

- Retail trade (126 establishments, 13.5% of the total)
- Other services (106 establishments, 11.4% of the total)
- Construction (96 establishments, 10.3% of the total)
- Real estate and rental and leasing (85 establishments, 9.1% of the total) and
- Professional, scientific and technical services (81 establishments, 8.7% of the total).

The concentrations changed slightly from December 2007 where health care and social assistance accounted for a larger concentration of businesses (73 establishments, 7.1% of the total) and professional, scientific and technical services accounted for a smaller concentration of businesses.

There are 352 firms classified as Indeterminate (37.8% of the total). The highest concentration of business in the indeterminate (i.e. self-employed) category was in the real estate and rental and leasing (49), construction (41) and professional, scientific and technical services industries (39).

When the indeterminate category is removed, the largest concentrations of firms with employees in 2010 were:

- Retail trade (103 establishments, 17.8% of firms with employees)
- Other services (75 establishments, 13.0% of firms with employees)
- Construction (55 establishments, 9.5% of firms with employees)
- Health care and social assistance (55 establishments, 9.5% of firms with employees).



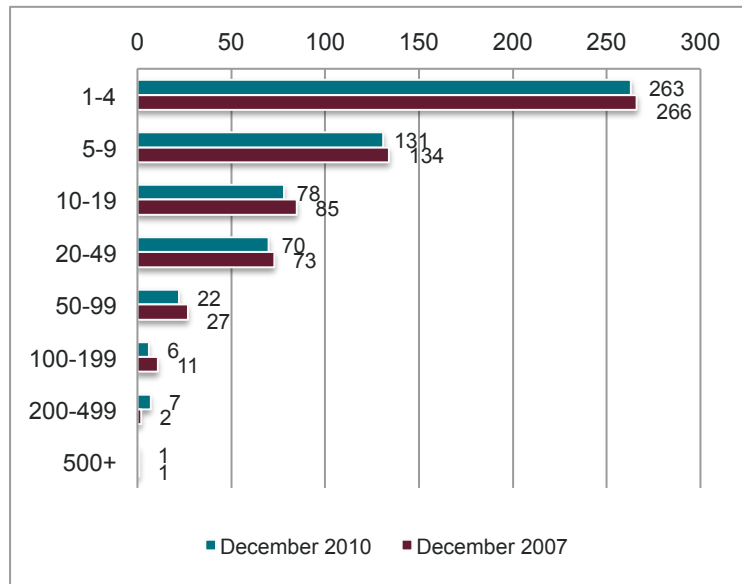
FIGURE 28: NUMBER OF BUSINESSES BY INDUSTRY, SUMMERSIDE, DECEMBER 2007 AND 2010

	December 2010			December 2007		
	Total	Indeterminate	Subtotal	Total	Indeterminate	Subtotal
Total Businesses	930	352	578	1,031	432	599
11 Agriculture, Forestry, Fishing and Hunting	47	25	22	53	28	25
21 Mining and Oil and Gas Extraction	0	0	0	0	0	0
22 Utilities	3	1	2	3	1	2
23 Construction	96	41	55	93	40	53
31-33 Manufacturing	25	4	21	36	11	25
41 Wholesale Trade	28	9	19	42	11	31
44-45 Retail Trade	126	23	103	158	45	113
48-49 Transportation and Warehousing	36	13	23	54	25	29
51 Information and Cultural Industries	9	2	7	6	1	5
52 Finance and Insurance	52	34	18	59	39	20
53 Real Estate and Rental and Leasing	85	49	36	94	61	33
54 Professional, Scientific and Technical Services	81	39	42	66	31	35
55 Management of Companies and Enterprises	38	33	5	45	39	6
56 Administrative and Support, Waste Management and Remediation Services	39	14	25	44	22	22
61 Educational Services	15	5	10	14	4	10
62 Health Care and Social Assistance	68	13	55	73	15	58
71 Arts, Entertainment and Recreation	15	4	11	20	7	13
72 Accommodation and Food Services	56	12	44	63	18	45
81 Other Services (Except Public Administration)	106	31	75	101	34	67
91 Public Administration	5	0	5	7	0	7

Source: Statistics Canada, Canadian Business Patterns Data, 2007 and 2010

Figure 29 provides more evidence of the importance of small business in the Summerside economy. Of the 578 business with employees, 263 (45.5%) have 1-4 employees and 131 (22.7%) have 5-9 employees in 2010. The remaining 184 businesses have more than 10 employees; many of these businesses have fewer than 50 employees. The business size proportions have remained consistent over the three year time period. When the labour force planning strategies are developed, consideration will need to be given to the ability of smaller employers to develop in house training programs and ensuring communication between training providers and small business operators.

FIGURE 29: SIZE OF BUSINESSES, SUMMERSIDE, DECEMBER 2007 AND 2010



Source: Statistics Canada, Canadian Business Patterns Data, 2007 and 2010

### 3.4 Summary of Indicators

The City of Summerside has experienced slow population growth in recent years. The population projections indicate slow rates of population growth over the next two decades. The population will continue to age as the older population groups make up a larger proportion of the population base. This trend should increase the demand for health care services. Added to the aging population is the City's difficulty in retaining youth and the young population as there are limited employment opportunities and many post-secondary education opportunities are located outside of the area. The lack of immediate access to post-secondary education is a contributing factor to a lower proportion of the population with post-secondary certification.

An assessment of the demographic characteristics reveals a very homogenous population that has lived in the area for a long period of time. Some people outside of this homogenous group may not be attracted to the area, which can challenge future competitiveness and economic growth.

The City of Summerside has a lower labour force participation rate and higher unemployment rate compared to Canada. This trend suggests that there is untapped potential in the labour force if employment opportunities are communicated to the population.

Many Summerside residents also work in the City, which demonstrates a strong live-work relationship. Added to this trend is the fact that the City serves as a regional employment centre. A larger labour pool is available regionally for businesses.

Common occupation classifications in Summerside are sales and service, business, finance and administration and the trades. Occupations in sales and service, business, finance and administration tend to be dominated by women and occupations in the trades tend to be dominated by men, which is a consistent trend compared to the rest of the Province and

Canada. Nearly half of the occupations are in the service class, which is considerably higher than PEI and Canada. Some of the common occupations are clerical, but many typically serve the tourism based economy such as food service attendants, retail salespersons, chefs and cooks. Typical serviced based industries such as retail trade and accommodation and food services have high resident labour force concentrations. The resident labour force in these industries has been consistently high over the previous decade. These two industries also benefit from the tourism economy.

The proportion of occupations in the creative class is trailing the rest of Canada. These creative class occupations tend to be higher paying than other classifications. Summerside may be challenged in attracting this type of labour force and respective businesses as there are few local opportunities for career advancement. Creative occupations include many professionals (e.g. register nurses) in health care. Summerside's higher resident labour force concentration compared to the Province and Canada along with a high number of businesses with employees indicates industry strength.

The proportion of the labour force in working class occupations is consistent to the Province and Canada. Common occupations are machine operators in manufacturing, mechanics, trades helpers and transportation equipment operators. The large business concentration in manufacturing suggests this industry is a large and important component of the economy. The food processing and aerospace industries are established in the area and a contributing factor to industry concentration. The proportion of occupations in the agricultural class is lower than the Province, but higher than Canada. These trends suggest a strong component of the labour force is engaged in manufacturing and agriculture-related occupations.

Based on these findings appropriate target sectors to help drive future local business and economic opportunities are in health care; agri-food, aerospace and tourism industries. These target sectors will be further explored in the following section by examining human infrastructure and land use/physical infrastructure. It is this form of infrastructure that provides the capacity for future economic growth in Summerside.

## 4 Infrastructure Assessment

This Infrastructure Assessment section explores the Province of Prince Edward Island's economic development objectives and the Summerside community's human, land use and physical infrastructure that can provide the capacity for advancing the provincial economy.

The major goals in the Province of Prince Edward Island's economic strategy *Island Prosperity – A Focus for Change* include:

- A nationally recognized centre of biotechnology excellence with 2,000 employees
- An information technology sector that will be recognized for its innovative capacity
- Continued cultivation of the province's thriving aerospace industry and
- Increased emphasis on environmentally-friendly energy sources.

The report explores the importance of the Province's innovative industries. They include:

- *Biosciences* – The potential exists to build a bio-science based value chain featuring high-value nutraceuticals and biopharmaceutical products based on unique Island bioresources, which include agriculture and fisheries products. The Island's bioscience firms have sales of over \$60 million. The strategy states that the cluster is focused in two areas:
  - Technologies and products related to bioactive compounds and their application to human, animal, and fish health, nutrition and bioproducts.
  - Bioproducts which convert biomass to value-added products related to energy, materials, non-food crops, and products for environmental remediation.
- *Information technology (IT)* – This industry is reliant on human skill and talent and employs people with professional and technical IT skills. The strategy states a key area of opportunity for the Province is interactive media and video game development.
- *Aerospace* – This industry has become one of the Province's largest industries, providing a diverse range of equipment repair, electronics, interiors and engineering services to clients. It was estimated that in 2007, aerospace sales totalled \$287 million and employed over 850 highly skilled people. Both the federal and provincial government is engaged in major industry projects, such as investigating how to increase the repair capacity of gas turbine components and developing erosion resistant coatings for gas turbine engines.
- *Other knowledge intensive sectors* – These sectors include the environmental industry, business support services and the creative industries. The environmental industry firms improve energy and process efficiency, practice sustainable resource management and carry out process monitoring and control. Business support services can include computer and data processing, accounting and bookkeeping, finance and insurance, management consulting, public relations, research and development and other related services. Creative industries include film, music, performing arts, new media, architecture, printing and publishing and related services.

Three other industries that will lead for prospering the Island's economy are as follows:

- *Energy industry* – Wind power has emerged as an opportunity for the Province. This industry must develop into skilled employment in research, management and technological fields.
- *Bioresource-based sector* – This sector has a long tradition for the Island's economy as it includes agriculture, food processing and fisheries. Federal and provincial policies have placed increasing priority on innovation, environmental sustainability, food quality, new product development and training. As these sectors move forward, the Province will help this industry evolve to a more sustainable model and link it to the bioscience sector.
- *Tourism industry* – The Province has major advantages that make its location unique, which include natural landscapes and beaches, heritage and a hospitable population. This industry is in a transition from a mass tourism short-season model to a higher-end, year-round model focused on authenticity and quality.

Service Canada's Regional Office in Charlottetown has completed analyses for the biosciences, information technology, aerospace and renewable energy sectors. In these analyses, related occupation types or occupations deemed employable are as follows:

- *Biosciences sector* - occupations include chemists, biologists, other professional engineers, chemical technologists and technicians and biological technologists and technicians.<sup>7</sup>
- *Information technology sector* – occupations include computer and information systems managers, electrical and electronics engineers, computer engineers, information systems analysts and consultants, database analysts, software engineers and designers, programmers & interactive media developers, web designers and developers, computer and network operators, user support technicians, systems testing technicians and graphic designers and illustrators.<sup>8</sup>
- *Aerospace sector* – occupations include aircraft mechanics, mechanical engineers, mechanics (auto, truck, bus), heavy-duty equipment mechanics, welders/machine operators and machinists.<sup>9</sup>
- *Renewable energy sector* – occupations include construction millwrights and industrial mechanics.<sup>10</sup>

The City of Summerside can take a lead role in advancing these Island industries and helping achieve the provincial economic goals. The following subsections provide an assessment of the human, land use and physical infrastructure of Summerside as it relates to the Province's leading industries.

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<sup>7</sup>*Bioscience in Prince Edward Island*, Service Canada's Regional Office in Charlottetown, March 2010.

<sup>8</sup>*Information Technology in Prince Edward Island*, Service Canada's Regional Office in Charlottetown, March 2010.

<sup>9</sup>*Aerospace Industry in Prince Edward Island*, Service Canada's Regional Office in Charlottetown, November 2009.

<sup>10</sup>*Wind Energy Development in Prince Edward Island*, Service Canada's Regional Office in Charlottetown, February 2010.

## 4.1 Human Infrastructure Assessment

For the purpose of assessing the human infrastructure, innovative industries and tourism industries related occupations were assessed as they will drive future labour force occupational growth.

**Innovative Industries Related Occupations** - There are an estimated 2,209 people (26.6% of all occupations) in Summerside that are employed in innovative-related industries (Figure 30). In the Summerside CMA, the number of people in these occupations grew modestly from 2,175 in 2001 to 2,225 (2.3%) in 2006. The largest concentrations of occupations in 2011 for the City are:

- Machine operators in manufacturing (257)
- Mechanics (232)
- Trades helpers construction and transportation labourers (214) and
- Transportation equipment operators and related workers, excluding labourers (198).

In the Summerside CMA, these four occupation classifications also had the largest concentrations from 2001 to 2006. However, the number of people employed in these occupations collectively decreased from 1,090 in 2001 to 1,020 in 2006, which suggests stagnant labour force occupational opportunities.

In the previous section, these four occupations were classified as Working Class. This finding suggests that the nature of the work in the innovative related industries in Summerside is technically and trades focused.

FIGURE 30: INNOVATIVE INDUSTRIES – RELATED OCCUPATIONS

Labour Force by Occupation	City of Summerside		Summerside CMA		
	2011	% of All Occupations	2006	2001	% Change in Occupation
All occupations	8,313		8,495	8,500	-0.1%
Innovative Industries - Related	<b>2,209</b>	<b>26.6%</b>	<b>2,225</b>	<b>2,175</b>	<b>2.3%</b>
<b>A0 Senior management occupations</b>	99	1.2%	75	90	-16.7%
<b>A1 Specialist managers</b>	95	1.1%	80	115	-30.4%
<b>B0 Professional occupations in business and finance</b>	149	1.8%	130	105	23.8%
<b>B1 Finance and insurance administration occupations</b>	106	1.3%	105	100	5.0%
<b>C0 Professional occupations in natural and applied sciences</b>	157	1.9%	175	150	16.7%
<b>C1 Technical occupations related to natural and applied sciences</b>	174	2.1%	105	80	31.3%
<b>F0 Professional occupations in art and culture</b>	51	0.6%	40	20	100.0%
<b>F1 Technical occupations in art, culture, recreation and sport</b>	73	0.9%	90	100	-10.0%
<b>H2 Stationary engineers, power station operators and electrical trades and telecommunications occupations</b>	98	1.2%	110	125	-12.0%
<b>H3 Machinists, metal forming, shaping and erecting occupations</b>	36	0.4%	35	35	0.0%
<b>H4 Mechanics</b>	232	2.8%	255	270	-5.6%
<b>H6 Heavy equipment and crane operators, including drillers</b>	86	1.0%	85	35	142.9%
<b>H7 Transportation equipment operators and related workers, excluding labourers</b>	198	2.4%	255	290	-12.1%
<b>H8 Trades helpers, construction and transportation labourers and related occupations</b>	214	2.6%	210	235	-10.6%
<b>J0 Supervisors in manufacturing</b>	74	0.9%	55	55	0.0%
<b>J1 Machine operators in manufacturing</b>	257	3.1%	300	295	1.7%
<b>J2 Assemblers in manufacturing</b>	110	1.3%	120	75	60.0%

Source: Derived from Statistics Canada (Census of Population, 2001&2006) by Millier Dickinson Blais Inc. and Manifold Data Mining Inc., 2011.

A further occupational assessment of the specific innovative industries of biosciences, information technology, aerospace and renewable energy was completed to determine the size of the local labour force. The sector size is based on the occupational types or occupations deemed employable. In 2006, it is estimated that for the Summerside CMA there were:

- no people in the biosciences industry's labour force
- 125 people in the information technology industry's labour force
- 100 people in the aerospace industry's labour force, 65 people are aircraft mechanics and
- 45 people in the renewable energy industry's labour force.<sup>11</sup>

**Tourism Industries – Related Occupations** – There are an estimated 2,242 people (27.0%) in labour force occupations that are in local tourism-related industries. Historically, the labour force has decreased (-3.7%) from 2001 to 2006. In 2011, the largest occupation concentrations are:

- Sales and service occupations, not elsewhere classified (n.e.c.) (779), which have a large component of people in food counter and kitchen helper occupations.
- Retail salespersons and sales clerks (351)
- Managers in retail trade, food and accommodation services (283).

These industries also have the largest concentrations in the Summerside CMA from 2001 to 2006.

FIGURE 31: TOURISM INDUSTRIES – RELATED OCCUPATIONS

Labour Force by Occupation	City of Summerside		Summerside CMA		
	2011	% of All Occupations	2006	2001	% Change in Occupation
All occupations	8,313		8,495	8,500	-0.1%
Tourism Industries - Related Occupations	2,242	27.0%	2,190	2,275	-3.7%
<b>A2 Managers in retail trade, food and accommodation services</b>	283	3.4%	270	325	-16.9%
<b>G0 Sales and service supervisors</b>	90	1.1%	115	95	21.1%
<b>G2 Retail salespersons and sales clerks</b>	351	4.2%	360	330	9.1%
<b>G3 Cashiers</b>	213	2.6%	250	175	42.9%
<b>G4 Chefs and cooks</b>	218	2.6%	205	140	46.4%
<b>G5 Occupations in food and beverage service</b>	207	2.5%	175	165	6.1%
<b>G7 Occupations in travel and accommodation, including attendants in recreation and sport</b>	100	1.2%	75	105	-28.6%
<b>G9 Sales and service occupations, n.e.c.</b>	779	9.4%	740	940	-21.3%

Source: Derived from Statistics Canada (Census of Population, 2001&2006) by Millier Dickinson Blais Inc. and Manifold Data Mining Inc., 2011.

<sup>11</sup> Statistics Canada, 2006 Census of Population, Catalogue no. 97-559-XCB2006011 (Summerside, Code110)



**All Other Occupations**— All of the other occupations account for 3,862 people (46.5%) in the City of Summerside's labour force. Historically, in the Summerside CMA the number of people in these occupations has grown only slightly (0.7%). There are large classifications of the labour force in clerical, teaching, social services and nursing occupations.

FIGURE 32: ALL OTHER OCCUPATIONS

Labour Force by Occupation	City of Summerside		Summerside CMA		
	2011	% of All Occupations	2006	2001	% Change in Occupation
All occupations	8,313		8,495	8,500	-0.1%
All Other Occupations	3,862	46.5%	4,080	4,050	0.7%

Source: Derived from Statistics Canada (Census of Population, 2001&2006) by Millier Dickinson Blais Inc. and Manifold Data Mining Inc., 2011.

## 4.2 Land Use and Physical Infrastructure Assessment

In order to determine the suitability of Summerside to meet the needs of existing and potential businesses, the project team undertook a review and assessment of general land use and physical infrastructure in the City in order to identify any potential constraints.

### 4.2.1 Land Use Infrastructure

In order to determine the City of Summerside's capacity to accommodate economic activity, industrial and commercial areas and policies need to be explored along with other land use policies that have employment uses.

**Industrial Areas** –The City's industrial areas total 440 acres and include all presently zoned industrial lands and additions to the Greenwood Drive Industrial area.<sup>12</sup> The City's Official Plan includes in the description of the City's industrial areas as two large areas located around Greenwood Drive and around Harvard Street. Other industrial areas include:

- St. Eleanors south of Highway No.2 and
- the ADL Amalgamated Dairies site south of Reads corner on Highway No.1A.

The Official Plan also references Slemon Park, which is located outside of the City's boundaries. Slemon Park is a 1,500 acre business park managed by Slemon Park Development Corporation. This park has an airport with two runways and hangars ranging in size from 25,000 to 300,000 square feet. Slemon Park has been transformed from a former air force base to an aerospace park housing industry tenants and facilities. This park has strengthened Summerside's competitive advantage for investment in the aerospace industry.

<sup>12</sup> City of Summerside Official Plan 1998 (Rev. 2006), Approved May 15, 2006, p.8-1

The City's intent of the industrial areas is "to promote a functional system of special purpose industrial areas which are suited to attracting quality industries in their respective market segments."<sup>13</sup>

There are three industrial zones in the City's Official Plan:

1. *Light industrial* – these uses include the manufacturing, processing and assembly of products, as well as heavy machinery and equipment sales and repairs and recycling depots.<sup>14</sup> The City Council's policy for light industrial is to promote appropriate industries as permitted uses along with supporting commercial uses.
2. *Marine industrial* – these uses include ship loading, boat and marine supplies and sales, and fish processing and commercial uses include restaurants, retail stores and farmers/fish markets.<sup>15</sup> In marine industrial zones, Council promotes marine-related industries as permitted uses together with certain permitted commercial uses that will enhance the attractiveness of the harbourfront for residents and visitors.
3. *Heavy Industrial* – these uses include bulk storage, fish and food processing, feed mills, construction plants and yards and scrap yards.<sup>16</sup> Council also promotes light industries and supporting commercial businesses in this zone.

The City also supports continued development of Slemon Park for aerospace and other high-tech industries.<sup>17</sup>

**Commercial Areas** – There are 548 acres of commercial lands designated in the General Land Use Plan. The amount of lands designated exceeds the projected commercial needs over the 15-year time period.<sup>18</sup> The City lays out in its Official Plan general policies for promoting a functional system of commercial areas and specific policies relating to the development of each area, each tailored to their respective target markets. The Official Plan makes reference to major commercial areas as the *Downtown*, *North Granville*, *Water Street East*, *Reads Corner* and *St. Eleanors Corner* areas and smaller commercial areas in the *West End* and *South Drive*.

The Official Plan lays out three commercial zones:

1. *Downtown Commercial* – This zone accommodates a mix of downtown uses including retail commercial, professional, business, cultural, entertainment and government.
2. *Service Commercial* – This zone accommodates small and medium size commercial uses which need road frontage for vehicular access and advertising exposure. Uses include strip malls, small supermarkets, retail and personal service stores, automobile sales and service operations, hardware stores, garden shops and tourism-related activities.
3. *Limited Commercial* – This zone accommodates small amounts of commercial uses in residential neighbourhoods.

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<sup>13</sup> Ibid.

<sup>14</sup> Ibid., p.8-3.

<sup>15</sup> Ibid. p.8-4.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid. p.8-6.

<sup>18</sup> Ibid. p. 7-1.

**Tourist Homes and Home Occupations** – The City’s Official Plan refers to tourist homes and home-based businesses. Through the planning policies, Council recognizes the value of these businesses to the tourism industries and knowledge-based economy by allowing home occupants to operate these types of businesses.

**Institutional Uses**– The Province’s community college system, Holland College, is located in institutional areas, the Downtown and commercial areas. Holland College offers a number of programs across the City and at Slemon Park. They include the following:

- Marine Centre – marine and fisheries industries
- Summerside Centre (Downtown) – variety of vocational programs
- Slemon Park Centre
  - School of Justice – Atlantic Policy Academy
  - Aircraft Maintenance
  - Construction and Carpentry.

The City of Summerside has the land use infrastructure in place to accommodate additional business attraction and investment, as demonstrated by the City’s land use policies and the large land use asset Slemon Park, located outside of the City’s boundaries.

## 4.2.2 Physical Infrastructure

The City of Summerside’s physical infrastructure requirements to attract business investment includes electric utilities, municipal services, telecommunications and regional transportation links.

**Electric Utilities** – The City received or will receive about \$21 million from other levels of government towards its \$30 million wind farm project.<sup>19</sup> The City received \$4.5 million from the federal government to complete the second phase of the Summerside wind farm development plan. This project will generate 6 megawatts of electrical wind power and will construct the associated infrastructure to deliver electricity to the City’s electrical grid. The farm will produce green, sustainable electricity for the City’s residents.<sup>20</sup> When the project is complete it will supply 27 percent of the City’s energy needs to more than 6,700 homes.<sup>21</sup> This infrastructure investment will reduce the City’s reliance on imported electricity and potentially put the Province’s electricity rates more in line with Nova Scotia and New Brunswick.

**Municipal Services (water, sewer, roads)** – All levels of government have invested in infrastructure projects in response to the economic downturn. Summerside has completed a number of infrastructure projects funded jointly by all levels of government through the Building Canada Fund and the Economic Stimulus Program. Over the past two years nearly

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<sup>19</sup>City of Summerside 2010 Budget, p.2.

<sup>20</sup> Canada’s Economic Action Plan, Accelerating Approval Processes for Building Canada Fund Major Projects,  
<http://www.actionplan.gc.ca/initiatives/eng/index.asp?mode=8&initiativeID=145&id=1190>,  
viewed on April 11<sup>th</sup>, 2011.

<sup>21</sup> Canada’s Economic Action Plan, A Sixth Report to Canadians, 2010, Government of Canada, p.94.

\$17 million was invested in Summerside's infrastructure, \$10 million came from the provincial and federal governments.<sup>22</sup> These funds have improved seven kilometres of street paving, 820 meters of storm drainage, 460 meters of new sewer mains and 840 meters of new water mains to Summerside's municipal infrastructure.<sup>23</sup> More specifically for 2011, the City has allotted \$2.3 million for street and storm sewer upgrades, over \$500,000 to rebuild a portion of Water Street and over \$1.5 million to rebuild a portion of downtown Water Street.<sup>24</sup>

A notable infrastructure project as it addresses the *2004 Strategic Plan* priority of preparing an east-west connector street plan is the \$1.4 million resurfacing project of major collector streets. This project includes rebuilding the surface infrastructure and resurfacing the road to improve vehicle flow throughout the city and reduce commuter traffic in the commercial district.<sup>25</sup>

**Telecommunications and IT Infrastructure** – Summerside provides a high-speed internet utility called Route 2, which is an integrated IP based fibre and wireless network that connects residents, businesses, schools, hospitals and other institutions within Summerside and the surrounding communities. Route 2 Wireless Broadband Service is available in 18 major access points in the communities of Prince Edward Island and provides High-Speed Broadband Internet Service within most of the western half of the province.<sup>26</sup> This telecommunications and IT infrastructure allows businesses to connect with suppliers and customers globally.

**Regional Transportation Links** – Summerside's regional transportation links (highway, air and sea) provide access to international markets. The key links are:

- The Confederation Bridge which connects the Island to New Brunswick.
- Summerside Airport, owned and operated by Slemon Park Corporation, services private, corporate, charter and military domestic and international flights.<sup>27</sup>
- The Port of Summerside which processes commercial goods such as fertilizer, root crops and gravel.

The City of Summerside has the physical infrastructure capacity to accommodate additional business investment and attraction. The City and other levels of government have invested heavily in wind energy and municipal services over the previous years. The telecommunications infrastructure along with the regional transportation links connects the City with international markets. All of these connections create internationally accessible customer and supplier markets for businesses in Summerside.

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<sup>22</sup>City of Summerside 2011 Budget, p.2.

<sup>23</sup>Ibid. p.1.

<sup>24</sup>Ibid. p.6.

<sup>25</sup> Canada's Economic Action Plan, A Fourth Report to Canadians, 2009, Government of Canada, p.77.

<sup>26</sup> City of Summerside Economic Development Office, Community Profile, 2010.

<sup>27</sup>Slemon Park Corporation, Summerside Airport, <http://www.slemonpark.com/departments/airport.cfm>, viewed on April 26<sup>th</sup>, 2010.

## 5 Community Consultations

Successful economic development must be firmly grounded in the unique and specific context of an individual community. "One size fits all" or "cookie-cutter" solutions are ineffective at best, and often counterproductive. Our project team worked to ensure that the project is based on new, innovative and community-specific directions, but also that it is informed by and connected to local knowledge, local experience and local realities. This was achieved through an extensive series of community and stakeholder consultation activities, including one-on-one interviews, online surveys and a series of focus group discussions facilitated by the Queen's Executive Decision Centre. In the sections below the findings of these stakeholder consultations will be described.

### 5.1 Stakeholder Interviews

In order to better understand the City's economic development efforts, as well as the challenges and opportunities facing business and investment growth and attraction in Summerside, a series of one-on-one stakeholder interviews have been conducted. This process has provided insight into a number of issues and will assist in the identification of key issues and opportunities upon which to base the Economic Development Strategy. The stakeholders interviewed included:

- Ainslea Cardinal, Director, Summerside Tax Center, Canada Revenue Agency
- Arnold Croken, Executive Director, Summerside Development Corporation
- Blake Doyle, President, Island Recruiting
- Bob Carbone, Proprietor, Worklinks
- Brad Mix, Senior Director, Prospecting & Innovation
- Brian Thompson, Director, Vector Atlantic
- Dave Perry, Dentist, Dr. David J. Perry Inc.
- Francis Theriault, Manager, Regional Francophone Services
- Kent Sheen, Program Manager, Holland College
- Kieran Keller, General Manager, Harbourfront Theatre
- Marcel Elliott, Leasing Agent, County Fair Mall
- Mark Coffin, Director, Tronos Canada Inc.
- Roberta MacDonald, Dean of Business, University of Prince Edward Island
- Ron Barrett, Manager, Century 21 Realty
- Shawn McCarvill, President, Slemon Park Corp.
- Tanya Wanamaker, Manager, County Fair Mall

The responses written in this section are purely the opinions and perceptions of the stakeholders consulted. This section seeks to highlight the ideas and thoughts of City residents on Summerside's strengths, challenges and opportunities. Following are the results of these consultations.

### **Question 1: What are the principal strengths/assets of Summerside?**

Participants suggested a number of factors that have made (and continue to make) Summerside a strong and vibrant community. The majority of the responses indicated the top factors were:

Facilities/Infrastructure: All of the respondents commented that the recreational facilities and infrastructure, particularly the Credit Union Place are a great asset to the city of Summerside. Many respondents also discussed the importance of Summerside's Port and waterfront as key assets of the community in terms of both increased tourism activity and logistically.

Growth: Many participants also highlighted the importance of Summerside as a regional hub and that the city is continuing to grow and attract new investment and development. Participants highlighted local government as a facilitator of this growth. Specific comments from respondents include:

- "It is a regional centre for half of the Province...it has a fair amount of economic development and government jobs"
- "There has been new development and growth that has benefited the city (particularly the Credit Union Place and wind turbines)"

### **Question #2: What are the greatest needs, challenges, weaknesses or concerns of Summerside and the surrounding area?**

Responses to this question were quite varied. There were a plethora of factors highlighted include: isolation, drug-related crime and infrastructure. However, the top factors highlighted are:

Lack of Population Growth: All of the respondents commented on the lack of population growth in the city and an aging demographic. Many participants commented that there is a lack of attraction of young people and families to the city.

Lack of Amenities: This lack of population growth has led to a lack of amenities; the most often cited was the lack of mid-priced restaurants in the city. Many respondents commented that due to the lack of a sufficient population base many retailers are weary of investing in the city. Specifically it was noted that this is the reason why many large-scale chains, including Target, are hesitant to invest in the city.

Land Use Planning: Another challenge highlighted by many respondents was the lack of clear land use planning throughout the city. Specific comments from respondents include:

- "There is industrial, mixed with commercial, mixed with residential. It doesn't seem to have order. Services are very scattered".
- "Summerside is spread out in a way that there is no feeling of a central area. Downtown core is very small, so everyone is in the outlying areas".

### **Question #3: When thinking about the tourism potential, what role does culture, history and art play in the future of Summerside? Are these assets being used to their full advantage?**

Many of the responses to this question were quite divergent. However, there was a general consensus among the participants that the City of Summerside is attempting to leverage

their cultural assets to increase the city's tourism potential. Many respondents noted that there is a lack of cultural facilities and activities in the city to leverage. Other respondents however, believe that there are many cultural assets within the City of Summerside but are not being promoted and utilized to their fullest potential.

It should also be noted that many respondents articulated that Charlottetown is a direct competitor in tourism promotion and investment. Many felt that Summerside simply does not have the assets and infrastructure in place to compete with Charlottetown in this market.

**Question #4: How would you describe the quality of life in Summerside?**

Every respondent surveyed highlighted that Summerside is a wonderful city to live in and has an excellent quality of life. It was agreed that housing prices within the city are comparable to those in the region and access to housing does not seem to be an issue. In terms of social service provisions and particularly health care many of the respondents highlighted the state of the art hospital in Summerside.

With that being said, a small number of respondents raised the "high" taxes (one respondent noted that they paid more in Summerside than they did in Halifax, although no data was offered to support these assertions), the "high" cost of social services and the lack of family physicians within the community.

**Question #5: What business opportunities/economic activities do you see as having particular potential in Summerside?**

Respondents were generally in consensus that there are gaps in the restaurant, accommodations and retail market where new business could capitalize on opportunities. It was also noted that the aerospace and IT sector have been growing in the city and the infrastructure needed for these sectors is available. Investment in these sectors was highlighted by many participants as the key to long term and sustainable growth in Summerside. The recent interest in wind energy and wind farms was also mentioned as a new and interesting sector in which firms capitalize on.

**Question #6: What kinds of businesses do you think would be most interested in Summerside as a place to operate from?**

The answers to this question generally agree with the answers to question #5 and the graph below summarizes the responses collected. Most respondents felt that the aerospace and IT sector are most interested in operating in Summerside and a few mentioned the new growth in the wind farms in the area.

**Question #7: Do you think local employers are having any difficulty finding appropriately skilled labour?**

In terms of the availability of appropriately skilled labour, respondents were typically divergent with some commenting on the lack of skilled labour particular in the trades and others saying that the problem is not a lack of workers but inability of firms to retain employees.

Participants were generally concerned with the level of 'brain drain' that their city has suffered, with many complaining that there is a notion that it is impossible to find good, well-paying work in the Maritimes. Many noted that this problem is more regional or provincial than local but that more could be done to help retain the employees in Summerside.

**Question #8: What do you hope will be different about Summerside in the next 10 years?**

Generally participants noted that downtown revitalization, continued waterfront development and attracting more amenities into the city were areas which they would like to see improved. Some noted the importance of building strong relationships between local and provincial leadership to enable more growth and development.

**Question #9: What do you hope will stay the same in Summerside over the next 10 years?**

Every respondent agreed that Summerside's quality of life and 'small town', 'down home' and 'friendly' feel should remain intact while also looking into the future and finding ways to innovate and grow.



## 5.2 On-line Consultations

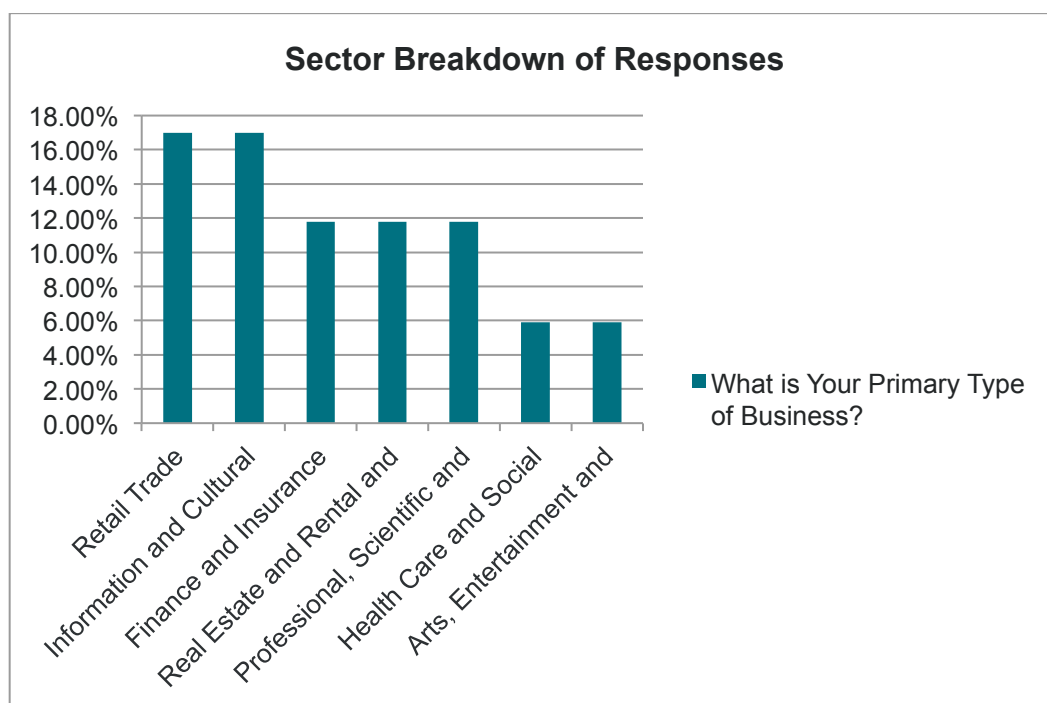
The one-on-one interviews described above were supplemented with an online survey of the Summerside business community. Using an online tool called Survey Monkey, the team solicited broad input on economic development issues from a wide range of businesses within key sectors.

The response rate to this exercise was solid, with a total of 21 businesses taking part. Below are the results of these on-line consultations.

### Question 1: What is Your Primary Type of Business?

The chart below describes the general breakdown, by sector, of the respondents surveyed, with retail and finance and insurance businesses making up 22% of the respondents polled respectively. Real estate, professional, technical and scientific, healthcare and arts and entertainment each make up 11% of the responses.

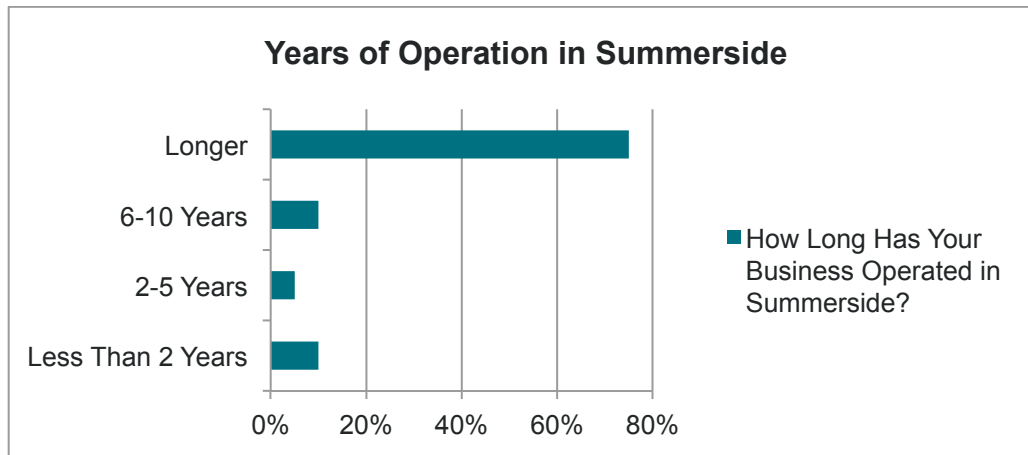
FIGURE 33: SECTOR BREAKDOWN OF RESPONSES



### Question 2: How Long Has Your Business Operated in Summerside?

In terms of the length of time that businesses have operated in Summerside, 70% of the respondents have operated their businesses for more than 10 years, suggesting that Summerside's business retention levels are high and that businesses are loyal to the local community. Another 20% of local businesses have been located in the City for 6-10 years and 10% of the respondents are new businesses, operating in the City for 2 years or less.

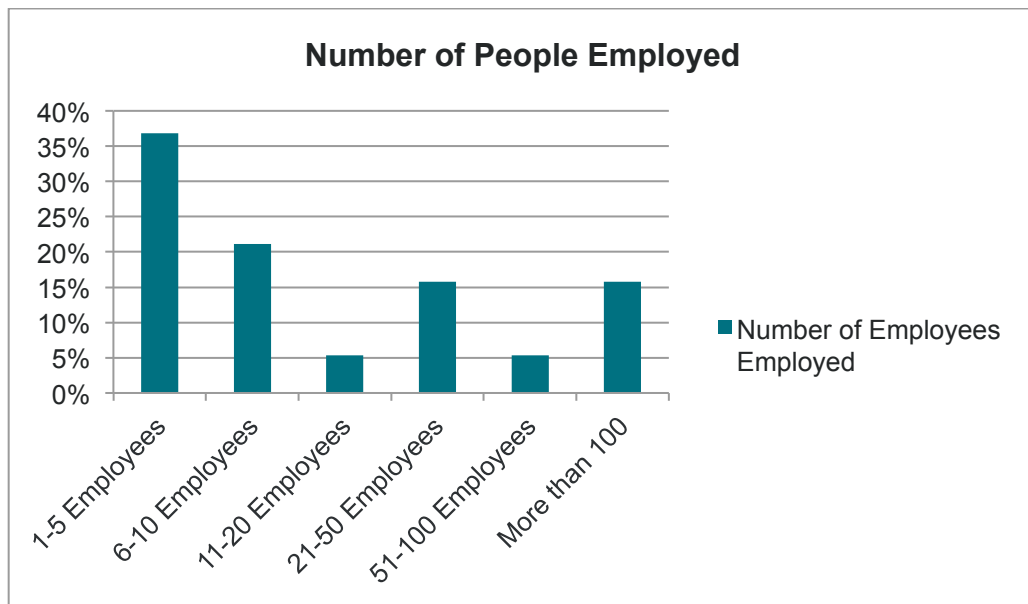
FIGURE 34: YEARS OF OPERATION IN SUMMERSIDE



### Question 3: How Many People do You Employ? (Fulltime or Fulltime Equivalent)

In terms of the number of people each of the respondent businesses employs it was seen that most of the businesses are quite small with 60% of the respondents commenting that they have 1-5 employees employed on a fulltime or fulltime equivalent basis in their business. Another 20% of the respondents employ 6-10 employees.

FIGURE 35: NUMBER OF PEOPLE EMPLOYED

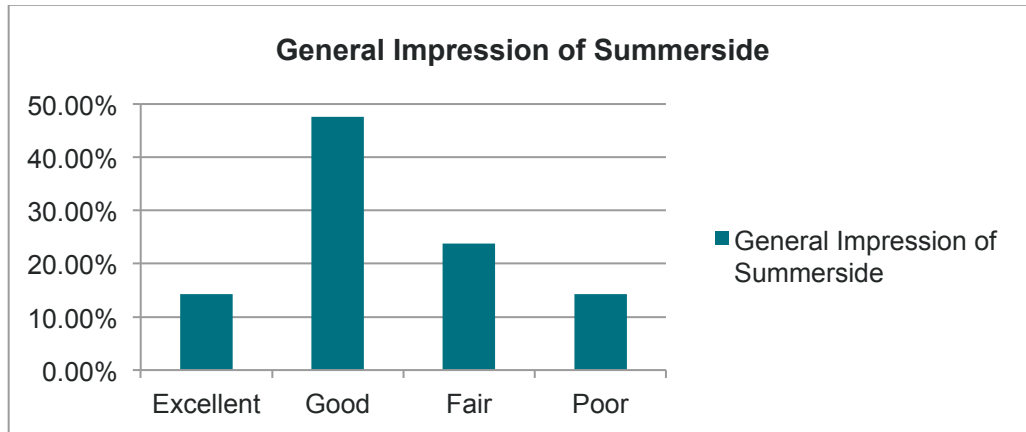


### Question 4: What is Your General Impression of Summerside as a Place to do Business?

Overall, the general impression of the City of Summerside as a place to do business was good with around 55% of respondents choosing this option. Another 38% of the respondents

noted that Summerside is a fair or poor place in which to conduct business suggesting there are opportunities for the City to improve upon.

FIGURE 36: GENERAL IMPRESSION OF SUMMERSIDE



**Question 5: Using a scale from 0 to 10 where 0 is "not at all important" and 10 is "very important", please rate the following criteria to indicate the level of importance each one has in ensuring the GROWTH of your business.**

Respondents were asked to rank a number of key criteria related to the growth of business in Summerside. The table below highlights these key criteria and the average rating each of the criteria received.

FIGURE 37: CRITERIA FOR ENSURING THE GROWTH OF BUSINESS IN SUMMERSIDE

Criteria for Ensuring the GROWTH of Business in Summerside	Average Rating
Availability of land or buildings (e.g. office, retail, industrial)	6.3 out of 10
Availability of skilled and semi-skilled workforce	8.6 out of 10
Access to quality post-secondary education, skills development and training	8 out of 10
Availability and quality of high-speed telecommunications	9.9 out of 10
Affordable energy costs	9 out of 10
Access to business services	8.7 out of 10
Access to financing	7.5 out of 10
Efficient development environment	8.1 out of 10
Proximity to supply and/or market chains	6.4 out of 10
Access to municipal servicing and transportation infrastructure	7.7 out of 10

**Question 6: Using a scale of 0 to 10 where 0 is "not at all satisfied" and 10 is "very satisfied", please rate each criterion to indicate the level of your satisfaction with the City of Summerside as a place to OPERATE a business.**

FIGURE 38: CRITERIA FOR SATISFACTION OF OPERATING A BUSINESS

Criteria for Satisfaction of OPERATING a Business	Average Rating
Availability of land or buildings (e.g. office, retail, industrial)	7.8 out of 10
Availability of skilled and semi-skilled workforce	6.5 out of 10
Access to quality post-secondary education, skills development and training	6.1 out of 10
Availability and quality of high-speed telecommunications	8.3 out of 10
Presence of post-secondary institutions	5.4 out of 10
Marketing of Summerside to a prospective workforce	6 out of 10
Promotion of Summerside to prospective business community and investors	5.9 out of 10
A vibrant and diverse arts and cultural community	5.7 out of 10
Competitive wage rate	7.4 out of 10
Affordable energy costs	6.5 out of 10
Affordable and efficient waste management	7.5 out of 10
Availability of affordable housing options	8.1 out of 10
Access to business services	8.1 out of 10
Access to financing	8.1 out of 10
Availability of economic development services	6.8 out of 10
Low cost facilities in which to start-up businesses	7.7 out of 10
Efficient development environment	7 out of 10
Quality of lifestyle factors such as health care, housing, shopping, and restaurants, schools, parks and recreation	8.2 out of 10
Proximity to supply and/or market chains	7.3 out of 10
Access to highway transportation and infrastructure	7.8 out of 10
Access to municipal services infrastructure	8.8 out of 10

**Question 7: The Provincial government has highlighted the aerospace and e-health sector as target sectors for the City of Summerside. What growth opportunities do you see related to or in these sectors?**

Many of the business respondents noted that the Province needs to further support the integration of e-health services into their health care delivery model. Other respondents commented that Holland College and the University of Prince Edward Island should be collaborated with in order to expand the size of Summerside's workforce that are skilled in these areas. Research linking the agricultural sector and human health was highlighted throughout the survey as a key potential strength for the community.

**Question 8: What distinctive assets or advantages does Summerside have on which to build a strong economy?**

All of the respondents agreed that Summerside's quality of life is a significant advantage to the community. They typically acknowledged the opportunity that the Port and waterfront play in the future economic development of Summerside. It was also noted that the telecommunications, workforce and renewable energy infrastructure of the City is strong and robust and will be a strong advantage going forward.

**Question 9: What opportunities are there to strengthen Summerside and the region's economy?**

All of the respondents were in agreement that it is vitally important for the City of Summerside to attract and retain a qualified and skilled labour force in order to facilitate greater growth in the City. Many of the respondents noted that strengthening ties with Holland College and even attracting a satellite campus to a regional University including UPEI. Respondents also highlighted the need to attract attention to Summerside's waterfront and cultural assets in order to build pride and strategic advantage as a regional hub. It was also highlighted that the City needs to create incentives for both of the growth of existing business and the attraction of new business to the area. Tax incentive programs were highlighted as well as increased availability of services.

**Question 10: What challenges will impact the growth of the local economy?**

Many of the respondents focused on the need for the Province to provide adequate support to the City of Summerside and the surrounding rural areas. Many people noted that although the City has diversified the economy there is a need to improve the economic realities of the surrounding area in order to continue the prosperity of the City. Some respondents were also concerned in the high cost of living in Summerside and the generally low wages.

## 5.3 Focus Group Sessions

In order to best understand the perspectives of the local stakeholders, the City of Summerside hosted a series of community consultations on April 11-12, 2011. The purpose of these sessions was to solicit input from key stakeholders on the type of community envisioned, challenges facing the City of Summerside and what strengths, trends and opportunities can advance the economic prosperity for the area. Participants were encouraged to share their perspectives and vision as a means of informing and crafting a plan that would guide economic activities for the next three to five years.

To encourage maximum participation and to facilitate efficient use of time, the Queens University – Executive Decision Making Centre was utilized. This model utilizes technology, providing each participant with a laptop on which they can respond to the questions being posed by the facilitator. Responses were instantly displayed for viewing by all, sorted and prioritized through a voting exercise. The results were presented as common themes and priorities, and further flushed out into specific actions. This method of action planning supports participant involvement and generates discussion and dialogue.

### 5.3.1 The Process

Four successive two-hour sessions were scheduled over morning, afternoon and evening time slots during the two days, providing flexible options which respected peoples busy schedules. Three of the four sessions were delivered, with the evening session being cancelled due to low participation. However, those individuals who had confirmed for this time slot were provided the opportunity to attend the next session.

### 5.3.2 The Participants

A total of 121 local stakeholders, business owners, intermediaries, government and education representatives were invited to participate in these sessions. A total of 31 individuals attended, resulting in a 25% participation rate being achieved.

Sector representation spanned government, education, intermediary groups (community-based organizations), businesses and business-serving agencies. A complete listing of participants can be found in Appendix B.

### 5.3.3 Overarching Themes:

There were several overarching themes which emerged throughout the focus group discussions. These have been presented below.

#### **Key areas for focus:**

In general, participants identified the following areas of focus which were given relevant importance across all three groups:

1. Collaborative, inclusive, transparent approach to economic development that is built on our strengths/competitive advantage
2. Improved stakeholder communications
3. Common vision driving investment, resources, policy and decision making
4. Key sector/cluster development – aligned with provincial priorities to maximize resources
5. Establish a welcoming community from a business and population perspective
6. Strengthen labour force – through attraction, retention, and training/education access
7. Promote the quality of life as an attraction/retention tool

#### **Key challenges:**

The key issue highlighted throughout the focus group sessions was the 'chicken and egg' dilemma in terms of its labour force. The City of Summerside faces low population growth, further impacted by the out-migration of individuals seeking higher post-secondary education. These individuals tend to seek post-secondary in communities where universities exist, in

many cases outside of PEI. This increases the challenge of repatriation as many do not return upon graduation, in part due to the lack of suitable employment. Immigration is also low. Given that the net labour force growth is projected to be 100% dependent on immigration. The City of Summerside is faced with the need to strengthen its ability to attract newcomers to the area. The population is also aging.

Below is a list of other key challenges the City of Summerside is facing.

- High development costs
- Infrastructure – state of the art buildings, developed lands
- Seasonal challenges

#### **Key opportunities (1-2 years)**

Generally, participants identified the following opportunities of the City of Summerside which were given relevant importance across all three groups:

- Building a green agenda
- Creating clusters, building on existing business linkages
- E-health – Atlantic Canada's e-health hub
- Aerospace – build on what exists
- Downtown revitalization
- Creating targeted training/education programs to support business investment/expansion
- cross sector coordination - working together
- "Open for business" environment

#### **Role for Economic Development Staff:**

Discussion around the role for the City of Summerside, Economic Development team reflected on the resource limitations from both a financial and human resource perspective. An economic development strategy serves as a road map for the community, positioning staff to take an active and direct role from both an implementation and a monitoring perspective. The focus groups examined actions from an implementation perspective and identified specific areas where they felt that the economic development staff would take a leadership role or a supportive role. As the actions are more clearly articulated, consideration to which role is best aligned with the economic development function will be clarified.

The groups were presented with a series of three questions which guided the discussion and maximized the dialogue. The following section will present the combined responses for each question. A more detailed presentation of responses can be found in Appendix A.

#### **Question #1: What are Summerside's assets and strengths as they relate to local business (or the local economy)?**

There were a variety of responses given in the three focus groups to this particular question. The waterfront is seen as a key asset to the City of Summerside as was the tourism potential of the City and the arts and culture community. The City's ownership of its own electrical utility company that generates 45% of the energy was also seen as a key asset and strength. Participants highlights that Summerside has excellent core facilities such as: police, fire, health care facilities and recreational facilities. It also has reliable IT infrastructure and is in close proximity to many key transportation infrastructure including: the Confederation Bridge,

the TransCanada Highway, the airfield and the port. Participants widely affirmed that the City of Summerside has an excellent quality of life, is safe, and has a strong potential to grow.

Below is a list of other key responses received through the focus groups session to this question.

- Slemon Park Aerospace
- Quick access to decision makers at all levels of government
- Close to largest francophone population on island
- Stable local workforce (low attrition and turnover; loyal)
- Adult education core: Marine Center, Atlantic Police Academy, and Aerospace Center
- Small City- adaptable to challenges
- One of the best equine centers in eastern Canada
- Holman Centre
- Local infrastructure in great shape (roads, sewers, hard stuff)
- State of the art waste treatment facility
- Insightful and responsive city council and administrators
- Green Infrastructure ... clean power, wind farm, smart metering
- Summerside tax centre
- Health Care infrastructure e.g. Prince County Hospital
- IT health sector
- Small Businesses: # entrepreneurs, spirit, diversity
- Strong service clubs
- Welcoming School system - English and French
- Natural resources (fishing, farming, etc.)
- Downtown vacant land base for core development opportunities
- Non-competitive work environment
- Large government presence- GST Center, Department of Education, Health Jobs

**Question #2: What are Summerside's barriers and challenges as they relate to local business?**

There are also a variety of responses provided by participants to this question. Many of the participants noted that the approach to development is uncoordinated - with many groups working in different and often disparate directions. This lack of coordination was also highlighted in the absence of a long term growth strategy and a development policy that has become stagnant instead of evolving and promoting development. Many respondents also commented that there is a lack of development incentives, and that taxes, energy and development costs are quite high. It was also noted that the community is resistant to change, that there were many within the community that want to protect the status quo and that the community is seen as unwelcoming to newcomers. Another key barrier to local business that participants acknowledged was the stagnant, aging and declining population base of the city.



Below is a list of other key responses that were touched upon during the focus group sessions.

- Lack of quality office and commercial space
- Lack of post-secondary education institutions, training and learning options
- Seasonality of tourism industry
- In the shadow of Charlottetown
- Provinces negativity to Summerside and passion to centralize all
- Transparency of city admin/Council in past (need for open communication)
- Access to financial capital
- Lack of entrepreneurship from community
- Youth retention
- Unwillingness to embrace island/region assets
- Resistance to change
- Do not promote bilingual services enough
- Lack of downtown capitalists (many businesses not locally owned)
- City controversy - legal battles
- Time/resource challenges: JIT operations approach
- Stressed relationship with Slemon Park admin
- Possibly too much focus for development in West end
- City Cleanliness
- Need more of a partnership attitude with all levels of gov't
- Comparably small skilled work force
- No commercial airport
- Dependence on traditional industries (farming/fishing)
- Dispersed locations - uptown, downtown
- Being an Island... transportation costs ... Distance from strong sustainable markets (costly to get to and from)

**Question #3: Where are the growth opportunities for local business (or the local economy)?**

Many of the participants highlighted the need to develop key clusters of industry; that the City should look to attract companies within a particular sector to create synergy among the companies and market Summerside as a center of excellence within that sector. Sectors highlighted include: e-health, aerospace, green energy, tourism and bio-science sectors. Many respondents agreed that it is vitally important to the growth of Summerside that the population continue to seek educational opportunities and continue to become a highly skilled workforce. The development of a youth business program was also discussed as was the attraction of educational facilities to the City. Many respondents also highlighted the need for the City of Summerside to provide greater development incentives to attract business and investment. It was repeatedly suggested that a business park and more industrial land is needed to attract business to the area.

- Downtown core revitalization
- Sell the positives that we do better to community to elevate perception of City
- Create a strategic Master Plan for the City

- Slemon Park and the Holman Centre are 2 great assets -take full advantage
- Build on the creative class - knowledge economy, arts & cultural component
- Build education cluster with a science/IT component
- City needs a 'cleaner image' with less controversy in public's eye
- More responsive hours of operation (business hours)
- Settlement strategy. repatriation-invite back home
- Institute a strong immigration plan
- Develop off season tourism - more festivals and events ...Eco-tourism
- Full service fly in commuter aircraft repair centre
- Develop the commercial cargo use of airport
- Consider Elliott Lake model: PEI as retirement destination
- Eastern Canadian sporting centre
- Expand into international markets
- Redevelopment /use our waterfront
- Expand the hospital to include a coop with Dalhousie
- Work with local companies to develop a succession plan (for retiring owners)
- Consider utilizing authorities better - port / airport
- Define Summerside's Economic Focus for the next 20 years, e.g. the differentiator from Charlottetown, from other Maritime Cities
- Further investment and partnerships between corporations and cultural organizations/ initiatives

## 6 Defining a Strategic Direction

In creating an the economic development strategy for Summerside, identifying growth sectors as areas of focus for investment is an important step in providing strategic direction for a community. While the identification of these target sectors is crucial to the plan, focusing on these sectors by themselves can limit a community's competitive advantage. The City's economic development efforts must also be aligned with the City's other strategic planning documents (discussed previously) and the Province of Prince Edward Island's development efforts if the strategy is to be sound.

### 6.1 Determining Competitive Advantage

In looking at Summerside's competitive advantages, Millier Dickinson Blais has developed a model used to determine competitive advantage, which examines industry sectors of convergence and is rooted in the economic development notion of "cluster development". Cluster development is the idea that businesses group together in nodes of concentration and that these nodes arise where resources are "thickest" – that is, where concentrations of talent, infrastructure, financial capital, etc. are present and available to participants within the cluster.

Economic development practitioners have long embraced the concept of cluster development as a key component of their strategic activities. Introduced by Harvard University's Michael Porter, cluster theory describes the interactions of concentrations of interconnected businesses, suppliers and associated institutions within particular sectors of business and industry. Clusters may be defined in four ways:

- Geographically (i.e. interactions within a specific region)
- Horizontally (i.e. interactions between businesses to share resources)
- Vertically (i.e. interactions based on supply chain management)
- Sectorally (i.e. interactions between businesses in a given business field)

Initially, the term "cluster" was applied only to large and significantly resourced industry concentrations, particularly the world-renowned locations such as Silicon Valley for ICT or Zurich for pharmaceuticals. More recently, economic development practitioners have taken to employing the concept in a less grand sense, and more as a "short hand" for explaining the potential to grow local economies by building on areas of concentration and interconnectedness within their own community. In addition, economic development practitioners want to foster growth by nurturing an entrepreneurial and innovative business environment. This interconnected and entrepreneurial environment creates a 'thickness' of opportunities as it is supported by human and financial capital.

Most communities will have several business sectors where this "thickness" is particularly evident, where a concentration of business ventures, community organizations and institutional structures overlap in their areas of focus and expertise. These are often referred to as areas of local competitive advantage, and form the basis of strategic targeting exercises in economic development activity. From this perspective, each time an additional cluster is identified, the community's competitive advantage or value proposition for a certain segment

of potential investors is strengthened. However, industry sector clusters in and of themselves may not be sufficient to differentiate the local economy or to provide an area of competitive advantage for communities in their economic development efforts. The key questions then become:

- How can the City of Summerside identify a unique value proposition amongst competitors who may have similar concentrations of activity or investment targets?
- How can Summerside differentiate itself from competitors and – over time – begin to enhance its competitive advantage over other communities?

The answer to these questions is found through understanding the interactions between a community's clusters. The notion of 'convergence' may provide the City with the opportunity to leverage industry cluster assets in a unique way, carving out a competitive advantage of Summerside.

For example, the City of Summerside may have a genuinely strong case to make for investment in agriculture given the high level of concentration of activity in this sector provincially. However, communities across the Maritimes may be able to make similar claims. Summerside's value proposition should seek to differentiate the community by identifying aspects of its business environment that are unique. The intersection of Summerside's agricultural sector with manufacturing and transportation and logistics create a compelling "sweet spot" of transportation manufacturing food systems. Additionally, many communities have a strong health care sector and many others have a strong ICT sector. However, far fewer have strength in both sectors – again differentiating Summerside from other communities.

This approach to the value proposition allows communities to identify those specific areas of strength that are complimentary to each other, and thus identify the point or points at which the community has a regional, national or global competitive advantage. These advantages may then form a key part of the larger value proposition that may be used to attract external investment to the community, or to anchor increased internal investment.

## 6.2 Sector Convergence in Summerside

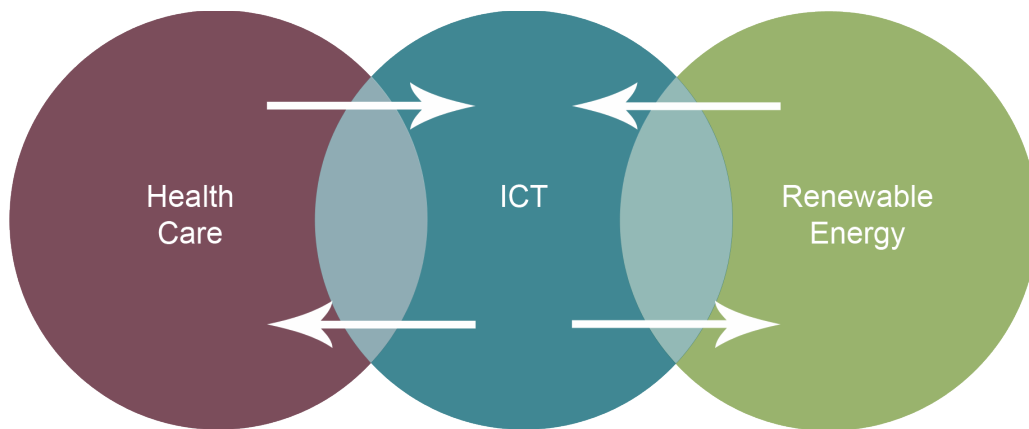
At a practical level, this approach suggests that Summerside's area of greatest competitive advantage lies in activities that incorporate multiple elements of activity from different cluster strengths. This "convergence" of industry sectors concentrated in the city differentiates and leverages the unique economic and community assets in Summerside. Such concentrations of assets represent areas of activity where industrial, commercial, community and institutional strengths may be leveraged to present a truly compelling case for investment attraction.

The relationships between clusters in Summerside are visually represented in the following graphic. The City of Summerside has two areas of significant potential, the first in Health IT and emerging knowledge-based industries and the second in Transportation, Manufacturing and Food Systems. As the model presented here suggests, each circle represents an area of local strength. Where two circles overlap, the region has an area of competitive advantage at a regional or national level. Where three circles overlap, the advantage is significant enough to position the region as a leading destination for investment.

Summerside's target sectors are largely driven by the Province of Prince Edward Island and in alignment with the *Island Prosperity: A Focus for Change* strategy. The Province acknowledges that the economy is shifting globally, resulting in significant local economic change and opportunity. The Province is inclined to compete in an economy focused on innovative industries such as: Biosciences, Information Communications Technology, Aerospace and Renewable Energy.

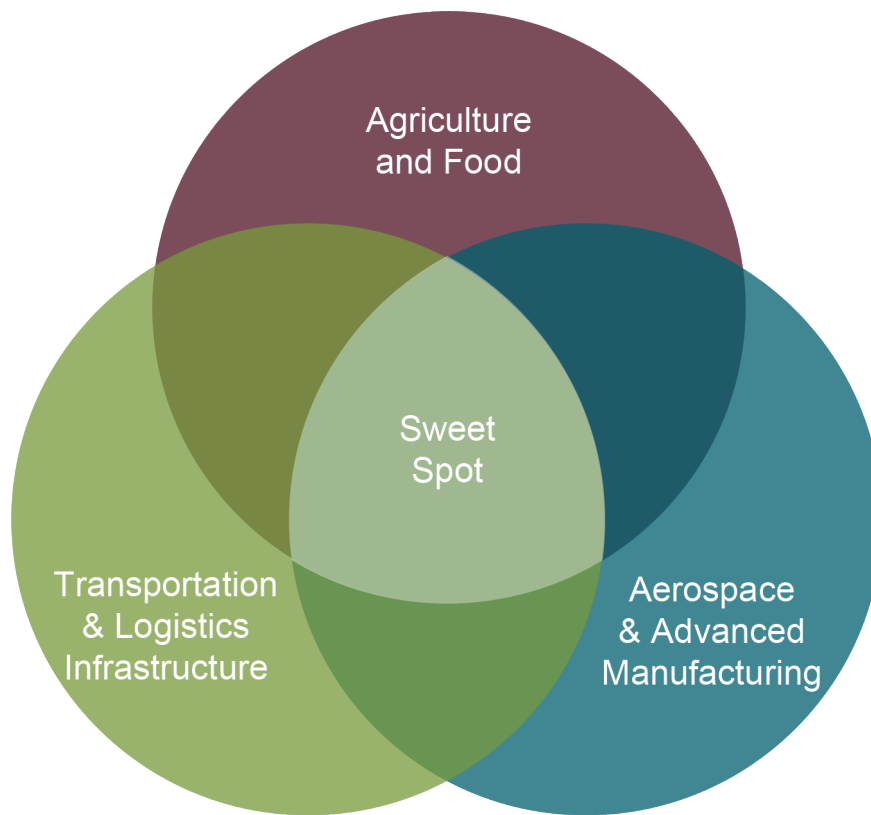
The Island Prosperity report suggests that the Government of PEI is driving investment in the emerging industries related to health IT and green energy. This is a significant opportunity for Summerside to position itself at the nexus of these emerging and transecting fields. The province's focus on building the Information Communications Technology industry is playing a larger role in enhancing the competitiveness of sectors such as manufacturing and health and renewable energy has become a significant Island focus with the completion of the 2008 *Island Wind Energy Securing our Future: The 10 Point Plan*, which sets out the Province's ambitions of growing wind energy to 500 MW by 2013, powering 200,000 homes and significantly reducing dependency on external power sources and fossil fuels. Underlying efforts in these industries is PEI's effort to grow other knowledge intensive sectors, specifically focussed on business support services and the creative industries – film, music, visual and performing arts, new media, communications, printing and publishing.

FIGURE 39: THE EMERGING KNOWLEDGE BASED INDUSTRY SECTOR



In addition, by utilizing Summerside's advanced transportation infrastructure, its well-developed food systems/agricultural economic base and combining this with its aerospace industry provides a clear opportunity to create synergy and development in the City of Summerside. Aerospace is one of Canada's leading industries and Prince Edward Island is encouraging growth and development of this industry on the island. Summerside is well positioned to be a leader in driving investment in this industry through the significant assets in the city. Prince Edward Island is also well positioned within the agriculture sector to develop more advanced food processing and research and development intensive processes which could create opportunities in both the aerospace and transportation industry. With the City's significant built infrastructure this allows for an intersection of these important sectors and the creation of synergy, growth and development.

FIGURE 40: THE TRANSPORTATION MANUFACTURING FOOD SYSTEMS SWEET SPOT



In addition, Summerside's target sectors and clusters of activity are reinforced by the economic base analysis and the infrastructure (human and physical) assessment previously discussed. Sectors with high labour force concentrations were identified and include manufacturing (specifically aerospace), health care and social assistance and retail trade sectors coupled with a small but growing professional, scientific and technical services sector. This statistical data reinforces Summerside's alignment with PEI's industry sector goals – yet there are a number of specific assets that set Summerside apart from other communities in PEI, creating an opportunity to drive investment and promote economic growth.

A number of large community, institutional and economic assets in Summerside that support the various industry sectors in the region and can be leveraged for continued economic growth. These assets include:

- Slemon Park Aerospace & Industrial Technology Centre, which supports the aerospace industry
- Prince County Hospital, the second largest hospital in PEI and the senior homes
- the Holman Technology Centre, which houses a number of health IT related businesses
- the Summerside Wind Farm and the emerging Smart Grid Technology that is being implemented by Summerside Electric, added benefits for the emerging knowledge based industries
- Holland College's Wind Turbine Technician program, which directly supports the growth of the Province's vision for a strong renewable energy sector.

- the fibre and wireless telecommunications network and
- the Summerside Port and Confederation Bridge, moving people and products.

Another key asset in Summerside is Holland College, while the College has limited programming; it currently operates the state of the art aerospace training centre and marine training centre.

There are a number of national and international companies with operations in Summerside in a diversity of sectors (manufacturing, Health IT, food systems) which can facilitate and support business attraction, retention and expansion. This combination of assets and businesses has led to the identification of sectors of convergence, which differentiate Summerside from other communities in PEI and Canada. The following sweet spot models illustrate the areas of convergence in Summerside.

Moving forward, the economic development strategy needs to provide direction in areas where the City can collaborate with stakeholders in converging industries and leverage the local assets and business concentrations. In addition, the strategy needs to provide direction for the City to communicate Summerside's successes and importance to the Provincial and national economy.

# 7 Mapping Summerside's Targets

## 7.1 Transportation/Manufacturing/Food Systems Convergence

At this point, two economic sectors have emerged that offer some opportunity for Summerside moving forwards: advanced manufacturing-aerospace, and agriculture and food. Both sectors are well established in Summerside, and have specific infrastructure and workforces to support their continued development. Underlying these sector strengths is a collection of sophisticated transportation assets within the City and in close proximity to the City. These assets provide Summerside with access to major markets in eastern Canada, but also markets across the Northeastern U.S.

At the convergence of these sector-based and infrastructure assets is the transportation manufacturing and food systems sector. The sector is concerned with both the types of products that businesses in Summerside make, but also the ways in which those products are moved. The latter is especially critical given that food and agricultural products are time-sensitive, and require more sophisticated processes for tracing their movements.

The food and agricultural sector includes elements of the agriculture, forestry, fishing, and hunting sector and the manufacturing sector, as defined by NAICS code. The sector includes the following elements:

- Agriculture
  - Crop Production – oilseeds, grains, vegetables, greenhouses
  - Animal production – livestock and aquaculture
  - Support activities for animal and crop production
- Manufacturing
  - Food manufacturing and processing
  - Beverage and tobacco product manufacturing

The advanced manufacturing-aerospace sector contains a number of elements of the manufacturing sector, as defined by NAICS:

- Manufacturing
  - Chemicals
  - Plastics and rubber
  - Machinery (Agricultural, industrial, commercial)
  - Computer and electronic product
  - Electrical equipment, appliance and components
  - Transportation equipment (road, rail, marine, aerospace, pipeline)

Understanding the composition of these sectors and the infrastructure strengths that the City has access to, some conclusions can be made about the types of industries that the City might support at the intersection of these industries. In part, this will be based on the following:

- The area has a strength in frozen food manufacturing drawing on the agricultural output in the area; namely potatoes but also dairy



- There is land and space available in close proximity to Summerside Airport, which has played a role in the development of aerospace manufacturing companies in the area
- The presence of aerospace manufacturing companies has encouraged the development of a workforce skilled in advanced manufacturing
- Existing agriculture and food processing has encouraged the development of specialty food distribution and general/specialty transportation and warehousing industries.

More specifically, there may be a number of opportunities within the transportation manufacturing and food systems sector at the convergence of these strengths:

- Advanced manufacturing focused on food systems goods movement, such as the manufacture of specialized transportation equipment
- Transportation, logistics, and distribution businesses focused on specialty agricultural goods and processed foods (air, sea, and land), supported by advanced technologies (i.e. automation)
- Advanced materials and fuels for the transportation sector based on renewable agriculture inputs and residues, such as biocomposites and biofuels

### 7.1.1 Industry Trends

To develop a comprehensive understanding of the transportation manufacturing and food systems sector this section will highlight important industry trends in both the Agriculture and Manufacturing sector, while also discussing trends of convergence.

#### 7.1.1.1 Food Systems

The Canadian food and beverage industry is the 4<sup>th</sup> largest exporter of agri-food products in the world, and the sector accounts for 9% of Canada's GDP and 20% of the Country's trade surplus. Overall, one in seven jobs across the country are within the food and beverage sector. The Industry is a key driver of the Canadian economy.

**Global Commodity Markets and the Increased Costs of Inputs** - Agriculture has experienced a number of severe shocks in recent years with record high oil prices, commodity price spikes, food security fears and resultant trade restrictions, not to mention the global economic recession<sup>28</sup>. With that being said the agricultural sector has shown remarkable resilience<sup>29</sup>, particularly in North America. Average crop prices over the next ten years are projected to be above the levels of the decade prior to the 2007/08 peaks, in both nominal and real terms (adjusted for inflation),<sup>30</sup> with grain and oilseed crops expected to be 15-40% higher<sup>31</sup>.

**The Grain and Oilseed Subsector** - Segments of Canada's agricultural sector have been experiencing record highs, namely grain and oilseed producers. Due to the increase in global market price, low levels of global grain and oilseed inventories, and an increased demand for corn, canola and soybeans from the biofuel industry, this subsector is projected to do well into the future. Although there has been some fluctuation the prices of these commodities are

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<sup>28</sup> OECD-FAO Agricultural Outlook 2010-2019. Retrieved on May 7, 2011.

<sup>29</sup> Liapis, Peter S. (2010). Trends in Agricultural Trade. Organization for Economic Cooperation and Development (OECD). Viewed on May 7, 2011.

<sup>30</sup> Ibid

<sup>31</sup> OECD-FAO Agricultural Outlook 2010-2019. Retrieved on May 5, 2011

still well above their 2007 levels.<sup>32</sup> In terms of quantities produced and yields, the 2008-2010 growing seasons have been a relatively good period for Canada's grain and oilseed producers.<sup>33</sup>

Grain and oilseeds also make up a significant portion of Prince Edward Island's agricultural output, and is the largest group of crops grown the province per acreage. Grains are primarily grown in rotation with potato crops and accounted for \$12.9 million dollars of export revenue in 2009.

**Provincial Potato Industry** - Potatoes represent Prince Edward Island's largest agricultural commodity accounting for 86% of total crop receipts with a total of \$250 million dollars of potatoes being sold by the province in 2009. The value of potatoes is greatly affected by the fluctuating global commodity market with the value of provincial exports fluctuating between \$165 to \$250 million dollars over the past five years. PEI is also home to large-scale food processing facilities such as Cavendish Farms in New Annan.

### 7.1.2 Advanced Manufacturing-Aerospace

The Province of Prince Edward Island has highlighted the importance of the advanced aerospace industry in: *A Focus for Change*, as a key industry in the current and future growth of the City of Summerside.

**Industry Growth and Dynamism** - The aerospace industry contributes hundreds of billions of dollars to the global economy. Aerospace is a high technology industry that produces aircraft, guided missiles, space vehicles, aircraft engines, propulsion units and related parts. Over the next 20 years, the demand for high-value goods and services in the sector is projected to represent a market opportunity of \$3 trillion<sup>34</sup>. According to Business Week's *Aerospace Industry Forecast to 2013* the aerospace industry has globally emerged as a highly potential market, even after the economic recession.

**Canada's Aerospace Advantage** - Canada's aerospace industry is robust and dynamic with a long history of innovation and success throughout the world. The Canadian aerospace industry comprises more than 400 firms located in every region of the country, collectively employing more than 80,000 Canadians. Since 1990, Canadian aerospace industry sales have more than doubled, measuring \$23.6 billion in 2008. Aerospace is a direct and significant contributor to Canada's balance of trade: more than 82% of the County's output is exported. With annual investments of more than \$1 billion each year, aerospace is amongst Canada's largest contributors to Canadian R&D activities.

**Pillar of PEI's Economy** - Identified as one of the key pillars of the *Island's Prosperity Strategy*, the sector is well positioned for future growth and success. Collective sales for the aerospace cluster in the Province of Prince Edward Island reached an all time high in 2009 with revenues exceeding \$355 million – this represents a 12% increase in comparison to the

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32Saha, Bishnu, Mitura, Verna. (2009). Canadian Agriculture in 2008: An Overview of Key Events. Vista on the Agri-Food Industry and the Farm Community.

33 Ibid

34Global Aerospace Industry

<http://www.gov.pe.ca/news/getrelease.php3?number=6412>. Viewed on May 8, 2011.

previous year<sup>35</sup>. Customers of PEI's aerospace industry have come to expect excellent value in a product/service mix that competes successfully on the global industry stage. Sector capabilities within the Province focus largely on manufacturing, maintenance, repair and overhaul services, and design/engineering services. The industry now employs 850 skilled workers with an average salary of approximately \$40,000.<sup>36</sup> The aerospace industry across PEI employs approximately 1000 people, which provides an indication of the provincial importance of Summerside within the industry.

### 7.1.3 Trends of Convergence

**Advanced Agricultural Technologies** - Advanced agricultural technologies represent unique opportunities for both Canada's agricultural and high technology industries. Canada's advanced food technology industry is producing new ingredients and food products based on solid scientific research. Advanced separation, extraction and processing technologies are creating new ingredients such as micro-encapsulated oils used in health applications.

A coordinated network of food technology centres helps Canadian companies commercialize scientific research and turn it into safe, healthy, high quality food products. Canada's bioproducts industry is producing economically viable, environmentally friendly products and processes based on renewable resources.

In terms of industry competitiveness, Canada's agri-food processing sector enjoys a 4.7% cost advantage over the U.S. Canada's average labour costs are lower than the costs in the U.S., which can primarily be attributed to Canada's lower salaries and wages combined with Canada's universal health coverage. The agri-food sector has access to a vast supply of high quality, competitively priced ingredients, fresh water and land. A globally admired food inspection system (Canadian Food Inspection Agency) ensures safe products for consumers and facilitates access to international markets.

Efficient transportation and handling are critical to the economic health of the agricultural sector and the communities that depend on this sector. The integration of technology into the agri-food industry, especially in goods movement and traceability applications, is having a positive impact on those factors. In addition, the emerging biofuel industry also relies on an efficient logistics system to acquire the bulky biomass feedstocks.

**Biofuels and Advanced Materials Research and Development** - Biofuels are quickly becoming a viable and green alternative to jet fuels in the aerospace industry and other transportation industries as well.<sup>37</sup> Figures recently released by the Air Transport Action Group - a coalition of organizations and companies throughout the industry (funded by ACI, Airbus, Boeing, Bombardier, CANSO, CFM, Embraer, GE, Rolls-Royce, Pratt & Whitney) highlight the opportunity for incorporating biofuels into the aerospace and aviation sector.

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35 <http://www.apei.ca/> Retrieved on May 7, 2011

36 Innovation and Advanced Learning. (2009). PEI Aerospace Industry Reaches New Heights . <http://www.gov.pe.ca/news/getrelease.php3?number=6412> Viewed on May 13, 2011

37 The Exhaustive Biofuels Debate (2009). <http://www.aerospace-technology.com/features/feature56007/>. Viewed on May, 13, 2011.

Aviation is part of a larger transport segment that currently contributes to climate change by 14%. The EU, US, Australia, Japan and New Zealand are looking to cap and trade carbon, pushing the aviation industry to understand that the future of the aviation sector must be disconnected from future emissions growth.

One of the answers to meeting demand for lower emissions can be found in the fuel. Jet engine technology with actually be the biggest single biggest contributor in the next 20 years to reducing our environmental footprint. There is no other technology that can reduce fuel burn and CO2 and noise like it. It is projected, at the current rate of research and development, that biofuels will become a viable option for flight in 2-4 years.<sup>38</sup>

Another answer to this demand is to produce aircraft that are lighter and more fuel efficient. Agricultural products including biofibres from stover and proteins from oilseeds, corn and milk (casein) are currently being used to make binders/epoxies for composites and plastics. The global composite market is a \$19 billion (US dollar) a year industry. The aerospace industry consumes an estimated 700 million pounds of raw materials and although composite materials represent a relatively small segment of the aerospace industry currently there is potential for these materials to become a more integral component of the industry. There is a need for aircraft to become more fuel-efficient and corrosive-resistant. For example, the use of composites over the last 30 years has evolved from less than 5% in a Boeing 737 to close to 50% in the Boeing 787 Dreamliner. It is estimated that this industry will use \$57 billion worth of composite materials from 2007 to 2026.<sup>39</sup>

**The Use of Composites in Green Energy** - There are many market opportunities for composites in the energy sector. The emergence of a "Smart Grid" in the next ten years will mean the development of new kinds of cable, cable dielectrics, power electronics, cable insulators and energy storage devices. This Smart Grid will have to use new materials.<sup>40</sup>

The massive capital expenditures that are expected to be made on the Smart Grid in the next decade will create opportunities for manufacturers of advanced materials and specialized power devices and cables. These advanced materials will help enable new grid architectures as well as enhance power system control and reliability, improve power quality and equipment lifetimes and reduce costs. Wind turbine blades and other components are a large potential application for composites.<sup>41</sup>

## 7.2 Sector Assets

The City of Summerside has a number of assets that will assist in the development of the Transportation Manufacturing and Food Systems convergence sector. In support of the sector, these assets can be generally divided into two different areas: existing industry and workforce, and infrastructure.

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38 Ibid

39 Aerospace Industry to Consume \$57 Billion Worth of Composite Materials Between 2007-2026. Access Intelligence, LLC, August 9th, 2006, Viewed on January 8th, 2010.

40 Opportunities for New Materials and Devices in the Smart Grid: 2010 to 2017. Nanomarkets Inc., December 2009.

41 US demand for reinforced plastics to reach 3.6 bnlbs in 2013, Elsevier Ltd, <http://www.reinforcedplastics.com/view/1805/us-demand-for-reinforced-plastics-to-reach-36bn-lbs-in-2013/>. Last updated on May 18th, 2009. Viewed on January 8, 2010.

**Strong industry profile and educational institutions** - Summerside has been a centre of aerospace development in Canada for the last decade. Over that time the sector has grown to approximately 800 employees in the City, mostly concentrated in Slemon Park. Further, Summerside has been a significant component of the province's strong food and agricultural position, especially within the transportation and processing subsectors. An important component of that has been the marine sector, which has played a role in the development of Summerside's agriculture and food sector, but also supports the development of the agricultural sector across the rest of PEI through support for the movement of agricultural inputs. The largest employers in the City include a number of firms engaged in each of those sectors, as noted in the figure below.

FIGURE 41: SUMMERSIDE'S LARGEST EMPLOYERS, 2010

Company	Industry	Total Employees (FT/PT)
<b>Cavendish Farms</b>	Food processing	655
<b>C-Mar Services (Canada) Limited</b>	Transportation and Engineering (Marine)	400
<b>Vector Aerospace</b>	Aerospace (Engine Repair)	400
<b>Amalgamated Dairies Limited (ADL)</b>	Food processing	300
<b>Honeywell Aerospatiale Inc.</b>	Aerospace manufacturing	90

Source: City of Summerside Economic Development, 2010

The Aerospace industry in Summerside is rounded out by a number of smaller companies. The majority of those companies are located in Slemon Park, which has developed as a hub for aerospace development and advanced manufacturing, they include:

- Testori America's Corp. manufactures interiors for the aerospace and transit industries, made of both traditional and advanced materials
- MDS-PRAD Technologies Corporation manufactures protective coatings for gas engines used in aerospace, commercial, and defence industries
- Tronos Canada Inc. is a Transport Canada approved Aircraft maintenance organization (AMO) that provides inspection, repair and refurbishment services to regional aircrafts – such as the BAe 146 cargo and passenger series of aircraft.

Slemon Park is also home other advanced manufacturers and assets that can support development in aerospace, transportation, and advanced manufacturing. Fiber Connections based in Ontario operates a 27,000 square foot manufacturing facility in Slemon Park's hanger 3, focused on manufacturing standard fiber optic and media conversion products. Though primarily focused on aerospace-related programming (aircraft engine repair, aircraft maintenance), Holland College's Aerospace Centre supports hands-on training opportunities in automotive technology, carpentry, electrical technology, electromechanical technology, HVAC, precision machining, and cabinetmaking. Further supporting the transportation sector, JVI Provincial Transportation and Safety Academy is a private institution with programs focused on trucking and heavy equipment operation, among others.

Located near the Summerside Business Park, Wiebel Aerospace is the only aerospace-focused manufacturing firm outside of Slemon Park. Wiebel aerospace manufactures custom precision machine parts and specialty components for the aerospace industry and other related industries.

The strongest firms in the agriculture and food processing sector are Cavendish Farms and Amalgamated Dairies Limited (ADL). The Cavendish Farms facility, located just outside of Summerside in New Annan, manufactures frozen potato products for export world-wide. Further, Cavendish encompasses agricultural services and research functions based primarily in Charlottetown. ADL operates three facilities in Summerside – the ADL administrative offices, a fluid Milk facility near the Summerside Business Park, and a multi-temperature warehouse in the northeastern part of the City.

Outside of Cavendish Farms and ADL, the sector is made up of smaller businesses focused on small-scale processing, distribution, administration, and warehousing. The closure of Humpty Dumpty Food Services in 2008 marked a loss of approximately 36 employees in the food processing sector. Recently though, the consolidation of the eastern administrative operations of Old Dutch Snack Foods brought administrative functions to the City that have slightly expanded the food processing sector. On the processing side, Summerside Seafood Supreme Inc. operates as a seafood processing plant, while Farm Enterprises Inc. operates an abattoir with retail operations. The City also maintains a presence of Frito-Lay Canada's distribution facilities.

**Skilled labour force with growing technical capabilities** - Supporting these industries is a number of notable labour force assets in Summerside. These assets support development within the existing component industries of the convergence sector, but also offer support to opportunities at the convergence of these sectors. Overall, a high concentration of the local population is expected to remain engaged in trades, transport, and equipment operator occupations (13.1%) by 2011, having increased by 9.6% from 2006 to 2011. This segment of occupations includes people engaged in construction trades, electrical engineering and utilities, machining and metal forming, and a range of occupations supporting road and marine transportation. The labour force in Summerside is likely to be concentrated further in machine operators and transportation equipment operators. This has positive implications on the more industrial segments of the sector, such as transportation and manufacturing.

Further, the municipality is expected to experience growth of 22.6% in occupations within the natural and applied sciences, more heavily weighted to technical occupations than professional occupations. These technical occupations generally have the capabilities to engage in civil, mechanical, electrical, and industrial engineering technology, as well as officers, pilots, and operators in marine and air transport. Overall, the City appears to be positioned to capture growth of the workforce that can support a wide variety of operations at the convergence of advanced manufacturing-aerospace and agriculture and food, especially within the engineering, design, and operations segments of the sector.

Summerside continues to show a slight competitive advantage in terms of labour force engaged in the manufacturing sector. Summerside's labour force was highly concentrated in the sector relative to the rest of PEI (LQ of 1.43), and slightly more concentrated than the labour force across Canada (LQ of 1.09). Based on Summerside's tendency towards more advanced manufacturing products and processes, led by aerospace applications, this concentration should be considered a strength. Though there has been some decline, the dominance of aerospace and advanced applications in the sector has likely kept the industry from declining as much as other areas of the country more dependent on traditional products and processes.

**Sophisticated gateway infrastructure** - Underlying the development of the component sectors and the activities that may develop at the convergence of those sectors are the infrastructure assets within, and in close proximity to Summerside. When considering infrastructure, this includes the civil works and assets that the local economy can build on – the port, the airport, and highway connections, but also the enabling infrastructure that may offer opportunities to expand activities within advanced manufacturing-aerospace, agriculture and food, and transportation and logistics – Slemon Park, Summerside Business park, and other vacant industrial lands.

In early 2010 the federal government completed the divestiture process for the Port of Summerside, transferring control of the Port to the Summerside Port Corporation. Over the next 25 years, the Summerside Port Corporation will receive \$20 million from the Federal Government to cover operational costs and infrastructure maintenance, including the costs of dredging the Port<sup>42</sup>. As it stands now, the Port plays a key role in the import of supplies and agricultural inputs to Prince Edward Island, and export of products to international markets – namely potatoes and other agricultural products. Services at the Port include fresh water, minor repairs, fuel, stevedoring, sewage disposal, port of entry services, and a harbour master. The deep water port currently has berthage divided into three sections:

- 187m length by 8.45m depth
- 183m length by 7.0m depth
- 91.5m length by 8.45m depth

The port has a relatively new, heated 53,000 square foot facility which offers support to commercial shippers, and over 100,000 square feet of outdoor storage space. Since the municipality owns this land and facility, there may be some additional opportunities to generate building activity at the port to support food systems and transportation. The Port is also scheduled to undertake a number of repairs over 2011. In the early spring, tenders went out from the Corporation to reconstruct Queens Wharf – one of the three wharfs at the port which was damaged by a storm several years ago.

The Summerside Airport is a full service Fixed Base of Operations (FBO), owned and operated by the Slemon Park Corporation. Though it has the longest runway on the island, the airport has no scheduled commercial traffic, but instead caters to private, corporate, charter, and military domestic and international flights. As part of Slemon Park, the Airport supports the operations of a number of aerospace businesses currently located in the park. The closest international airport to Summerside is the Charlottetown International Airport, which offers scheduled service to a number of Canadian Cities, as well as New York, Boston, and Detroit. Charlottetown International Airport has limited ability to support cargo operations. Given the fact that there is available land for development and a runway capable of supporting goods movement, the Airport may be able to support further activity within the transportation manufacturing and food systems sector.

Summerside benefits from close proximity to major road transportation infrastructure as well. The all weather Highway 2 traverses the north side of the City, and offers quick access to Charlottetown. The City also has quick access to the Trans-Canada highway and

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42 CBC News. (2010, Feb. 19). Port of Summerside transferred to local group.



Confederation Bridge, which more efficiently connects the City with New Brunswick, the rest of Eastern Canada, and the Northeastern United States.

There are two defined business park areas in Summerside. Slemon Park is located to the North of the City. The 1,500 acre park contains Summerside Airport and the collective 700,000 square feet of space that originally housed CFB Summerside. In 2004 90 acres were made available for a business park development, and only two of the lots have been purchased thus far. Again, one of the primary strategic advantages of Slemon Park is proximity, ownership, and direct access to Summerside Airport.

The Summerside Business Park is located within the City limits and operated by Innovation PEI (PEI Business Development Inc.). The Park's 34 acres are significantly developed leaving little opportunity to support larger scale development. However, three lots totalling 8.69 gross acres remain vacant within the park. In addition, the park offers leasing opportunities in increments of 2,000 to 14,000 square feet.

The City of Summerside's Development Guide outlines an additional 117 gross acres of industrial land in the City. The largest of those parcels, a 58 acre parcel bordering the Summerside Business Park, was at one time designated for business park development, under previous work done by the City of Summerside. Through that assessment, the City identified that the Greenwood Drive site represented the greatest benefit for the City at the least cost, based on compatibility with adjacent areas, and current level of servicing.

## 7.3 Growth Opportunities and Strategic Focus

The growth opportunities that the City of Summerside should focus its efforts towards include the following:

**Incorporate Slemon Park into Urban Boundary** - The City of Summerside should move towards incorporating the aerospace hub of Slemon Park into the City's urban boundary. This should be considered primarily for two reasons: first, in order for the City to benefit from increased business tax revenue that could then be invested in business attraction and retention and second, in order to fully market Slemon Park as an intermodal hub for air/truck transportation. Further, if the Park's management ever decides to sell the Park, the City may be in a unique position to acquire the facilities or surrounding lands.

**Designate New Industrial Lands** - In order to better facilitate business growth and investment into the City of Summerside it is paramount that the City invest in the necessary land needed to attract these businesses. Currently the business park is substantially developed, leaving only very limited opportunity for larger scale development. However, there is a parcel adjacent to the business park on Greenwood Drive that can be incorporated to expand the City's inventory. This land is currently surrounded by industrial uses and it would be the best choice to incorporate it into the business park. As one of the key attractors of investment in the current "Just-in-Time" (JIT) economy is shovel-ready land, the development of this site could have significant positive impacts for the community. Both community consultation and current economic development best practice support this overall direction.

**Attract Research & Development Activity** - The businesses at Slemon Park are involved in advanced manufacturing and high tech processes. However, there is a lack of institutional research and development activity associated with this sector in Summerside and the area.



Holland College is already providing some technical training into this area which may represent an opportunity to form partnerships with the post-secondary institutions focused on research and development in aerospace, transportation, and food systems, and initiate strategies that attract R&D activity to the City. With more publically owned lands, satellite educational and research institutions may be an opportunity.

**Facilitate the development of an Intermodal Hub** - The City's close proximity to the Confederation Bridge, the Summerside Airport and the Port make it an ideal location to become a transportation hub for goods movement in Prince Edward Island and as a hub for the importing products to PEI and Atlantic Canada and exporting products to the world. The City must continue to invest in and maintain their high quality infrastructure in order to facilitate growth and development in the transportation sector.

**Attract Investment to the Port** - The Port is a key element to the transportation infrastructure of Summerside that must be further capitalized on to increase the amount of goods movement into and out of the City of Summerside, as well as the range of business activities operating from the community. Although the Port is owned and managed by a not-for-profit structure, the City and stakeholders from this structure should consider ways in which further development may be encouraged and supported. In the short term, this requires a detailed study, outlining research and analysis regarding new markets and new opportunities. In the longer term, the City and key Port stakeholders could seek creative input from the broader community and private sector interest by issuing an open-ended "call for proposals" for ideas and ventures related to the further development of the Port area. This might include, for example, increased refrigerated facilities and space for light processing, such as packaging, labelling, and assembly.

**Pilot Projects in Biofuels and Advanced Materials** - The City of Summerside should facilitate and support research and development initiatives linking the agricultural sector and the aerospace industry, perhaps through small-scale pilot projects involving biofuels and advanced materials. The City can act as a facilitator between existing businesses, new business, and research institutions to attract attention to and interest in this emerging field, which can build on the existing strengths in Summerside. Of particular interest in this context is the field of algae fuel, in which marine algae is converted into vegoil-based fuel supplies. Research in this field is particularly advanced in areas related to jet fuel, which may suggest strong links with the existing aerospace sector. While much technological development remains to be completed in this arena, Summerside is well-positioned to support these opportunities.

## 7.4 Emerging Knowledge-Based Industry Sector

The Emerging Knowledge-Based Industries sector includes organizations and companies in the health IT and renewable energy sectors, but considers those elements that lay between these two sectors. For some time, health IT has been a key target for Summerside, focusing economic development resources at the leading edge of the health care sector where new technologies and communications tools are transforming service delivery, patient treatment and information management. Where the health care sector was once dominated by pharmaceutical and mechanical technologies, the rise of e-health, bioinformatics and a host of related subsectors has shifted the industry towards a high tech future. Summerside has a small but significant and established cluster of these health IT industries.

At the same time, increasing global energy demands and rising environmental concerns have spurred a global interest in new sources of renewable energy. With its wind generation development and related infrastructure, Summerside has also become a leader in this area. But in the 21<sup>st</sup> Century, the energy sector is about more than raw power – it is about the technology-focused ability to plan, share, distribute and coordinate resources in ways that facilitate smart energy applications. In a sense, energy has become a high tech industry with a strong IT focus. As Summerside wrestles with “smart grid” opportunities and considers building out local fibre optic networks in support of the energy sector, the knowledge-focused aspects of the energy industry increasingly rise to the fore.

This growing strength in the knowledge-based “leading edge” of both the health care/health IT and energy/smart energy sectors suggests that Summerside is rapidly building capacity, expertise and potential in the area that lies between these two centres of local strength: an “emerging knowledge-based industry” sector. While the health care and energy industries traditionally have little to tie them together, Summerside’s growing strengths in IT-focused knowledge applications in these two areas of economic activity suggest an emerging cluster of converging industries and capacities. As this area of convergence grows, it will expand local investment opportunities in both health IT and smart energy industries, while simultaneously laying the groundwork for additional economic development opportunities in an emerging knowledge industry cluster.

The health care field includes facilities such as hospitals and nursing care facilities and companies producing health care goods and related services. Statistics Canada categorizes Canada’s health care sector according to the North American Industry Classification System (NAICS) Sector 62 Health Care and Social Assistance. As detailed below, Sector 62 includes both health care and social assistance activities:

- Ambulatory Health Care Services
  - Offices of physicians
  - Offices of dentists
  - Offices of other health practitioners
  - Out-patient care centres
  - Medical and diagnostics laboratories
  - Home health care services
  - Other ambulatory health care services
- Hospitals
- Nursing and residential care facilities, and
- Social assistance
  - Individual and family services
  - Community food and housing, emergency and other relief services
  - Vocational rehabilitation
  - Child day-care services.

As the health care services industry tries to deliver these services, the industry is faced with governmental budgetary pressures. The development of Health Information Technology has emerged as an innovative tool for allowing health care professionals to work more effectively

with fewer resources. The NAICS industries that are inter-related with health care delivery include:

- Pharmaceutical, toiletries, cosmetics and sundries wholesaling and distribution
- Research and development in the physical engineering and life sciences.

The emerging knowledge based industries are more loosely defined. They include information and communications technologies companies that enable innovation in other industries, which including IT and renewable energy.

The IT industry is largely found in the NAICS Sectors 51 Information and Cultural Industries and 54 Professional, Scientific and Technical Services. In terms of Information and Cultural Industries the ICT industry is made up of:

- Telecommunications (NAICS 517)
  - Wired Telecommunications Carriers (5171)
  - Wireless Telecommunications Carriers (except Satellite) (5172)
  - Satellite Telecommunications (5174)
  - Other Telecommunications (5179)
- Data Processing, Hosting and Related Services (NAICS 518)
- Other Information Services (NAICS 519)
  - Internet publishing and broadcasting and web search portals
  - All other information services
- In terms of the segments of the Professional, Scientific and Technical Services NAICS classification of ICT industries there are multiple segments that can be included. They include:
  - Architectural, Engineering and Related Services
    - Engineering Services (54133)
  - Computer Systems Design and Related Services (NAICS 5415)

Renewable energy and the economic activities associated with it, operates under several definitions, and identifying one is somewhat of a challenge, as it incorporates a wide range of economic activities. For our purposes this sector will include: work in utilities, manufacturing, agricultural, research and development, administrative and service activities that contribute substantially to preserving or restoring the quality of land, air and water while providing energy.

Another industry-based definition derived by Millier Dickinson Blais from other leading sources<sup>43</sup> suggests that the renewable energy sector includes activities in the following areas:

- Utilities
- Biofuels
- Environmental consulting and support;

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<sup>43</sup> Adapted from State of Washington (Community, Trade and Economic Development: Initial Washington Green Economy Industry List) by Millier Dickinson Blais

- Energy efficiency in manufacturing, design and engineering;
- Green building and construction;
- Recycled materials;
- Renewable energy generation and construction
- Renewable energy transmission (grid and utilities) and support (including financing and real estate)

## 7.4.1 Industry Trends

### 7.4.1.1 Health Care

**Health Care Production is Rising and eHealth is Growing in Importance** – Similar to most developed countries, Canadian health care expenditures are rising. In 2005, the Canadian health care and social assistance industry accounted for \$72.7 billion in industry output (Gross Domestic Product), accounting for 6.3% of the country's GDP. By 2010, this industry's GDP grew to \$83.0 billion and accounted by 6.7% of the country's GDP. Hospitals account for 37% to 38% of the industry output. The net increase of \$10.3 billion represented a 14.1% increase over five years, which was considerably larger than the total economy which grew 6.5% over the five year time period.<sup>44</sup>

The Canadian Institute for Health Information explores spending trends in the *National Health Expenditure Trends 1975-2010* report. Health expenditures in Canada, in current dollars, was \$171.8 billion in 2008, \$182.1 billion in 2009 and \$191.6 billion in 2010<sup>45</sup>. In current dollars, total health expenditure per capita in Canada was \$5,154 in 2008. It was estimated that for 2009 and 2010 the expected expenditures per capita were \$5,397 and \$5,614, amounting to respective growth rates of 4.7% and 4.0%. When adjusted for inflation and for population changes, real rates of increase are expected to be 1.6% in 2009 and 1.4% in 2010. Several areas in health care will benefit from these trends. They include:

- Information Technology firms providing services for Health care (eHealth) such as electronic medical records and health informatics software
- Smart medical devices that accumulate patient data and
- Generic drugs manufacturers.

**Significant and Increasing Provincial Spending for HealthCare** – In Prince Edward Island, the health care and social assistance industry GDP output accounted for \$368.3 million in 2010, which was 9.6% of the province's GDP. The industry's GDP has grown from \$349.2 million in 2007, +\$19.1 million (5.5%) over three years.<sup>46</sup> Compared to the Province's total economy which grew by 1.7% over the three years, the health care and social assistance industry has grown over three times the provincial rate.

The Province of Prince Edward Island has invested in this industry. The most recent provincial budgets allocated \$517.2 million in 2010-2011 and \$541.9 million in 2011-2012 for

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<sup>44</sup> Gross Domestic Product by Industry, February 2011, Statistics Canada, Cat. No. 15-001-X, p.202.

<sup>45</sup> The Canadian Institute for Health Information National Health Expenditure Trends, 1975 to 2010

<sup>46</sup> Statistics Canada, Canadian System of National Accounts, April 28<sup>th</sup>, 2011.

health care spending<sup>47</sup>. The budget allocations are provided in the following table. Clearly, the largest expenditures are in medical affairs and acute care, but significant spending is also allocated towards home-based and long-term care, clinical services and community hospitals. With \$1.5 billion in provincial expenditures, Health PEI accounts for 35% of the Province's expenditures. The province's budgetary commitment to health care expenditures also increased by 4.8% from the previous budget year, which is considerable since provincial revenues are estimated to increase by only 2.0%. This finding proves that the cost of the health care system is growing faster than the rate of growth of the provincial treasuries.

FIGURE 42: HEALTH PEI EXPENDITURES

Expenditure	2011-2012 Budget Estimate	2010-2011 Budget Estimate	% Budgetary Increase
Corporate Development and Innovation	\$7,856,600	\$7,859,000	0.0%
Financial Services	\$12,271,600	\$11,821,900	3.8%
Medical Affairs	\$134,031,600	\$128,076,300	4.6%
Provincial Acute Care	\$136,551,100	\$130,952,100	4.3%
Provincial Clinical Services	\$80,530,300	\$78,612,700	2.4%
Community Hospitals and Primary Health Care	\$75,149,600	\$71,222,200	5.5%
Home-Based and Long-Term Care	\$87,410,000	\$80,963,400	8.0%
Health Information Management	\$8,065,000	\$7,672,100	5.1%
<b>Total Expenditures</b>	<b>\$541,865,800</b>	<b>\$517,179,700</b>	<b>4.8%</b>

Source: Province of Prince Edward Island, Estimates 2011-2012, Department of Finance and Municipal Affairs, p.98.

The table also makes reference to health information management of \$8.1 million in 2011-2012 and \$7.7 million in 2010-2011. It is under this category that the Province budgets \$6.9 million towards the development, implementation and support for the electronic health record. This budget allocation increased by 5.1% over the previous year.<sup>48</sup>

#### 7.4.1.2 Information Technology

**New and Shifting Information Technologies** – Researchers suggest that there are four principles that are driving new and shifting information technologies. They are:

- Improved computing technology for processing and displaying data
- Improved storage technology for storing and retrieving data
- Improved communications technology for more effectively transferring data (including voice and graphic content) from one place or device to another and
- Improved software technology for better coordinating data and applications through the computer-human interface.

<sup>47</sup> Province of Prince Edward Island, Estimates 2011-2012, Department of Finance and Municipal Affairs, p.98.

<sup>48</sup>Ibid. p.106.

The new and shifting information technologies occurring in the knowledge-based economies, specifically with regards to software and hardware, include:

- The growth of Green IT including power conserving technology, video conferencing technology, Global Positioning System (GPS) technology.
- The growth and spread of Virtualization, which optimizes resources available on physical servers or PCs to support multiple operating systems (or virtual systems) simultaneously. The applications are almost universal, as the technology presents benefits for any industry that uses computers/servers, especially data centres, finance, government, and education.
- Increased demand for Software as a Service (SaaS) applications. These are 'on-demand' applications that are hosted on the software company's servers rather than a user's hard drive, and are accessed through product licensing.
- Increased development of second generation web (Web 2.0) technologies and Voice-over-IP (VoIP) technologies and
- Increased need for sophisticated data protection and security technologies.

Specific trends regarding digital or interactive media content delivery technologies include;

- An increased collaboration between gaming industries and content providers/owners (television, film, music) to produce new products.
- New content delivery methods emerging, including mobile devices (i.e. iPhone) and the internet (IPTV) to compete with traditional media.
- Increased content delivery (games, music, film, and television) through web-portals.

All of these basic technical components are necessary for the effective functioning and continuous creation of new opportunities in the knowledge-based economic sector. However, none of these technologies is sufficient independently. The knowledge based economy requires that these technological tools be applied by human action and intellect to the task of addressing and resolving specific, real world challenges and opportunities. In Summerside's case the application of technologies to the health care industry. In a sense, technology is merely a conduit for information; only by combining that information with human intellect is a knowledge application possible. In short, knowledge based economies are based on more than just hardware and leading edge technology, they are based on individual learning, accomplishment and entrepreneurship.

**Emerging Knowledge Based Economies are Growth Drivers** – A report by the Council of Canadian Academies notes a growing innovation gap between Canada and other countries, especially the United States.<sup>49</sup> The Canadian government has taken notice of its innovation shortcomings and is investing in the knowledge based economy to stimulate growth. Some of the initiatives that were included in the federal government's infrastructure stimulus plan including:

- deploying rural broadband
- investing in electronic health records
- investing in programs that advise and assist small businesses with technology adoption

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<sup>49</sup> *Innovation and Business Strategy: Why Canada Falls Short*, Report of the Expert Panel on Business Innovation, Council of Canadian Academies, June 2009.

- funding research infrastructure at Canadian Universities and
- funding the Crown-owned Business Development Bank of Canada with early-stage financing of small businesses.

A federal digital economy strategy is under development. When completed, it is anticipated that the strategy will lay out strategies to integrate knowledge based industries into the economy and boost investment in industries including health care services.

**Shortage of Knowledge Based Economy Workers who can Guide Businesses** – The shortage of skilled talent remains an issue for both the global and national knowledge based industries. This shortage has persisted through the recession, which suggests that high-technology workers may not have the right skills necessary to guide businesses through slow growth cycles or from start-up to market maturity. Some research suggests that the shortage lies with entrepreneurs and mid-career professionals. This trend is particularly difficult for smaller communities like Summerside that are challenged with retaining youth and attracting a labour force to support business attraction and expansion..

#### 7.4.1.3 Renewable Energy

Within the green economy, the majority of investment is driven in the green and renewable energy marketplace, focused specifically on solar, wind and bio-energy. As noted in the definition above, these renewable energy sources can generate economic activity in areas ranging from manufacturing to waste management. The following section provides a brief overview and understanding of each of these opportunities, and is followed by a discussion of how renewable energy development can intersect with IT development and health services to create growth and synergy for the City of Summerside.

**Solar Power** - Solar power is divided into two areas: solar photovoltaic (or PV) technology, which uses silicon in solar cells to generate electricity from the sun's rays, and solar thermal technology, which uses the sun to heat water and air and is generally applied on a smaller scale than solar PV. Solar power is a rapidly-growing segment of the renewable energy market, serving both domestic and international markets. As of 2007, there were an estimated 544,000 m<sup>2</sup> of solar collectors operating in Canada, and over 150 solar energy organizations driving the PV market in Canada<sup>50</sup>.

The supply chain, investment and business opportunities associated with solar are extensive, and include the following segments:

- Product manufacturers (e.g. electrical components for PV, exchangers and pumps for thermal)
- Sales and wholesalers
- Private and public research and consulting
- Engineering design, analysis and services
- Systems installer

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<sup>50</sup> <http://investincanada.gc.ca/eng/industry-sectors/renewableenergy.aspx>



**Wind Energy** - Wind energy is the largest and fastest growing renewable energy source in Canada. Wind energy is generated through turbines, which produce kinetic energy from wind power that is converted to electricity. Turbine developments in Canada and Prince Edward Island can be produced at a variety of scales, and even at large scales installations take up a very small amount of land. In 2008, Canada became the 12th country in the world to surpass the 2,000 MW mark for installed wind energy capacity. To illustrate the industry's rapid recent growth, the Canadian Wind Energy Association (CanWEA) estimates that installed capacity in February 2010 reached 3,359 MW in Canada. Though there are various forecasts for total capacity and investment associated with the sector, CanWEA further forecasts that if Provincial government targets and objectives in Canada are met, they could add up to a minimum of 12,000 MW to be commissioned by 2016; global investment in wind energy could reach \$1 *trillion* by 2020. Overall, wind capacity is expected to grow to 10% of total installed capacity of the electricity supply in Canada by 2020.<sup>51</sup>

Approximately 430 companies are active in Canada's wind energy sector, with a workforce that has grown from less than 1,000 in 2004, to over 4,000 today – and estimated to reach 13,000 by 2013<sup>52</sup>. The Canadian wind energy supply chain is wide-ranging, resulting in extensive investment opportunities. These include:

- Wind turbine component manufacturing and maintenance
- Wind turbine/farm construction
- Real estate developers
- Retailers and distributors
- Industry associations

**Bio-energy** - Bio-energy, which utilizes various processes such as combustion, digestion and gasification to generate heat and produce energy and electricity from bio-mass resources, is a growing industry in Canada, currently accounting for 6% of the country's total energy supply<sup>53</sup>. Because the production of bio-energy relies heavily on waste from agriculture and forestry industries, Canada – and Prince Edward Island more particularly – are well positioned to grow in this sector. More specifically, farmers can access support programs to develop biogas applications to ferment agricultural waste and manure. The consulting and construction expertise required for these projects contributes to this segment's supply chain, which also includes businesses in:

- Chemical and process engineering
- Equipment manufacturing
- Agriculture
- Waste management and remediation
- Research and development

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<sup>51</sup>National Energy Board. 2009 Reference Case Scenario: Canadian Energy Demand and Supply to 2020 – An Energy Market Assessment. [www.neb-one.gc.ca](http://www.neb-one.gc.ca)

<sup>52</sup><sup>52</sup><http://investincanada.gc.ca/eng/industry-sectors/renewableenergy.aspx>

<sup>53</sup><sup>53</sup><http://investincanada.gc.ca/eng/industry-sectors/renewableenergy.aspx>



#### 7.4.1.4 Areas of Convergence

**Increased Adoption of IT in Healthcare (eHealth)** - Opinion leaders and influencers are united in Canada's need to increase its adoption of IT in healthcare. The Conference Board of Canada in its paper - *A Call for Collaborative Leadership Implementing Information and Communications Technologies Systems in Canadian Health* (October 2010) observes that despite the potential benefits of information and communications technologies (ICTs) for health outcomes, system performance barriers have left Canada lagging behind its international peers in implementing ICT solutions.

This is explored in some detail in a study commissioned by Canada Health Infoway. In 2006, Canada Health Infoway initiated a process to develop a comprehensive health IT strategy for Canada to guide the next 10 years of investment. In this strategy titled *2015: advancing Canada's next generation of health care*, one of the five priorities includes completing the baseline electronic health record infrastructure (eHealth) for 100 per cent of Canadians. Canada Health Infoway estimates that the strategy will require a total incremental investment of \$10 billion to \$12 billion in capital and \$1.5 billion to \$1.7 billion in annual operating costs. The elements of the vision are expected to deliver an estimated \$6 billion in annual benefits.

A recent report by Price Waterhouse Coopers<sup>54</sup> cites **electronic medical records (EMRs) and information technology (IT) that ease collaboration and customization as one** of six recommendations to help drive the shift to customized care. The report points out that the information technology systems have not yet been able to meet expectations to support timely decision-making, integrate resources, monitor progress and evaluate performance.

Overall, it is expected that technology will drive healthcare productivity and the need to get products to market faster and the boundaries between IT and healthcare will become more and more blurred. As a result the health care IT industry is likely to see growth for the foreseeable future.

**Integration of Non-traditional industries with Health Care-** The health sector is facing increased integration of non-traditional players, primarily from the Information and Communications Technology (ICT) sector. For example, the increased intersection of ICT and Life Sciences in the field of health informatics is producing new products from large ICT players; one example being Microsoft's Amalga, which provides comprehensive, real-time biomedical and patient information to clinical staff and health professionals. The further integration of ICT with health care services delivery offers the potential for improved products as well as improved services.

However, some regard should be given to what is really driving this integration. In Deloitte's 2009 industry outlook it was noted that inefficiencies and high costs in the health care sector were driving innovations from names outside of the health sector, including Google, Intel, Microsoft, Verizon and other technology and telecommunications companies. These ICT companies share qualities not common to life sciences industries, in that they are driven by innovation; well developed in terms of global vision of operations; technology savvy; and able to maintain strategic flexibility in planning, development, and implementation. Deloitte notes the lessons learned from industries outside of health care clearly illustrate that substantial market share can be gained from established players by companies coming along with newer, cheaper, or better products.

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<sup>54</sup> PricewaterhouseCoopers' Health Research Institute (HRI) *HealthCast* survey 2010

**Provincial Commitment for eHealth** - A Provincial report was completed to conduct an initial high level analysis of the Island health system. The report states that the most serious gaps observed in the health system in PEI are grounded in the need for primary health care renewal. It outlines four dimensions for a future strategic planning framework, later adopted as part of the *PEI Health System Strategic Plan 2009-2012*, which are:

- A renewed model of community-based primary care
- An enhanced system of delivery for home-base care
- Focused integration of acute and related facility-based care
- Investment in system enablers.<sup>55</sup>

System enablers make the changes outlined under the first three points. Enablers include processes, services and functions that are designed to support the effective management of the system (including IT) and smooth transitions across health care access and patient flow.

**Information and Green Energy Convergence** - Electricity generation by wind turbine generators proven green energy technology in both land and offshore environments. However, wind farms located either onshore or offshore are often in remote and not easily accessible locations. Additionally, their height above ground can pose unique maintenance, repair and lightning strike challenges that must be addressed to make win power renewable energy reliable and economical.

Fiber optics technology is probably best known for use in high-speed, high-bandwidth telecommunication applications. But today fiber optics data and control links have replaced copper links in wind turbines and farms making them a critical part of a wind farm operator's solutions for minimizing costly downtime and service interruption.

Fiber optic technology is the most suitable - and in some cases the only - acceptable - technology in high electrical noise environments for electrical generator/turbine control, power conversion and wind farm wide-area communications. The characteristics and reliability benefits of fiber optics - receivers, transmitters, transceivers and cable - are applicable in wind farms and wind turbines, as well as wind farm and wind park operation.

**Smart Grid Technology** - Smart grids are electricity networks that can intelligently integrated the behaviour and actions of all users connected to it - generators, consumers and those that do both - in order to efficiently deliver sustainable, economic and secure electricity supplies. A smart grid employs innovative products and services together with intelligent monitoring, control, communication and self-healing technologies in order to:

- Better facilitates the connection and operation of generators of all sizes and technologies
- Allow consumers to play a part in optimizing the operation of the system
- Provide the consumers with greater information and options for choice of supply
- Significantly reduce the environmental impact of the whole electricity supply system
- Maintain or even improve the existing high levels of system reliability, quality and security of supply
- Maintain and improve the existing services efficiently

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<sup>55</sup> *An Integrated Health System Review in PEI – A Call to Action: A Plan for Change*, completed by Corpus Sanchez International Consultancy, October 2008.

There are many mechanisms and tactics that can be utilized on the demand side to develop integrated behaviours and many of these mechanisms involve the introduction of ICT equipment into the power grid. These tactics include:

- Smart meters
- dynamic pricing
- smart thermostats and smart appliances
- automated control equipment
- real-time and next day energy information feedback to electricity users
- usage by appliance data
- scheduling and control loads such as electric vehicle charge, home area networks and others.

### 7.4.2 Sector Assets

**Summerside has significant Health Care services assets** - There are two prime types of assets in health care service provision in Summerside, the Prince County Hospital and long-term care facilities, such as Wedgewood and Summerset Manors. The Prince County Hospital is the second largest acute care hospital in PEI with 102 beds and employing 451 full-time employees in 2009<sup>56</sup>. The hospital provides a wide variety of services to residents of the region ranging from emergency care to oncology. In recent years, an ambulatory care unit at Prince County Hospital opened for out-patient procedures. The department is the first of its kind in P.E.I and serves an increasing patient need for day procedures such as chemotherapy and IV medication that does not require hospital admission. The Prince County Hospital Foundation has stated that the equipment purchased for the hospital have been dedicated to this unit to try to match the need for the unit's services<sup>57</sup>. One of the foundation's goals is to secure medical devices and equipment to advance the service delivery of the hospital.

In addition, facilities catering to the long-term care of seniors in Summerside include Wedgewood and Summerset Manors. Both facilities provide long-term nursing care to residents. These facilities employ registered nurses, nursing home aides, administrators and managers, which are all occupations that support the health cluster. These resident facilities utilize the services provided by the Prince County Hospital and the other ambulatory care services in the City.

While Holland College is a complementary educational asset in Summerside, programs such as Practical Nursing and Resident Care Worker are not offered at the Summerside campus, but at the Charlottetown campus.

**There are emerging e-Health Businesses in Summerside** - The City of Summerside is home to a number of eHealth companies that are involved in the development of software, medical devices and other health technologies. These innovative companies are viewed as a growth area for the city's health industry and are an integral part of fostering growth in health IT.

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<sup>56</sup>City of Summerside Economic Development. Major Projects 2010

<sup>57</sup>Prince County Hospital Foundation. <http://www.pchcare.com/gifts.php?id=26>

One of the most recent companies to start-up an operation in Summerside is RadNet Inc. RadNet is the largest owner and operator of freestanding outpatient medical diagnostic imaging centres in the United States. The company has over 200 centres and 4,300 employees across the United States operating in medical imaging, healthcare imaging information technology and professional radiology service delivery to hospitals. In August 2010, RadNet began operations in Summerside, by opening a radiological software development centre in the city. The RadNet team in Summerside is currently composed of 10 software engineers and anticipates to eventually grow to 15 people at the Summerside location. Under the Government of PEI's Innovation and Development Labour Rebate, over the next three years, RadNet will receive a rebate of up to \$350,000, based on an anticipated payroll in excess of \$4 million during this period<sup>58</sup>.

Another company supporting the city's strength in e-Health is Enable Healthcare Canada Inc. (EHI), which settled in Summerside as the result of joint investment from the Governments of Canada and Prince Edward Island. The company will be initially providing 20 jobs with the possibility of expansion in the future. Enable Healthcare Inc. delivers software solutions (such as Mdnnet-SmartTranscribe) and has developed an Electronic Health Records System which targets small to medium-size clinics. Enable Healthcare is headquartered in New Jersey with a regional office in Mississauga, Ontario and the new development and support centre in Summerside. EHI is also planning to offer co-operative education employment options through the post-secondary institutions throughout PEI<sup>59</sup>. This is a prime opportunity to build a partnership with Holland College in Summerside, ensuring that the talent grown in Summerside is retained through employment opportunities.

EHI is currently located in the Holman Technology Centre in downtown Summerside, a building known as the Centre for Excellence in Health IT. The Holman Technology Centre also houses the company RMDDx (Remote Medical Devices and Diagnostics), a company providing advanced medical diagnostic systems and technology-enabled services that leverage wireless communication from device to patient to cloud computing platform to clinic. The importance of information technology infrastructure (notably fiber connectivity) is critical for the success of e-Health companies such as RMDDx. This makes the Holman Technology Centre the prime location for such companies to be housed.

The Holman Technology Centre was retro-fitted with technology features and geothermal heating/cooling. The centre offers approximately 80,000 square feet of office space equipped with technology infrastructure supportive of IT companies. The centre is designed with collaborative spaces to encourage interaction and creative energy.

There are a number of provincial incentives that tenants in the Holman Centre can benefit from. For example, the Rental Incentive Program provides a rebate of \$5.00 per square foot on an annual rate of the lease cost, exclusive of utilities, taxes and inside maintenance to businesses leasing incremental space in any community. Another incentive example is the Innovation and Development Labour Rebate, which is equal to 37.5 percent of eligible salaries and wages for the first year of a position. The people earning these salaries and

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<sup>58</sup>Industry Canada. Canada in the News.30 March 2011.

<http://media.investincanada.gc.ca/eng/canada-in-the-news/radnet-to-develop-software-in-prince-edward-island.aspx>

<sup>59</sup>Canada News Centre.<http://news.gc.ca/web/article-eng.do?m=/index&nid=523549>

wages are supporting the development/commercialization of new products, processes and services that will be sold primarily outside of PEI.

The Holman Technology Centre is a significant asset in the development and acceleration of the e-Health business activity in Summerside. The presence of assets such as the Prince County Hospital, long-term care facilities and Holland College are opportunities to strengthen the health care and information technology sector.

**There are emerging ICT businesses in Summerside** - There are a number of sector assets, specifically ICT businesses, in the City supporting the convergence of health care and information technology. Fiber Connections Inc., located in Slemon Park has been in operation for 15 years, with 45 employees. Fiber Connections manufactures and markets complete fiber optic cabling solutions for the structured cabling market, original equipment manufacturers (OEM) markets and, with its active components, the security and government markets. Fibre Connections operates a 27,000 square foot manufacturing facility in Summerside. The company features two key areas of operation: engineering services; and research and development, which is focussed on improving products.

Underlying the presence of information technology businesses in Summerside is the broader community's ability to access the World Wide Web through the fiber optics infrastructure. Summerside has played a major role in the roll out of rural broadband by building a high-speed network which serves not only the City, but the entire western half of the Province. One of the key pieces of IT infrastructure in Summerside is the ability to access the internet at no charge through Route 2's Community Access Internet. The company is a community-focussed internet service provider with a wireless network spanning across western and central PEI from North Cape to Hunter River. With Community Access Internet, Route 2's wireless network enables residents of Summerside to access the internet.

**Information Technology and Green Energy Convergence** - Another area of convergence of knowledge-based industries is between Information technology and green energy. The City of Summerside constructed the Summerside Wind Farm in 2009 and the roll out of a Smart Meter Pilot Project to better utilize the renewable energy generated has been undertaken. The City of Summerside invested \$2 million in 400 meters for the pilot project. The remaining 6,600 customers of Summerside Electric Utility would be eventually phased in to the Smart Meter Program over time<sup>60</sup>. The meters, designed by Tantalus (commercial operations in North Carolina and Canadian operations in Vancouver, B.C) can be connected to homes through tube fiber infrastructure. The implementation of this Smart Meter Program has the potential to launch Summerside ahead of most communities in the province in green energy independence and cost savings.

The intent of the Smart Meter Program would be to control consumer loads to the benefit of the environment, Summerside Electric Utility and consumer, while allowing for the maximum integration and usability of non-dispatchable renewable electric generation (wind power). The consumer will be able to track in real time exactly what is happening with electricity use and how it is helping the environment.

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<sup>60</sup> Carson, M. 4 May, 2011. Journal Pioneer. <http://www.journalpioneer.com/News/Local/2011-05-04/article-2476760/Council-puts-halt-to-Smart-Meter-Program/1>

The implementation of Smart Grid technology, such as the Smart Meter Program linked to the wind farms is supported by academic programming at Holland College in Summerside. The college offers diploma programs such as Wind Turbine Technician, Electromechanical Technology and Power Engineering.

In addition to the smart metre, the smart grid will continue to be developed and enhanced through implementation of the smart heating devices (space and water heating). When the wind is available, during NB Power's low-rate periods, residential electric thermal storage units (for space heating) and hot water heaters (for domestic hot water heaters (for domestic hot water) are to be charged from the wind, while during the high rate periods, on-demand electricity is to be met from the wind.

**Summerside's Utility Strength and Green Energy Development** - The City of Summerside owns and operates its own electric utility and services approximately 6600 residents and businesses. Residential rates are about 20% lower today than their peak in December 2008.

The City's electricity capacity consists of 10.48 MW's of diesel fired generation and operates on a cold standby, operating reserve more. It also owns and operates a Wind Park on the northern municipal boundary of the City next to Malpeque Bay. There are four turbines, totalling 12MW's of electrical power output. The operational life of this project's assets is twenty-five years, at which time the assets will have to be replaced or decommissioned. The wind farm supplies about 25% of the City's power needs and this performance could be boosted by using smart meters making the most efficient use of the wind when it's available. Currently, Summerside's excess power is sold to NB Power, however, smart meter technology will make it possible to retain this resource within the City and store it for future use. This \$30 million wind farm is providing a net amount of about \$1 million a year for the municipality. In addition, the City also purchases 9MW of energy from the West Cape wind farm to which they have twenty year supply contract. In total these green energy sources supply 46% of the City's needed energy.

**Holland College is Supporting a Knowledge-based Economy** - Holland College offers a number of programs that are industry-driven and support the knowledge-based industries in the City. Programs supporting the Health Care and Health IT sector, as well as the broader ICT sector and the Energy sector, related to renewable energy have been identified as key drivers of growing and accelerating the knowledge economy in Summerside.

Some of the key programming areas offered by Holland College in Summerside that link well with the knowledge-based industries and have not already been mentioned include the Computer Studies program. This program prepares students to work in the information systems and networking field as software developers, programmers, network analysts.

The programming gap identified for Holland College in Summerside is in Health Care and Computer Systems courses. The college offers course such as Practical Nursing, Resident Care Worker, Electronics Engineering Technology, Computer Networking Technology, Interactive Multimedia, Photography and Digital Imaging in Charlottetown or at other campus locations near Summerside (O'Leary and Tignish).

Overall, Summerside has a number of assets in which they can capitalize on to support the emerging Health IT cluster as well as the broader ICT activity in the City. Most notably, these assets include the Prince County Hospital, Wedgewood and Summerset Manor, Holland College, e-Health businesses, Holman Technology Centre, and ICT businesses. The



development of Smart Grid technology through a Smart Meter Program is a good example of applying information technology to the green economy. The need to support these emerging industry opportunities through solid post-secondary training to grow, attract and retain an ample supply of talent to Summerside is critical.

From examining the convergence of the Health Care and emerging knowledge-based industries, a number of opportunities can be identified to foster economic development in Summerside.

### **7.4.3 Growth Opportunities & Strategic Focus**

The growth opportunities that the City of Summerside should focus its efforts towards include the following:

#### **Health Care and Information Technology Sector Collaboration and Networking -**

Fostering growth of the Health IT sector requires collaboration and the strengthening of partnerships and networks in Summerside. The Holman Centre has been identified as a significant asset in the city as it is a recognizable hub for Health IT activity. This 'innovation centre' can be leveraged as a space where networking activities can occur.

The creation of a forum where local ICT businesses and health care service providers network and share knowledge can spur innovative activity. In addition, such a forum can discuss community growth pressures and identify how collaborative efforts can alleviate such pressures and strengthen the community and the Health and IT sector.

**Attract Research & Development Activity** -The business patterns data revealed that that the health care and health IT sector had no businesses that fell into the Research and Development of the Physical and Life Sciences NAIC category between 2007 and 2010 – demonstrating a clear gap in the sector's value chain. Forming partnerships with post-secondary institutions such as Holland College and initiating strategies to attract R&D activity to the City is an opportunity to strengthen the sector.

**Examine Industrial Land Needs and Servicing Feasibility** – The emerging knowledge based industries in Summerside are a significant economic growth opportunity. For Summerside to be an attractive location for business investment in the emerging knowledge based industries also requires available, serviced industrial land, appropriate zoning, reliable utilities and telecommunications infrastructure and compatible surrounding land uses. An examination by the City of the demand for serviced industrial lands and the feasibility of servicing industrial lands would aid the City in developing this sector.

**Post-Secondary Health Care Training** - Holland College's Summerside Campus offers a number of programs relevant to growing a knowledge economy – with courses offering training in a range of areas such as computer systems and wind turbine technicians. However, there are key health care related programs that are not offered at the Summerside campus, which is a training gap and an opportunity for program development.

**Post-Secondary Educational Institution Outreach to Students** – For the City to cultivate a skilled labour force that is ready for success in the knowledge based economy requires that there is a talent base in the city to draw from. Bridging post-secondary students into the workforce through cooperative education programs can be a way to ensure that the talent base remains in Summerside.

**Growth of Niche Education Sector** – As Holland College expands within the City, it is building upon a growing range of niche education players in the community, including the College of Piping, the Equine Training Centre of Excellence, the Atlantic Police Academy and the Marine Training Centre. This growing education capacity is a key element in local capacity-building, and will support the emerging knowledge focus of this convergence area. The City should actively examine ways to better link these training institutions to each other, to promote this expertise in niche education as an element of the community's competitive advantage, and to actively seek more opportunities for niche training and knowledge-building in the community.

In this latter context, the selection of Summerside as the site of the proposed provincial museum, or the recently-discussed science centre, would provide a further knowledge anchor in the development of the community. By expanding upon a burgeoning arts and culture sector in Summerside, the Provincial Museum represents a significant knowledge and education asset that reinforces Summerside's role as a centre of the "creative economy" – the knowledge-focused point where business, IT, arts and culture and education come together. In a similar vein, a science centre – based on successful models from across North America – could expand upon the community's growing excellence in areas related to engineering, green energy and environmental science, information technologies, natural resource management and a host of other science-connected fields closely linked to the local economy. The strength of the creative class is rooted in a "lifelong learning" philosophy of education, and facilities like these – in conjunction with a growing array of niche educational structures – could prove invaluable to future economic development.

**Continued SME Support** - The City has demonstrated success in attracting Health IT companies. The Holman Centre has been a key asset in Summerside's ability to attract Health IT firms. However, research suggests that the support to start-up companies and entrepreneurs is a key component to sector development. The Holman Centre can extend their services to provide support to local Health IT entrepreneurs by expanding their model to include incubator services. Additional services can include access to workshops and learning opportunities, networking and access to venture capital funds, business planning and marketing.



## 8 Strategic Recommendations and Action Plan

Any sound economic development strategy must build on the unique assets and resources of a community to form a framework for achieving economic and community prosperity. This framework must contain aspirational goals and objectives, as well as a set of associated actions for achieving these desired outcomes. But a successful strategy implicates more than just the organizations that develop it; it provides a blueprint for the kinds of actions that existing and potential partners can undertake to assist with achieving the new vision for prosperity. For that reason, the strategy must be generated from a detailed assessment of the local economy and assets, as well as through the consensus of the community it is intended to guide.

Communities are facing new challenges in economic and strategic planning, challenges that are fundamentally altering the tactics that communities are using as well as the goals and objectives that communities are aspiring to. Several broad trends will undoubtedly affect any community's strategic plans, regardless of their unique economic situation. These include:

- The rise of knowledge industries and the need for new skill sets within the labour force, and the integration of information technologies into all aspects of the economy
- The globalization of the economy and the need for more regional partnerships and collaborations
- The growing recognition that economic development comes from within (BR&E, gardening, etc) and not without
- The question of sustainability and the environment as an economic development concern
- The convergence of key economic sectors as a driver of local competitive advantage

By definition, strategic goals represent the overall vision and desired outcomes of the economic development process. In short, the strategic goals will articulate the kind of community that Summerside intends to be. Detailed research and consultation has identified two strategic goals to guide the long-term development of Summerside:

1. New economic opportunities and collaborations emerge in Summerside based on the convergence of key economic sectors and assets
2. Stakeholders, both internal and external, embrace the view of Summerside as a location of choice to live, work, and raise a family

The following section provides an overview of the strategic goals, objectives, and actions. The associated actions are prioritized on a scale from 1 to 5, where actions designated as '1' are the lowest priority (long-term) and actions designated as '5' are the highest priority (short-term). It should be noted that in some cases, both staff time and financial resources may be needed from a number of organizations to fully implement the action. In an effort to coordinate activity among the various players in Summerside, potential lead and partner organizations are recommended for each action. Finally, performance measures are proposed for several of the actions in order to assist with evaluating success.

# Goal One:

## New economic opportunities and collaborations emerge in Summerside based on the convergence of key economic sectors and assets

In technological terms, convergence is the idea that technologies with distinct functionalities evolve into technologies that overlap. In an economic development context, the idea of convergence suggests that traditional economic sectors are starting to overlap in areas that are producing new economic opportunities and “clusters” of economic activities. By concentrating on the areas of overlap between traditional economic strengths, and supporting the development of these new clusters of activity, communities are beginning to diversify their economies away from potentially struggling sectors to new areas of economic opportunity. This includes areas where local strengths may create a unique set of opportunities that other communities cannot compete with. Due to Summerside’s strengths in a number of key economic sectors like advanced manufacturing, aerospace, agriculture, health, and information technology, there are two unique areas of convergence where Summerside is poised to compete.

In the knowledge-based economy, a community’s most valuable assets are often considered the people and businesses that call that area home. It is the support for both those talented people, and high-value innovative and agile companies that can create a number of new economic opportunities for a community. For that reason, many communities are now shifting their focus away from larger multinational firms to entrepreneurs and small to medium sized enterprises; shaping economic development services to grow investment from the local business community, and attract the most innovative entrepreneurs and small businesses.

The type of collaborations and partnerships that are undertaken can also be considered assets for a community in uncovering new economic opportunities. Partnerships that enhance the local talent base, introduce new and innovative business processes and research opportunities, and provide resources in support of entrepreneurs and small businesses have impacts on the level of economic opportunity available in a community. In an area with accessible, but limited post-secondary and training opportunities, the need for partnerships and collaboration is further highlighted as a means of improving the local availability of a broad spectrum of training opportunities.

**Objective 1.1 Focus internal and external business development efforts on the activities in the convergence between health care and emerging knowledge based industries**

Health care is one of the largest sectors of the Summerside economy in terms of the labour force and business (with employees) concentrations. In addition, the proportion of people in Summerside's health care sector labour force is higher than the provincial and national average.

Summerside's health care sector is largely population serving. There will be continued demand for local health care services as the population ages, which will generate an increased need for elder care services. However, the total population is growing at a slow rate. It is anticipated that the sector will remain stable as the demand for health care services grows among the older population base. As a result the largest prospect for growth is in the area of convergence between the health care services sector and the emerging knowledge based industries. At this point, emerging knowledge-based industries, emerge. These opportunities capitalize on the highly educated workforce and development associated with Summerside's health care sector while also building on this to expand into the ICT and green energy sectors.

The health information technologies industry can benefit from the Holman Technology Centre, which provides office space equipped with technology infrastructure. Ehealth businesses such as RadNet Inc., Enable Healthcare Canada Inc., and RMDDx (Remote Medical Devices and Diagnostics) are already operating out of a Summerside location and can be promoted to attract additional business investment. While the green energy and ICT base benefit from Summerside's ownership of Summerside Electric, recent wind farm development and smart grid promotion.

**Objective: Focus internal and external business development efforts on the activities in the convergence between health care and emerging knowledge based industries**

Required Actions	Lead	Potential Partners	Priority	Performance Measures
<p>1.1.1 Initiate discussions with Holland College and the University of Prince Edward Island (UPEI) for attracting health-related and green energy related Research and Development activity to Summerside.</p> <p>a) Build partnerships with these post-secondary institutions and local businesses to open a Health IT Research Institute either within or in proximity to the Holman Centre that will work to enhance the research activity in Summerside and attract new businesses to the city.</p>	Summerside Economic Development	Holland College, UPEI, Holman Centre	5	<p>New eHealth related research projects</p> <p>New health industry-related educational programs</p> <p>New funding resources available to Holman Centre</p> <p>Participation at Health IT Bootcamp Program</p>
<p>1.1.2 Expand health care, ITC and green energy training programming in Summerside</p> <p>a) Initiate discussions with Holland College to expand health related training programs.</p> <p>b) Initiate discussions with UPEI to establish a teaching presence in Summerside, with preferable education programs in health, computer systems and business studies.</p>	Summerside Economic Development	Holland College, UPEI	5	
<p>1.1.3 Build relationships with local businesses and engage the youth population through cooperative education programming at the Secondary and Post-secondary level.</p>	Summerside Economic Development	Holland College Western School Board of Prince Edward Island, Chamber of Commerce	3	
<p>1.1.4 Hire fulltime staff person to oversee Immigration Attraction and Retention Program for the City</p>	Summerside Economic Development	Holland College, UPEI, Citizenship and Immigration Canada	5	
<p>1.1.5 Leverage funding to expand the business and entrepreneurial services offered at the Holman Centre.</p> <p>a) These services can include networking events, workshops, information on accessing venture capital funds and business planning.</p> <p>b) Consider funding an additional Business Development staff person to implement this additional programming.</p>	Summerside Economic Development, The Holman Centre	The Holman Centre, Atlantic Canada Opportunities Agency	3	
<p>1.1.6 Create marketing messaging and materials in addition to the EHealth Centre of Excellence Leasing Guide that communicate the value proposition of Summerside's eHealth location. Ensure that</p>	Summerside Economic Development	Province of Prince Edward Island	3	

	the e-Health businesses are profiled in these materials.				
1.1.7	Create a forum, such as “Health IT Bootcamp” (similar to the University of Waterloo Health Informatics Bootcamp model) where local ICT businesses and health care service providers network and share knowledge and build profile for the Health IT sector a) This could be a 2-3 day event annually	Summerside Economic Development	Prince County Hospital, Atlantic Canada Opportunities Agency	3	
1.1.8	Conduct a feasibility study to determine the opportunity to create a centre of excellence in interoperability connecting the health care and ICT sectors more cohesively.	Summerside Economic Development	Prince County Hospital, Atlantic Canada Opportunities Agency, Holland College	3	

**Objective 1.2 Building on transportation assets, focus internal and external business development efforts on the activities in the convergence between agriculture, food systems, and advanced manufacturing-aerospace**

The City of Summerside is well positioned through its infrastructure assets and its economic clustering to become a regional leader in the convergence sector of agriculture, food systems and advanced manufacturing-aerospace. In order to fully grasp the opportunities that this sector represents, it is important that the City develop a clear understanding of what this sector entails in both a local city-wide context, but also provincially, regionally and nationally. By developing this understanding, it will become clearer as to what possible partnership opportunities, investment targets and strategic advantages exist within the City of Summerside. To facilitate further growth in this target sector, key industry stakeholders should be utilized and, in particular, the creation of an industry advisory committee should be facilitated that can interact with potential investors within the sector, as well as existing businesses within the community and further direct the City's activity and focus in this sector.

Another necessary and key component of this strategy is the need to identify opportunities for future research and development into key areas of growth in this sector. In particular, attention should be paid to the growth and research in the biomaterials, biofuels, industrial automation and supply chain management fields. In so doing, institutions and researchers that are undertaking applied research in this convergence area throughout Atlantic Canada should be identified. The City of Summerside should work to understand the potential around attracting some of these research projects to Summerside, potentially by facilitating the collection of local resources to support their projects, i.e. space, or raw materials. Further, the City can facilitate dialogue between research and industry specialists in aerospace and food systems in the area.

In looking towards the future to determine potential growth opportunities in this sector it is also vital to understand the needs and opportunities that current and potential businesses value. The City must actively engage current businesses and develop a stronger relationship and dialogue between the business community and the City. Through the consultation process it was also determined that many businesses are apprehensive about the level of growth the City of Summerside can sustain due to the size of their current skilled and semi-skilled labour force market. The City must develop a better understanding of the skill requirements of this sector, both current and in the future. The City should also continue to build strong partnerships with Holland College and the local school boards, in order to ensure that businesses will be able to find the skilled labour they need. The City must also understand the current and future market trends of this sector in order to present opportunities to local businesses and facilitate future development. To this point, market opportunities may exist for local farmers to undertake additional value-added operations with their agricultural co-products, or to grow new crops that may be useful to businesses within the sector. However, a strong case will need to be made to local farmers about the potential for new opportunities around their co-products or crops, as the existing agricultural industry continues to offer economic benefits. A clear understanding of the market will enable the City to play a strong facilitative role between local farmers, researchers, funding agencies, and local businesses to enable the expansion of a value chain from raw material to finished product.

**Objective: Building on transportation assets, focus business development efforts on the activities in the convergence between agriculture, food systems, and advanced manufacturing-aerospace**

Required Actions	Lead	Potential Partners	Priority	Performance Measures
<p>1.2.1 Create and maintain an inventory of existing and potential businesses that could engage in the area of convergence in the following geographies:</p> <ul style="list-style-type: none"> <li>a) Summerside</li> <li>b) PEI</li> <li>c) Atlantic Canada</li> <li>d) Canada</li> </ul>	Summerside Economic Development	Chamber of Commerce, Innovation PEI, Industry Canada	5	Business visitations
1.2.2 Create a local industry advisory committee composed of local business leaders/ambassadors, municipal staff, and representatives from Holland College to engage in the marketing and business development activities within the convergence sector	Summerside Economic Development	Chamber of Commerce, Business Ambassadors, Holland College	4	New educational programs
<p>1.2.3 Implement a targeted business retention and expansion program to generate interest in local business development activities, and gain primary insight into business development challenges and opportunities</p> <ul style="list-style-type: none"> <li>a) Target 5-7 business visits per month</li> </ul>	Summerside Economic Development	Chamber of Commerce	4	New partnerships with educational programming providers
1.2.4 Complete a market study identifying value-added opportunities in the transportation and equipment manufacturing sectors for local agricultural producers looking to diversify their products	Innovation PEI	Economic Development, Food Technology Centre	3	Number of research projects undertaken locally
<p>1.2.5 Work with the industry advisory committee to assess the skill needs within the converging industries, and identify programs to meet those needs</p> <ul style="list-style-type: none"> <li>a) Work with Holland College to develop curriculum to support trades, transportation, and advanced manufacturing technology skills</li> <li>b) Work with local English and French school boards to inform curriculum focused on preparing students for college- and university-level courses in industrial technology, information technology, and natural sciences</li> </ul>	Summerside Economic Development	Holland College, Local School Boards, Chamber of Commerce	2	Industrial employment

<p>1.2.6 Identify a list of academic and industry leaders undertaking applied research projects in the areas of biofuels and biomaterials</p> <p>a) In partnership with Holland College and UPEI, assess the feasibility of attracting researchers to Summerside and potential opportunities to support research projects</p> <p>b) Undertake an assessment of the potential to supply shared infrastructure to support pilot/scale-up projects within the biobased transportation manufacturing sector, including possible industry partners and sources of funding</p>	<p>Summerside Economic Development</p>	<p>Holland College, UPEI, Slemon Park, Innovation PEI, PEI Food Technology Centre</p>	<p>2</p>	
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### **Objective 1.3 Undertake activities focused on building the enabling infrastructure that will support business development in Summerside**

The City of Summerside is generally well equipped with hard infrastructure to enable the further growth of business in the City. Slemon Park, the Port, the proximity of the City to the Confederation Bridge and the highway access throughout the community are all well developed and strong key pieces of infrastructure that the City should further capitalize on. It is important that the City remain engaged in Slemon Park and, if possible, incorporate Slemon Park into the urban boundary. Before doing so, however, it is important to understand the positive or negative effects of this change.

Summerside is lacking adequately available industrial land and therefore it is extremely important that the City add to their industrial land inventory. The provision of more investment-ready industrial space is a primary concern for the City, as a means to achieve a better balance between residential and non-residential tax assessment. Where assessment is weighted more heavily towards residential currently, a higher level of non-residential assessment would represent a stronger financial position for the municipality – non-residential land uses typically have a positive net fiscal benefit for a City through property taxes and servicing, whereas residential uses generally produce a negative net fiscal benefit for the City based on the number of services required.

Summerside has proven to be innovative and a leader with respect to advancing the green economy as well. The Summerside Wind Farm Project received significant investment from the City and other levels of government to generate electrical wind power. The Wind Farm is a significant asset to the community as it will produce green, sustainable electricity for the City and reduce its reliance on imported energy. This asset can be used to help attract further private investment to Summerside; however, the community will need serviced land in order to successfully attract private investment.

Summerside Electric's Smart Utility Grid and Energy Storage Project is an innovative approach to controlling consumer loads to the benefit of the environment, Utility Company and consumer. The four major components to the Smart Utility Grid include:

- Approximately 6,500 smart meters that respond in real time
- Energy Thermal Storage systems that communicate directly with the utility and consumers
- Smart Grid communications that are reliable and secure and
- Synchronization of the current utility's generation management system, consumer electrical use information and load control information.

The City's ability to provide an innovative electrical infrastructure network requires leading edge information and communications technologies, which is provided by a local fibre optic and wireless telecommunications network. The green energy physical infrastructure assets are in place in Summerside; however, there is a need for supporting infrastructure such as post-secondary educational institutions to provide the necessary skills training. It is this training that can be applied to not only the electrical utility generator, but other supporting green energy companies down the value chain.

Objective Undertake activities focused on building the enabling infrastructure that will support business development in Summerside				
Required Actions	Lead	Potential Partners	Priority	Performance Measures
1.3.1 Complete a business plan exploring the feasibility, fiscal impacts, and potential phasing of a business park development in Summerside in an effort to address the community's deficiency in shovel-ready development locations a) Source external funding where necessary to assist in this effort	Summerside Economic Development	Innovation PEI, Slemon Park, SRDC, ACOA	5	New hectares of available, serviced industrial lands  Non-residential tax assessment  Tax assessment split  Industrial employment  Developer interest in Port facilities  External dollars invested in local infrastructure
1.3.2 Initiate discussions with Innovation PEI to add the industrial site on Greenwood to the Summerside business Park a) Work to integrate necessary infrastructure improvements into the City's capital budget	Summerside Economic Development	Innovation PEI, SRDC	5	
1.3.3 Promote within the City the Smart Utility Grid and encourage consumers to install energy storage heating systems. a) Pursue the development of the Smart Utility Grid and provide incentives for the installation of energy storage heating systems.	Summerside Economic Development, Summerside Electric	Summerside Electric Utility, IT corporations	5	
1.3.4 Complete a cost-benefit analysis to explore the fiscal impact of incorporating Slemon Park into the urban boundary, with particular emphasis on the property tax implications for existing local businesses and costs for maintenance of the Park	Summerside Economic Development	Slemon Park, SRDC	4	
1.3.5 Build a value proposition focused on the green energy and the transportation manufacturing and food systems sectors to demonstrate that Summerside is an attractive location for business investment. a) Communicate this value proposition through appropriate marketing materials	Summerside Economic Development		3	
1.3.6 Expand the educational programming available in Summerside in partnership with Holland College and UPEI. a) Initiate discussions with Holland College to expand training programming for the green energy sector b) Initiate discussions with UPEI to establish a teaching presence in Summerside for environmental studies educational programs c) Undertake an initiative to promote "niche education" strengths within Summerside, including the creation of community structures to enhance partnership and communication in this sector, and external promotional efforts to present this as one of the community's competitive strengths d) Continue efforts to promote Summerside as the logical home of the Provincial Museum, highlighting the positive economic benefits (in	Summerside Economic Development	Holland College, UPEI	3	

e)	addition to tourism benefits) the facility will contribute in this context Explore opportunities to develop an education-focused science centre in the community, which could double as a significant tourist draw				
1.3.7	Through consultation with local industry, explore possibilities for further facility development on the vacant lands at the Port, i.e. refrigerated facilities, shared warehouse space, bonded warehouses a) Issue a Request for Expressions of Interest (RFEOI) focused on opportunities around expanded facilities at the Port; this should lead to a detailed economic opportunities study identifying key opportunities in which the Port may be used to attract new investment, or expand the range of business operations within the community	Summerside Port Corporation	Economic Development, ACOA	3	
1.3.8	Connect youth and local businesses to promote apprenticeship options in red seal trades related to the green energy sector.	Summerside Economic Development	Summerside Electric Utility, PEI Department of Innovation and Advanced Learning, Holland College, Local School Boards	3	

## Goal Two:

Stakeholders, both internal and external, embrace the view of Summerside as a location of choice to live, work, and raise a family

Summerside is a unique urban area with a strong cultural history and a clear sense of pride among its residents for its welcoming, 'small town', 'down home' and 'friendly' feel. The challenge is to maintain this sense of "home" while also looking into the future and finding innovative ways to grow the economy and become a place of choice for existing and new talent. Communities like Summerside must create a receptive environment where the private sector can invest in quality of place, and work to attract external investment while cultivating internal investment. In doing so, the community improves its value proposition for new skilled residents, and innovative businesses looking for those workers.

Local government plays an important role in the creation of a welcoming business climate, but is often perceived by the business sector (and some elected officials) as burdensome, parochial, lacking harmony and inflexible. Summerside is not unlike other communities facing this challenge. This perspective was shared by participants of the community consultations, creating a sense of urgency to address local perceptions that exist. Effectively resolving this issue in the short-term is unlikely, but it is hoped that local government will be willing to take some modest steps towards helping improve the region's business climate and creating a common understanding of the nature and benefits of economic development. This process could be initiated by a commitment to information sharing, transparency and collaboration across departments, other levels of government and the broader community. This approach will strengthen relationships and maintain a "common goal" approach to policy development and priority setting, another key concern raised during the consultations.

Local government controls local tax structures, bylaws and approval processes, and influence land use patterns and local services which, in the case of Summerside, include utilities. Emphasis on "open for business" thinking will ensure that, as policies and by-laws are being developed or reviewed, and implementation of the economic strategic plan advances, key considerations on existing and future business opportunities remains top of mind.

Increased two-way communication with internal and external stakeholders will also serve to improve customer service and access for all businesses to assistance, information, technology and resources. It will support a sense of ownership to the economic sustainability of Summerside. This is an important factor in the implementation of actions emerging through the economic strategic planning process as financial and human resources constraints will require broad community engagement, the emergence of champions, and the private sector commitment to supporting local economic development.

**Objective 2.1 Undertake structural and programming enhancements to ensure better communication of economic development priorities and activities among internal stakeholders (City Staff/Administration)**

A local economic strategic plan serves as a blue print, providing a clear pathway towards the achievement of approved goals and objectives. Following the endorsement of the plan by local council and senior staff within the City of Summerside, there is direct value in a cohesive and coordinated communication strategy that will showcase the future vision to all those involved in the delivery of government services. Emphasis on the strategic planning process is important as it increases the sense of ownership and given limited human and financial resources to support implementation, departmental staff can be encouraged to identify linkages between their department goals and that of the strategy. This creates a synergy that can quickly maximize efforts and energies and result in some quick wins in the strategy implementation.

Communications is a common challenge faced by public organizations. Public messaging delivered through an effective public relations strategy is of significant importance. As important however is the internal communication strategy. Development and economic sustainability are best supported through a collaborative approach that is grounded in transparency and a commitment to information sharing. Through an effective, targeted messaging strategy, local government can increase opportunities for broader engagement of internal stakeholders. People feel much more engaged and have a greater sense of ownership when they are kept informed. This is generally an inexpensive strategy to implement and can provide a high return on investment through increased productivity, a cooperative work culture, and a sense of being part of the broader “team”. As part of the communication strategy, include a celebration of successes. As economic development strategies are implemented and completed or as other departments create linkages and build synergies that support strategy advancement, those efforts should be recognized.

**Objective: Undertake structural and programming enhancements to ensure better communication of economic development priorities and activities among internal stakeholders (City Staff/Administration)**

Required Actions	Lead	Potential Partners	Priority	Performance Measures
<p>2.1.1 Facilitate approximately 10 meetings per year of senior management at the City, in order to improve two-way communication between economic development and other City departments. Participants should include:</p> <ul style="list-style-type: none"> <li>a) City CAO</li> <li>b) Director of Technical Services</li> <li>c) Director of Finance</li> <li>d) Director of Community Services</li> <li>e) Director of Economic Development</li> </ul>	Summerside Economic Development	Technical services, finance, community services	5	<p>Attendance at meetings</p> <p>Newsletter opens/clicks</p>
<p>2.1.2 Working with corporate communications, develop a monthly e-newsletter (also available in hard copy) for distribution to all City staff, highlighting key operational messages and objectives from the economic development department</p>	Summerside Economic Development	Communications department	3	

**Objective 2.2 Undertake structural and programming enhancements focused on improving relations with external stakeholders (residents, businesses, academia, provincial government), with the intent of building an understanding of the importance of Summerside to the Provincial economy**

Education and awareness are central to engagement. The shared vision for economic development and sustainability for the City of Summerside must be clearly communicated to the public, businesses, academia, and other levels of government. Messaging, while remaining positive, must emphasize the need for a vital economy and its impact on residents, quality of life, employment, business development, taxation, etc.

Building on the internal communication strategy, there is an opportunity to respond to identified challenges and barriers that emerged through the community consultation process and through future stakeholder feedback. Targeted outreach to external stakeholders is already a practice within the Economic Development department of the City of Summerside. This is an opportunity to ensure stakeholders recognize that their concerns are being heard and that the City is “open for business”.

Of particular importance is the outreach to the provincial government. Many of the respondents, through the survey and consultation process, focused on the need for the Province to provide adequate support to the City of Summerside and the surrounding rural areas. Many people noted that although the City has diversified the economy, there is a need to improve the connectivity between Provincial strategies and those of the City. One example that was offered related to the Aerospace sector. While the City of Summerside is strongly positioned in this sector, provincial efforts relating to new investment in the sector appear to be directed at Charlottetown. An opportunity to ensure clear lines of communication and an alignment of efforts between City and Provincial governments exists.

Strengthening relationships between business, academia and intermediary organizations including local chambers, BIA's and other member serving groups, may result in opportunities to align priorities and actions that are documented in the economic development strategy. Tasks from the economic strategic plan may be championed by organizations or committees that have a better understanding of where the opportunities may be present, rather than the economic development department being solely responsible for implementation. Actions can instead be implemented by the organization best positioned to move the action forward. This collaborative approach to implementation maximizes resources, increases opportunities for innovative approaches, strengthens engagement and builds relationships, and generates faster results.

**Objective: Undertake structural and programming enhancements focused on improving relations with external stakeholders (residents, businesses, academia, provincial government), with the intent of building an understanding of the importance of Summerside to the Provincial economy**

Required Actions	Lead	Potential Partners	Priority	Performance Measures
2.2.1 In partnership with the Chamber of Commerce and Business Improvement Area, initiate a semi-annual business and industry forum to share key economic development program progress and increase interaction with the local business community	Summerside Economic Development	Chamber of Commerce, BIA	5	Attendees at business and industry forum  Partners or Sponsors in business and industry forum
2.2.2 Initiate a 'Summerside Day' communications program targeted at reaching out to provincial government representatives, and promoting Summerside as a business location	Summerside Economic Development	Business Ambassadors, Other Departments, Chamber of Commerce, BIA	4	
2.2.3 Develop an annual economic scorecard outlining major economic development initiatives for the following year, and progress updates regarding the previous year's implementation plan a) Through the data collection aimed at yearly reporting, develop a monthly economic update targeted at local residents to be placed in the Journal Pioneer, outlining key economic development news in Summerside	Summerside Economic Development	Journal Pioneer	3	



## 9 Appendices

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# CITY OF SUMMERSIDE

**ECONOMIC DEVELOPMENT FOCUS GROUP HIGHLIGHTS**

**APRIL 11-12, 2011**

**REVISION 0**

*In Association with:*

***Millierdickinsonblais***

***Queen's University Executive Decision Centre***

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## Executive Summary

Attached are meeting proceedings from the City of Summerside economic development consultations held April 11-12, 2011. The purpose of the sessions was to solicit input and advice from the broader community on challenges and opportunities associated with economic development. The group explored the following questions:

1. What are Summerside's assets and strengths as they relate to local business (or the local economy)?
2. What are Summerside's barriers and challenges as they relate to local business?
3. Where are the growth opportunities for local business (or the local economy)?
  - How can Summerside's economic development team more effectively support and assist local businesses in pursuing growth opportunities?

Below is a brief summary of each session followed by a comparison by question across the three sessions.

### Three sessions at a glance

In the **first session (business sector)**, the overarching themes included: the importance of better partnering and stakeholder communications; the need to build on our strengths and the necessity of crafting a clear vision. A thread throughout the discussion was the “chicken-egg” dilemma of low population growth and creating jobs that attract people here. It was noted that we have many existing assets in particular our quality of place. Key opportunities in the next 1-2 years are: Building a green agenda; Supporting business relationships with the intention of creating clusters; Continuing to be at Provincial tables in key sectors like e-health; Ensuring City has an easy to navigate single point of contact; Creating a development-friendly environment.

In the **second session (intermediaries)**, the overarching themes included: the need for training and education thrust; lots of activities by various groups but no coordination; we have many assets to build on; the downtown must be a vibrant hub; good development policy is a necessity; our population challenges (low immigration, youth retention, aging workforce). The group noted some major impediments such as high taxes and development costs and lack of PSE institutions. Key opportunities in the next 1-2 years are: Establish training and education programs (perhaps University level education) at targeted sectors; Focus on some key sectors like e-health and become the “Atlantic Canada e-health hub”; Revitalize downtown; Address population challenges through settlement/repatriation strategy.

In the **third session (mixed sectors)**, the overarching themes included: a desire for more collaborative approaches among key players (currently a “splintered” approach); the importance of a transparent decision-making process; the need to have state of the art space and buildings for business attraction; and the necessity of crafting a clear vision. Key opportunities in the next 1-2 years are: Developing a plan that enables cross sector coordination (to get all groups working together); Creating an “open for business” environment that attracts and retains business; Address seasonal challenges (open beyond June-August); Invest in downtown core; Explore more adult education options; and consider a more modern business park.

<b>Strengths and Assets</b> that differentiate Summerside
---

- Water frontage and boardwalk
- Our own electrical utility and we generate 45% of our own energy
- Excellent core facilities (CUP, police, fire etc.)
- Slemon Park Aerospace
- Small city that is adaptable to challenges and has room for expansion with vacant land space
- Quick access to decision makers at all levels of government
- Close to largest francophone population on island
- Stable local workforce (low attrition and turnover)
- IT infrastructure (high speed, fibre optics)
- A sense of community: committed local community with passion for the area
- Adult education core: Marine Center, Atlantic Police Academy, and Aerospace Center

<b>Q2. Barriers and Obstacles</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>Total</b>
1. No coordinated approach – there are lots of groups working in different, disparate directions	3	10	6	<b>19</b>
2. Attitudes in community: resistance to change, protectionist, unwelcoming to newcomers,	3	10	6	<b>19</b>
3. Lack of long term growth planning, direction and lack of coordinated development approach. Zoning policies rooted in old economy	4	9	4	<b>17</b>
4. Lack of quality office and commercial space	2	10	4	<b>16</b>
5. Lack of post secondary education institutions, training and learning options	3	11	1	<b>15</b>
6. Lack of modern amenities, culture attractions (shopping, restaurants, theatres, hotels, entertainment)	2	4	5	<b>11</b>
<u>Others:</u> Seasonality of tourism industry... we are in the shadow of Charlottetown / copy cat syndrome... Lack of development incentives ... high taxes, energy and development costs... small population				

<b>Q3. Opportunities</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>Total</b>
1. Sector strategy that encourages collaboration, cooperation. Perhaps e-health hub, aerospace	4	10	6	<b>20</b>
2. University level education in our community. UPEI west campus, other Can univ or US college satellite. Must provide skills that are required by local business	2	11	2	<b>15</b>
3. Downtown core revitalization	2	8	4	<b>14</b>
4. Green economy: build a strategy to advance environmental agenda, incentives, demonstrate how to adapt	4	7	2	<b>13</b>
5. Tourism strategy. Support and incentives to develop off season tourism, eco-tourism, coordination with Province	2	6	5	<b>13</b>
6. Development incentives (commercial and residential). Work with land developers	3	4	5	<b>12</b>
7. Create the conditions for local business growth and “open for business” attitude.	3	3	5	<b>11</b>
8. Single point of contact at City: an individual to manage relations with business, tourism, downtown	3	4	0	<b>7</b>
<u>Others:</u> Strong communications with Province, modern business park				

Editor's Notes:

- The notes in this Executive Summary provide a summary of the findings from each session. Given the variety in each focus group, the summary above should be considered directional in nature and is by no means a scientific comparison.
- The symbol // indicates that two similar ideas have been merged together.
- This document contains the meeting proceedings and is not intended as a “Final Report”

## **1.0 – Group 1 (Business)**

### **1.1 – Strengths & Assets**

What are Summerside's strengths & assets as they relate to local business?

\* XXX = differentiates us from others.. ..makes us unique

- 1. XXX Water frontage on both north and south shore**
- 2. XXX we have our own electric utility and generate 45% of our own energy. We can build on this and the peripherals that surround this ...45% of electricity comes from PEI wind**
- 3. XXX fantastic core facilities - CUP complex, police, fire, waterfront area**
  - a. Credit Union Place
- 4. XXX small City -> adaptable to challenges and allows us to interact with other levels of govt...**
- 5. XX close to the largest francophone population on the island ..close to large Acadian population**
- 6. X we have an opportunity to increase our education centers build around such opportunities as Slemon Park Training facilities, College of Piping, Holland College facilities**
- 7. X we have one of the best equine centers in eastern Canada**
- 8. X Holman Centre**
- 9. X Geographic location - proximity to fixed link bridge, airfield and port**
- 10. Local infrastructure in great shape (roads, sewers, hard stuff) ..state of the art waste treatment facility**
  - a. Infrastructure; wind farm, credit union place
- 11. Passionate community: people care, strong views of what is going on**
- 12. Personal approach, small community feel ...friendly people ...safe community - imp to attract population to area... Safe community ..**
- 13. Great hospital and local health care**
- 14. Entrepreneurial mindset**
- 15. We have some great parks and walkways**
- 16. Labour force loyalty - not a lot of turnover**
- 17. Insightful and responsive city council and administrators**
- 18. Growth in new sectors - aerospace, IT**
- 19. Welcoming school system**
- 20. Small population with a strong growth potential**
- 21. Strong arts heritage & culture presence**
  - a. Wide variety of culture

## 1.2 – Challenges & Barriers

What are Summerside's barriers and challenges as they relate to local business?  
\*\* If we could only address SEVEN of these (importance, within our control)

### Voting Results

Multiple Selection (maximum choices = 7) (Allow bypass)

Number of ballot items: 26

Total number of voters (N): 7

### #votesIdea

- |   |   |
|---|---|
| 4 | 1. Lack of clear direction for growth ...lack of long term planning   |
| 4 | 2. Too much emphasis on being like other cities   |
| 3 | 3. Weak communication between City, business community, Downtown, Tourism etc.<br>- need to be more open to changes and embrace the quality of local business and their ideas |
| 3 | 4. Lack of Post Secondary Education institution   |
| 3 | 5. Protectionist attitude as opposed to the strength of clustering (existing businesses are always welcoming to new entrants)   |
| 2 | 6. Lack of hotels, fine dining, entertainment, shopping in area   |
| 2 | 7. Provinces negativity to Summerside and passion to centralize all   |
| 2 | 8. Negativity by groups within city and province who wants to see failure   |
| 2 | 9. Small population ... Lack of population growth since amalgamation  |
| 2 | 10. Transparency of city admin/Council in past (often not as open with information as could be)   |
| 2 | 11. Access to financial capital   |
| 2 | 12. Nobody wants to pay for anything (for facilities, events etc.)  |
| 2 | 13. Lack of entrepreneurship from community   |
| 2 | 14. Lack of development incentives  |
| 2 | 15. Youth retention. Our young people are leaving   |
| 1 | 16. Summerside vs. Charlottetown. Some parochialism... unwillingness to embrace island/region assets.   |
| 1 | 17. Resistance to change - businesses happy with everything working fine... don't easily step outside comfort zone  |
| 1 | 18. Negativity to new ideas and initiatives...confederation bridge, wind farm, credit union place   |
| 1 | 19. Doesn't promote bilingual services enough   |
| 1 | 20. Lack of downtown capitalists (many businesses not locally owned)  |
| 0 | 22. City controversy - legal battles  |
| 0 | 23. Time/resource challenges: JIT operations approach. No time for growth/new business development  |
| 0 | 24. Stressed relationship with SlemonPark admin   |
| 0 | 25. Possibly too much focus for development in West end   |
| 0 | 26. dog dudu on the boardwalk   |

**Note: prior to voting, the group brainstormed ideas and then merged the similar items.**

***Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.***

**2. lack of hotels, fine dining, entertainment, shopping in area**

Lack of hotels/restaurants

lack of entertainment and shopping

**8. weak communication between City, business community, Downtown, Tourism etc.**

**- need to be more open to changes and embrace the quality of local business and their ideas**

lack of communication between City and business community

**1.3 – Opportunities (1-2 years)**

Where are the growth opportunities for local business?  
If we could only pursue SIX of these...

**Voting Results**

Multiple Selection (maximum choices = 6) (Allow bypass)

Number of ballot items: 18

Total number of voters (N): 7

**#votesIdea**

- |   |  |
|---|--|
| 4 | 1. Green economy - build around a strategy that moves local agenda in this area<br>- As a community, demonstrate how to adapt to the new dynamics of functioning 100% using sustainable energy.<br>- Develop incentive programs from energy to help businesses and residents |
| 4 | 2. Find strategic partners that can complement each other and offer new ideas... clustering, work together   |
| 3 | 3. Need a renewed strong communication and overall relationship with Prov to spur growth in designated sectors like eHealth, etc   |
| 3 | 4. Someone within the City to manage relations with business community, tourism, downtown etc. One point of contact who will keep everyone informed  |
| 3 | 5. Both commercial and residential development incentives ...City should be unique and work with land developers   |
| 3 | 6. Our city plan should highlight our strengths - we have many ...Sell the positives that we do better to community to elevate perception of City  |
| 3 | 7. Create a strategic Master Plan for the City   |
| 3 | 8. SlemonPark and the Holman Centre are 2 of S'sides greatest assets - lets make sure we take full advantage   |

- 3 9. Build on the creative class as per Richard Florida's ideas (knowledge economy, arts & cultural component)
- 3 10. Business attraction will drive our population growth needed and alleviate many other deemed negatives with our City
- 2 11. Develop specialized education programs i.e. niche markets ties to opportunities in community ...build around the education cluster with a science/IT component
- 2 12. Better communication regarding transparency with the public ...City needs a 'cleaner image' with less controversy in public's eye
- 2 13. More responsive hours of operation (business hours)
- 2 14. Offer more bilingual services and promote it
- 2 15. Develop youth business programs e.g. entrepreneurial, YA
- 0 17. Develop healthy programs based on trails and park programs within City
- 0 18. New faces on council will allow us to move more easily in new directions

#### **1.4 – Role of the economic development team**

How can Summerside's economic development team more effectively support and assist local businesses in pursuing growth opportunities?

- What role must the City play?
- What others must be involved?

##### **1. Green economy - build around a strategy that moves local agenda in this area**

- As a community, demonstrate how to adapt to the new dynamics of functioning 100% using sustainable energy.
- Develop incentive programs from energy to help businesses and residents

**Role for City:** Lead. Own our own energy plant. Help educate population, work with business

**Others:** Province, ACOA

##### **2. Find strategic partners that can complement each other and offer new ideas... clustering, work together**

**Role for City:** Support. Education. Provide info on opportunities.

**Others:** Chamber, Downtown summerside, SRDC

##### **3. Need renewed strong comm's& overall relationship with Prov to spur growth in designated sectors like eHealth, etc**

**Role for City:** Lead (depends on issues). Need to convey existing work to community

**Others:** Chamber, SlemonPark, SRDC

##### **4. Single point of contact. Someone within the City to manage relations with business community, tourism, downtown etc. One point of contact who will keep everyone informed**

**Role for City:** Lead. Yes, do it!

**Others:** Tourism, Chamber, Downtown summerside



**5. Both commercial and residential development incentives** ...City should be unique and work with land developers

**Role for City:** Lead. Driven by ED team

**Others:** Local realtors, developers

**6. Our city plan should highlight our strengths** - we have many ...Sell the positives that we do better to community to elevate perception of City

**Role for City:** Lead. Meet with community stakeholders.. Develop and implement marketing strategy

**Others:** Downtown Summerside, Arts & culture orgs, local community orgs

**7. Create a strategic Master Plan for the City**

**Role for City:** Lead (for city overall)

Develop strategic plan for city

**8. Slemon Park and the Holman Centre** are 2 of S'sides greatest assets - lets make sure we take full advantage

**Role for City:** Support. Status quo. Support various businesses to grow. Develop new businesses... promote these facilities to province as unique identifiers (especially in aerospace and e-health sectors)

**What other players need to be involved?**

- Summerside regional development corporation
- Downtown Summerside
- Slemon Park Corp
- Province
- Chamber
- ACOA

### ***1.5 – Summary themes and messages***

**The group was asked to sum up the key themes from the meeting (these are not ranked):**

- Need better communications with stakeholders
- Importance of partnering
- Need a clear direction/vision/plan
- Build on our strengths
- “Chicken & egg” - Lack of population/growth is holding us back. How do we get the egg hatched?
- Job creation is key to attract/retain people
- Need the quality of place to attract people

**Notes:** Would be interested to know why some people declined to participate

## 2.0 – Group 2

### 2.1 – Strengths & Assets

What are Summerside's strengths and assets as they relate to the local economy?  
\* differentiates Summerside... makes us unique... Pick SIX

#### Voting Results

Multiple Selection (maximum choices = 6) (Allow bypass)

Number of ballot items: 27

Total number of voters (N): 19

#### #votesIdea

12	1. Slemon Park Aerospace
10	2. Boardwalk...waterfront ...location of Summerside being on the water
10	3. City ownership of electrical utility ..Wind power energy
9	4. Local work force - stability, low turnover, productivity, collaborative
9	5. Quick access to decision makers - relatively flat power structure (municipal, provincial)
7	6. IT infrastructure (hi speed, fibre optics)
5	7. harbour (port) ...Port Authority
5	8. Good quality of living.
5	9. Recreation Infrastructure ... Credit Union Place
5	10. Green Infrastructure ... clean power, wind farm, waste water tmtcentre, smart metering
5	11. community spirit ...can-do attitude ..Engaged community stakeholders ..plenty of volunteers
4	12. Summerside tax centre
4	13. Health Care infrastructure e.g. modern hospital
3	14. housing cost
3	15. Close to confederation bridge
3	16. gov't cooperation x levels
2	17. Safe Community
2	18. Holman Centre
2	19. culture/history
1	20. IT health sector
1	21. Small Businesses: # entrepreneurs, spirit, diversity
1	22. Strong service clubs
0	24. school system - English and French
0	25. tourism - generates sustainable revenue
0	26. natural resources (fishing, farming, etc.)
0	27. Inclusive community

**Note: prior to voting, the group brainstormed ideas and then merged the similar items.**

**Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.**

**2. Summerside tax centre**

GST Centre

**6. City ownership of electrical utility ..wind power energy**

City owned utility

**7. Safe Community**

safe community

**10. housing cost**

attractive real estate prices

**11. Health Care infrastructure e.g. modern hospital**

PrinceCountyHospital

hospital

**14. local work force - stability, low turnover, productivity, collaborative**

collaborative workforce

**17. Green Infrastructure ... clean power, wind farm, waste water tmtcentre, smart metering**

Windmill Farm

**18. school system - English and French**

Good local schools

**2.2 – Challenges & Barriers**

What are Summerside's barriers and challenges as they relate to the local economy?

If we could only address SEVEN of these... Importance and Influence

**Voting Results**

Multiple Selection (maximum choices = 7) (Allow bypass)

Number of ballot items: 22

Total number of voters (N): 17

**#votesIdea**

- |           |   |
|-----------|---|
| <b>13</b> | 1. High Taxes (in smaller town to provide services) ...residential and commercial tax levels relative to communities on perimeter                     |
| <b>12</b> | 2. Need more of a partnership attitude with all levels of gov't   |
| <b>11</b> | 3. Education - skill set for trades and knowledge/service economy ...Lack of post-secondary training/learning options leads to exodus of young people |
| <b>10</b> | 4. lack of unified vision/coordinated effort -> lots of committees/groups doing many things but no coherence  |
| <b>10</b> | 5. lack of quality office space and commercial space overall  |

- 9 6. Development policy - is it stagnant vs. evolving and promoting development
- 7 7. high development costs (to get property going)
- 7 8. High Energy costs
- 4 9. Small/stagnant population with limited growth potential
- 4 10. Limited options for entertainment (restaurant & hotel choice) for workforce ...lack of night life
- 3 11. comparably small skilled work force ...loss of youth - educated and opportunities are not here for them
- 3 12. Lack of access to investment capital
- 3 13. Not a cultural/musical/artistic centre
- 2 14. no commercial airport
- 2 15. Dependence on traditional industries (farming/fishing)
- 2 16. Dispersed locations - uptown, downtown, GST
- 2 17. lack of high paying jobs
- 1 18. Being an Island... transportation costs ... Distance from strong sustainable markets (costly to get to and from)
- 1 19. small market, small demand....reduced ROI
- 1 20. in the shadow of Charlottetown
- 1 21. Lack of existing commercial/industrial businesses (little clustering potential)

**Note: prior to voting, the group brainstormed ideas and then merged the similar items.**

**Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.**

#### **11. Education - skill set for trades and knowledge/service economy ...Lack of post-secondary training/learning options leads to exodus of young people**

Lack of post-secondary training/learning options leads to exodus of young people

Lack of educational institutions to train workers

#### **14. Limited options for entertainment (restaurant & hotel choice) for workforce ...lack of night life**

restaurants  
lack of night life

### **2.3 – Opportunities (1-2 years)**

Where are the growth opportunities for the local economy?  
If we could only pursue SEVEN of these.... Impact and Feasibility

#### **Voting Results**

Multiple Selection (maximum choices = 7) (Allow bypass)

Number of ballot items: 22

Total number of voters (N): 16

## #votesIdea

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- 11 1. University level education in community ... institute post-secondary training here ... UPEI western campus ..Post Secondary Canadian satellite location for US College ..Develop educational programs geared to targeted sectors - i.e. IT software development, etc.
- 10 2. E-Health....Biosciences...HolmanCenter ...Atlantic Canada ehealth hub ...creative technology applications
- 8 3. Develop vibrant downtown ... Encourage development downtown - subsidies, tax incentives, etc
- 8 4. Settlement strategy. repatriation-invite back home....entrepreneurs and youth...Vigorously promote immigration ...institute a strong immigration plan
- 8 5. Develop a coord. strategy ...concentrate on 3-4 objectives/goals ..agree on who will lead and who will support ...Level 5 Leadership.....Jim Collins (not ego centric) ...
- 7 6. Encourage HollandCollege to promote/partner programs to Sside i.e. CIC
- 7 7. Green economy - sustainable energy strategy, incentive programs ... Energy research ... Market the city as "green" to attract green jobs/grow the green economy
- 7 8. map long term growth/development of city(need LT coordinated Infrastructure plan)
- 6 9. Help develop off season tourism - more festivals and events ...Eco-tourism ...Coordination with Province, City and local people to develop tourism in the area
- 4 10. continue to develop Aerospace ...AnnexSlemonPark ...Full service fly in commuter aircraft repair centre..Can we develop the commercial cargo use of airport
- 4 11. Single point of contact. Someone manage relations with business community
- 4 12. Clustering of sectors - aerospace and IT ... Have targeted incentives that are unique for the area - IT and aerospace
- 4 13. ConsiderElliottLake model: PEI as retirement destination
- 4 14. Focus on specific industries/targets as opposed to casting a large net
- 3 15. Eastern Canadian sporting centre
- 3 16. work with local companies to expand into international mkts
- 2 17. Waterfront has lots of potential - incentives for redevelopment //use our waterfront
- 2 18. expand the hospital to include a coop with Dalhousie
- 2 19. WORK with local companies to develop a succession plan (for retiring owners)

- 1 20. Consider utilizing authorities better - port / airport
- 1 21. specialty farming.....value added products...herbs..health related

**Note: prior to voting, the group brainstormed ideas and then merged the similar items.**

**Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.**

**9. Settlement strategy. repatriation-invite back home....entrepreneurs and youth...Vigorously promote immigration ...institute a strong immigration plan**  
Attract immigrants to help grow the economy

Vigorously promote immigration ...institute a strong immigration plan

**11. Help develop off season tourism - more festivals and events ...Eco-tourism ...Coordination with Province, City and local people to develop tourism in the area**

Attract tourists from within the province

## **2.4 – Role of the economic development team**

How can Summerside's economic development team more effectively support and assist local businesses in pursuing growth opportunities?

- What role must the City play?
- What others must be involved?

**1. University level education in community ...** institute post-secondary training here ... UPEI western campus ..Post Secondary Canadian satellite location for US College ..Develop educational programs geared to targeted sectors - i.e. IT software development, etc. ...EncourageHollandCollege to promote/partner programs to Sside i.e. CIC

**Role of City ED:** Support. identify the specific sectors for training.

**Others:** Prov, UPEI, HollandCollege

**2. E-Health....Biosciences...HolmanCenter ...Atlantic Canadaehealth hub**  
...creative technology applications

**Role of City ED:** Support/Partner. create tax-free zones, other incentives

**Others:** Prov, ACOA,

**3. Develop vibrant downtown ...** Encourage development downtown - subsidies, tax incentives, etc

**Role of City ED:** Lead. Financing, tax breaks,  
BIA,

**Others:** Developers,

**4. Settlement strategy. repatriation-invite back home....entrepreneurs and youth...Vigorously promote immigration ...institute a strong immigration plan**

**Role of City ED:** support/lead? identify needs/target audiences/vision

**Others:** Prov, Fed

**5. Develop a coord. strategy ...concentrate on 3-4 objectives/goals** ..agree on who will lead and who will support ...Level 5 Leadership.....Jim Collins (not ego centric) ... target specific sectors

**Role of City ED:** Lead

**6. Green economy - sustainable energy strategy**, incentive programs ... Energy research

Market the city as "green" to attract green jobs/grow the green economy

**Role of City ED:** Lead. continue full speed ahead

## 2.5 – Summary themes and messages

The group was asked to sum up the key themes from the meeting (these are not ranked):

- Training and education opportunities
- Coordinated effort/planning is crucial
- We have many strengths & assets to build on
- Need to have downtown as “vibrant heart” of area
- Good development policy in city is critical
- Population challenges: need settlement/resettlement approach

## 3.0 – Group 3

### 3.1 – Strengths & Assets

What are Summerside’s strengths as they relate to local business?  
Which of these differentiate Summerside? which ones make us unique... Pick SIX

### Voting Results

Multiple Selection (maximum choices = 6) (Allow bypass)

Number of ballot items: 18

Total number of voters (N): 8

### #votesIdea

- |   |   |
|---|---|
| 5 | 1. A sense of community ... committed local community with passion for the area                         |
| 4 | 2. Some very dedicated people who are willing to make careers in the occupations (long term commitment) |
| 4 | 3. Several core economic activity bases, e.g. GST Centre (Govt), SlemonPark (Industrial Park)           |
| 4 | 4. Adult education- MarineCenter, Adult Education, AtlanticPoliceAcademy, and AerospaceCenter           |
| 4 | 5. Cultural and educational centres ...professional year-round performance venue                        |

- 4 6. City size ready for controlled and balanced economic growth (we have room for expansion) ...Downtown vacant land base for core development opportunities
- 3 7. Excellent green space and waterside
- 2 8. clean, safe community with positive family values
- 2 9. non-competitive work environment....which is the reason attrition is low (low turnover)
- 2 10. Access to local officials - municipal, provincial and federal
- 2 11. central location, ease of access (commute/travel) into the community ...Closer access to ConfederationBridge and TransCanada Highway system
- 1 12. Desire to work together (businesses) ...
- 1 13. ability to create policy to encourage sustainable growth, we are a small jurisdiction and can take control of our destiny instead of running our City based on handouts from the Feds
- 1 14. Large government presence- GSTCenter, Department of Education, Health Jobs
- 1 15. A unique island culture
- 1 16. Access to day care, recreation facilities, clean parks and schools
- 1 17. Housing prices are much better than larger centers

**Note: prior to voting, the group brainstormed ideas and then merged the similar items.**

**Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.**

**2. clean, safe community with positive family values**

Clean, safe community

Safe community to raise a family

**7. Access to local officials - municipal, provincial and federal**

Ability to work with city officials and Provincial Government

**9. Several core economic activity bases, e.g. GST Centre (Govt), SlemonPark (Industrial Park)**

SlemonParkIndustrial Park

**12. central location, ease of access (commute/travel) into the community**

**...Closer access to ConfederationBridge and TransCanada Highway system**

Not very much traffic to commute to and from work

**3.2 – Challenges & Barriers**

What are Summerside's barriers and challenges as they relate to local business?  
If we could only address SEVEN of these (importance, our ability to influence)

**Voting Results**

Multiple Selection (maximum choices = 7) (Allow bypass)

Number of ballot items: 20



Total number of voters (N): 8

**#votesIdea**

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- |   |   |
|---|---|
| 6 | 1. No sense of coordinated economic development within the City and different interest groups ...Lack of communication and splintered groups; city hall, chamber, tourism association, downtown business association, etc - not working together with a common goal   |
| 6 | 2. Adjusting to change - moving away from the ways things have always been done ...Difficult to get anybody to do things quickly (city, businesses) ...Takes a very long time to get gov't to commit - promise made but very slow in implementation (municipal and prov)  |
| 6 | 3. senior city admin think it is ok to compete with private sector (Internet, meeting space, electric utility, furnace retailer, etc)   |
| 5 | 4. Not very much modern culture i.e. restaurants, pubs, theatre, shopping ...limited shopping options - need to travel to larger centres for greater choices  |
| 4 | 5. Seasonality of Tourism Industry ...Poor work ethics for some people i.e. seasonal mentality  |
| 4 | 6. Lack of a coordinated balance of residential, commercial and industrial mix ..Zoning- blended zoning, change in mindset from the community<br>- Disorganized economic "centres" within the City (strip mall in north end, office downtown, slemon park/gst elsewhere)<br>- Zoning routed in old economy - around farming (potato wharf), fishing (harbour), need to re-zone for balanced economic activity |
| 3 | 7. Lack of transparency in City Hall - frank, open communications ...Not sure who runs the City - administrators or council   |
| 3 | 8. senior city admin do not appear to be interested in growing local business ...Difficulty working with senior City staff ..lack of business experience by Senior City Admin   |
| 3 | 9. Charlottetown envy - competitor vs. partner. we don't need to be copy cat...   |
| 2 | 10. High municipal taxes  |
| 1 | 11. No modern business park   |
| 1 | 12. rundown derelict buildings, vacant spaces within central core   |
| 1 | 13. There are virtually no buildings to move a business into  |
| 1 | 14. Lack of easy, organized traffic flows in the city ...Roads poorly developed for truck traffic   |
| 1 | 15. Lack of a skilled labour force (depending on the sector)  |
| 1 | 16. Lack of well paying jobs for educated young people, more opportunities in Charlottetown, Stratford, etc   |
| 1 | 17. Local training opportunities - contract TED   |

- 0 19. SlemonPark, you will always rent, no option to purchase
- 0 20. Word travels too fast re. other peoples business

**Note: prior to voting, the group brainstormed ideas and then merged the similar items.**

**Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.**

**4. Lack of transparency in City Hall - frank, open communications ...Not sure who runs the City - administrators or council**

absence of transparency from City Hall

**8. Not very much modern culture i.e. restaurants, pubs, theatre, shopping ...limited shopping options - need to travel to larger centres for greater choices**

Lack of restaurants **3.3 – Opportunities (1-2 years)**

Where are the growth opportunities for local business and the local economy?  
If we could only move of SIX of these... impact and feasibility

**Note:** the group identified the following elements that should be characteristics of an economic development plan:

- Come up with a strategy
- determine what we can be, not just what we want to be, and do it ...
- needs an ED champion...
- SMART goals ...
- Develop a plan that is bought into by public sector, private business, and citizens ...open the dialogue with the community and execute on opportunities ...
- Need to develop City Economic development policies that balance the residential, commercial and industrial interests

### **Voting Results**

Multiple Selection (maximum choices = 6) (Allow bypass)

Number of ballot items: 19

Total number of voters (N): 7

### **#votesIdea**

- 6** 1. develop a plan that facilitates cross-sector coordination and cooperation ...Get all local groups focused in same direction
- 5** 2. create environment to encourage local business growth ...Create an environment in Summerside that says" we are open for business" and should be reflective in local government policies

- 5 3. incentives/support to enable year round operation of lifestyle/entertainment businesses (restaurants, etc) vs. seasonal business
- 4 4. Invest in the Downtown Core - revitalize
- 4 5. City Council needs to put taxpayer monies into long term, risk-measured economic growth in proven/emerging industries, not the Sports Capital of Atlantic Canada
- 3 6. Work with local adult education institutions to provide skills training that is required from local business ...EncourageHollandCollege to promote/partner programs to Sside
- 3 7. Plan a business park
- 3 8. Develop a Tourism Strategy for the City of Summerside
- 2 9. Need to define Summerside's Economic Focus for the next 20 years, e.g. the differentiator from Ch'tn, from other Maritime Cities
- 2 10. Support key core development, e.g. buildings for economic activity, restaurants, residences, etc. by City Neighbourhoods and repeat model across the City
- 2 11. Further investment and partnerships between corporations and cultural organizations and or initiatives
- 2 12. Educate our children in modern work ethics (entitlement, # days off, say no to UI stamps)
- 1 13. partner with the rest of PEI, create compelling story, and encourage skilled (creative class) folks to move back home
- 0 15. Green economy - sustainable energy strategy, incentive programs
- 0 16. Single point of contact. Someone manage relations with business community, tourism, downtown etc.
- 0 17. develop incentives to attract other retail chains - perhaps which are not already represented on the island
- 0 18. have senior admin create new categories for residents, we current have blind followers and nay-sayers....there are others
- 0 19. Think of a replacement plan for our current Mayor

***Note: prior to voting, the group brainstormed ideas and then merged the similar items.***

***Below in non-bold are the merged items. These items are ordered as they were originally brainstormed (i.e. Not as they were ranked by the group). Items that did not have any ideas merged are not included.***

## **2. Invest in the Downtown Core - revitalize**

Develop vibrant downtown ... Encourage development downtown

## **3. Work with local adult education institutions to provide skills training that is required from local business ...EncourageHollandCollege to promote/partner programs to Sside**

Attract educational institutions to offer contract training

**9. develop a plan that facilitates cross-sector coordination and cooperation**  
**...Get all local groups focused in same direction**

Coordinated effort by business and government (city and province) to work together to grow local economy

Coordinate efforts

Develop a plan that is bought into by public sector, private business, and citizens

**3.4 – Role of the economic development team**

How can Summerside's economic development team more effectively support and assist local businesses in pursuing growth opportunities?

**1. Develop a plan that facilitates cross-sector coordination and cooperation**  
**...Get all local groups focused in same direction**

**Role of the ED Team:** Lead. Bring players together, clarify roles, and then support those to make it happen in sustainable way with \$\$.  
**Others:** Chamber, Downtown SS

**2. Create environment to encourage local business growth ...Create an environment in Summerside that says "we are open for business" and should be reflective in local government policies**

**Role of the ED Team:** Lead. Ensure the infrastructure in place in the right places. Determine which turnkey packages need to be developed.  
**Others:**

**3. Incentives/support to enable year round operation of lifestyle/entertainment businesses (restaurants, etc) vs. seasonal business**

**Role of the ED Team:** Lead. set the targeted incentives  
**Others:**

**4. Invest in the Downtown Core - revitalize**

**Role of the ED Team:** Support the Downtown Business Asstn.  
**Others:**

**5. City Council needs to put taxpayer monies into long term, risk-measured economic growth in proven/emerging industries, not the Sports Capital of Atlantic Canada**

**6. Work with local adult education institutions to provide skills training that is required from local business ...Encourage Holland College to promote/partner programs to Sside**

**Role of the ED Team:** Support  
**Others:** HC, UPEI, other institutions

## **7. Plan a business park**

**Role of the ED Team:** Lead. Ensure the infrastructure in place in the right places. Determine which turnkey packages need to be developed.

**Others:**

### ***3.5 – Summary themes and messages***

**The group was asked to sum up the key themes from the meeting (these are not ranked):**

- Attitude adjustment required of various players ... sense of collaboration missing
- Getting input from and feedback to the community in the decision-making process ... transparency
- Coordination is crucial – lots of splintering
- City sometimes plays in private sector areas
- Need buildings to attract businesses

## Appendix

### City of Summerside – Community Consultations Participant List

Rick Kennedy	Curran and Briggs
Terry Murphy	City of Summerside
Malcolm Millar	City of Summerside
Tina Mundy	Waterfront Mall
Eric Papillon	Mindsweep
Jim McGimpsey	On Three Communications
Dave Poirier	Chief of Police
Gordon MacFarlane	City of Summerside
Murray Pinchuk	City of Summerside
Doug Smith	ACOA Charlottetown Office
Shelley Clark	ACOA Charlottetown Office
Craig Mackie	PEI Association for Newcomers
Kyle Hann	Aerospace Investment Officer
Craig Abbott	Service Canada
John J. MacDonald	
Steve Thain	ICT
Pete Peters	Consolidated Credit Union
Rod MacInnis	Vice President
Ron Casey	Downtown BIA Summerside
Frank Costa	Ward 2 - Chair: Municipal
Blair Dunn	Past President
Peter Brown	Bayside Group
Sandra Hickey	Member
Ron Holley	CBDC Central PEI
Cory Thomas	Ward 8 - Chair: Technical Services
Lori Ellis	Culture/Historic Properties
Peter Sorenson	PRP International, Inc.
Lisa Carbone	
Scott Fingler	Fiber Connections
Chris Palmer	Revolution Media
Karen Hatcher	College of Piping