



Economic Diversity Enhancement Plan

Prerequisite Study: Services and Inventory Gap Analysis

October 2018





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Executive Summary

A changing economic landscape and future opportunities have resulted in the need for an *Economic Diversity Enhancement Plan* for Vegreville. From the recent closure of a Federal Immigration, Refugee and Citizenship Case Processing Centre in the community, to new international trade agreements, resurgence of oil and gas commodities, and the legalization of cannabis, to name a few recent happenings, Vegreville's businesses and residents are having to both weather economic storms and look to new opportunities for economic growth.

This *Services and Inventory Gap Analysis* represents one of three Prerequisite Studies designed to inform an *Economic Diversity Enhancement Plan* for the Town of Vegreville. The Plan will serve as a strategy and implementation guide for Vegreville's economic future over the next five years.

The purpose of this *Services and Inventory Gap Analysis* is to present an overview of Vegreville's current economic environment and competitiveness, understand its existing assets and gaps, and frame key findings in such a way that allows for an understanding of local strengths, opportunities, aspirations, risks, and expected results. This document concludes with an Investment Readiness Assessment that presents recommendations to prepare the community for business investment.

SOARR Analysis

The information uncovered during the above-mentioned processes support a Strength, Opportunities, Aspirations, Risks, and Results (SOARR) Analysis. A SOARR Analysis represents a model that links observations about the current economy with the future, according to the aspirations and expectations of community stakeholders. It therefore links a vision for the future with the current reality. Key SOARR Analysis characteristics and results for Vegreville are summarized in the figure below.



Sidebar Images: Garnet, August 18, 2011; cmh2315fl, May 22, 2015; Lucky Linda, May 11, 2017; cmh2325fl, May 22, 2015. All images are registered under Creative Commons, via



Strengths, Opportunities, Aspirations, Risks, and Results Framework and Key Findings for Vegreville

S	Strengths What can we build on?	<ul style="list-style-type: none"> • Competitive labour force costs • Large technically skilled and educated population, with additional strengths in management and science • New industrial and commercial land coming on line
O	Opportunities What are our best possible future opportunities?	<ul style="list-style-type: none"> • Oil and gas rebound • Agri-food, cannabis, and fibres-composite manufacturing and supply chain • Intervention to support expanding businesses and prevent job loss due to relocation, downsize, or closure • Research and development and the growth of self-employment and entrepreneurship
A	Aspirations What do We Care Deeply About?	<ul style="list-style-type: none"> • Shift assessment burden away from residential contributions • Diversify economic base via entrepreneurship • Have intuitive, accessible, and accurate data for investors • Attract amenities most likely to appeal to target demographics
R	Risks How will we recognize and address potential risks?	<ul style="list-style-type: none"> • Fluctuations in energy prices and related economic impacts • Out-migration of labour due to Federal facility closure
R	Results How will we know we are succeeding?	<ul style="list-style-type: none"> • Assessment ratio tracking • Successful transition of laid-off federal workers • Ongoing business satisfaction measurement and intervention success rates • Entrepreneurship support programming provided (workshops, consultations, grant assistance and wins)



Investment Readiness Assessment

Understanding the outcomes of the SOARR Analysis helps to explain Vegreville's investment readiness. This concept simply explains the community's ability to attract potential new investment in the form of businesses and their associated spin-offs, such as jobs, wages, and local spending. Five key themes were uncovered that are associated with investment readiness, each with a supporting series of recommendations:

- **Commercial and Industrial Land:** The community is poised for strong growth with new commercial and industrial sub-divisions slated to come on line in the next two years. Capacity for servicing is strong and there is a broadband trunk that runs through the community to satisfy technical requirements. Key recommendations:
 - Ensure new sites can be brought online in a short time frame while meeting the expectations of likely investors.
 - Develop and communicate a formal timeline for newly designated commercial and industrial land.
- **Creative Destruction and New Birth:** The closure of the Federal Government's processing facility represents an important opportunity for leveraging assets related to property and skilled labour. Key recommendations:
 - Leverage vacant property for investment attraction or re-purposed use. There is a market for this kind of turn-key location and Vegreville should be aggressive in attracting an investor in this high-demand space. The space could be used as is (office-related work) or converted to light industrial use.
 - Identify top skills qualifications of outgoing Federal employees and work to attract business classifications suitable to skills surpluses.
 - Identify entrepreneur support programming to encourage conversion to small business owners among recently laid-off staff.
- **Business Retention and Expansion (BRE):** A business survey found business satisfaction in Vegreville is most significantly affected by taxes, development and building permit processes, business assistance from the municipality, and development charges and off-site levies. Understanding what about these considerations is frustrating businesses can help identify the optimal solutions. Strong BRE programming can ensure satisfaction levels continue to be monitored, intervention with businesses experiencing difficulties or frustration is timely, and leads for new business attraction are identified. Key recommendations:
 - Review competitiveness of taxes and charges (fees) associated with development in comparison to other key communities, and review business approvals process to ensure it is as smooth as possible and easy to understand.
 - For areas of misperception, dispel cost-related myths via public relations campaigns, while also using communications methods to inform locals and potential investors of the business development process. For areas where Vegreville is not competitive, review policies with senior Town staff and Town Council and consider the opportunities and risks related to becoming more competitive.



- Engage with businesses that have indicated in the business survey they intent to expand, relocate, downsize or close to understand what challenges can potentially be resolved by the municipalities or area partners.
- **Data, Data, Data:** Investors and the people who work for them to identify the right location, demand easy-to-access, timely, and reliable data. In this age, the simple fact is if these data are not easily available online, investors will quickly move on to other options where data are available. Key recommendations:
 - Get all community-related data online, including, but not limited to, census results, available properties (including private holdings), cost and tax information, utility rates and capacities, business mix, labour force composition, employment rate, and all pertinent community assets.
 - Connecting results to municipal Geographic Information System platforms is also a recognized best practice among investment decision makers.
- **Resident Attraction and Retention:** New residents are attracted by two key variables; employment for themselves and employment for their spouses. Growing the mix of companies in Vegreville will ensure that a range of jobs are available. Key Recommendations:
 - Study labour supply and demand in an ongoing manner.
 - Work with the Chamber of Commerce to assist in directing spouses to local employment opportunities.



1. Introduction

The purpose of this *Services and Inventory Gap Analysis* is to present an assessment Vegreville's current economic environment, understand its existing assets and gaps, and frame findings in a way which allows for an understanding of local strengths, opportunities, aspirations, risks, and expected results. This document concludes with an Investment Readiness Assessment that presents recommendations to prepare the community for business investment.

This *Services and Inventory Gap Analysis* represents one of three Prerequisite Studies designed to inform Vegreville's *Economic Diversity Enhancement Plan*. The other two Prerequisite Studies are a *Retail Market Gap Analysis* and an *Innovation and Investment Composition Study*.

Setting the Economic Context in Vegreville

Despite a generally diverse economy that contributed to prosperity for residents of Vegreville and the surrounding area, recent economic events have resulted in sincere concern among local families and businesses. The need for an *Economic Diversity Enhancement Plan* comes on the heels of the recent closure of an Immigration, Refugee and Citizenship Case Processing Centre that was operated by the Federal Government. The facility was officially closed in September of 2018, nearly two years after first being announced and is expected to impact 200 jobs directly and an additional 80 jobs indirectly¹.

Meanwhile global, national, and provincial changes have been occurring that carry both opportunities and expose potential challenges for Vegreville. The recently completed United States-Mexico-Canada Agreement (USMCA) has spelled relief for many segments of the Canadian economy while also presenting challenges to some aspects of the agriculture supply chain². Another agreement which is relevant is the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union, which has opened the door for trade and investment with companies and governments in the European Union.

In Canada there has also been positive response to the legalization of cannabis and its potential to drive economic growth. The industry interconnects agriculture, manufacturing, research and development, retail, and tourism sectors³. There is also the prospect of exporting expertise as other countries look to legalize or deregulate cannabis.

Also positive for Canada and Alberta are gains being made in the oil and gas sector, as markets have been on the rebound from an all-time-low just over two years ago. On the other hand, uncertainty over the Trans Mountain Pipeline has also contributed to market anxiety⁴.

¹ Global News (2018) "Citizenship case processing centre in Vegreville officially closed," Sept. 2nd: <https://globalnews.ca/news/4423667/citizenship-case-processing-centre-vegreville-closed/>

² Sharratt, Anna (2018) "Canadian business opportunities in the wake of the USMCA deal," The Global and Mail, Oct. 22: <https://www.theglobeandmail.com/business/article-canadian-business-opportunities-in-the-wake-of-the-usmca-deal/>

³ Fletcher, Kent (2018) "Legal cannabis could mean new jobs and cash in Alberta's economy," Oct. 9: <https://globalnews.ca/news/4514555/legal-cannabis-alberta-jobs-economy/>

⁴ Fiest, Reid (2018) "Trans Mountain head confident pipeline will be built despite regulatory, court challenges," Global News Sept. 22: <https://globalnews.ca/news/4490245/trans-mountain-ian-anderson-expansion-confidence/>



The above noted events, from local to global, reinforce the need for a collective vision and strategy for building and diversifying Vegreville's economy. The process begins with careful consideration of the contents of this Study and its two companions. The *Services and Inventory Gap Analysis* is designed to assist in developing future strategic directions and priorities for economic development in Vegreville.

Economic development in the community is primarily administered by the Town of Vegreville, with roles also being played by the Vegreville and District Chamber of Commerce, Community Futures Elk Island and other organizations.

Structure of the Services and Inventory Gap Analysis

There are four key components to this Prerequisite Study:

- **Environmental Scan** – This section presents an overview of Vegreville's economy in comparison to the province and other communities in the region, as well as a situational analysis which shows where Vegreville's current economic competitiveness stands.
- **Asset Inventory and Gap Analysis**– A series of local and regional assets are identified that help Vegreville's value proposition based on institutional, infrastructure, business, and cultural assets and these are compared to what assets that appear to be missing or under-represented in Vegreville in the same categories.
- **SOARR Analysis** – This section takes the learnings from the previous two sections and arranges them into an analytical framework according to strengths, opportunities (including solving/addressing challenges), aspirations, risks, and results.
- **Investment Readiness Assessment** – This final section presents a qualitative appraisal of all earlier findings according to five different themes and presents recommendations for addressing investment readiness associated with each.



2. Environmental Scan

2.1 Economic Overview

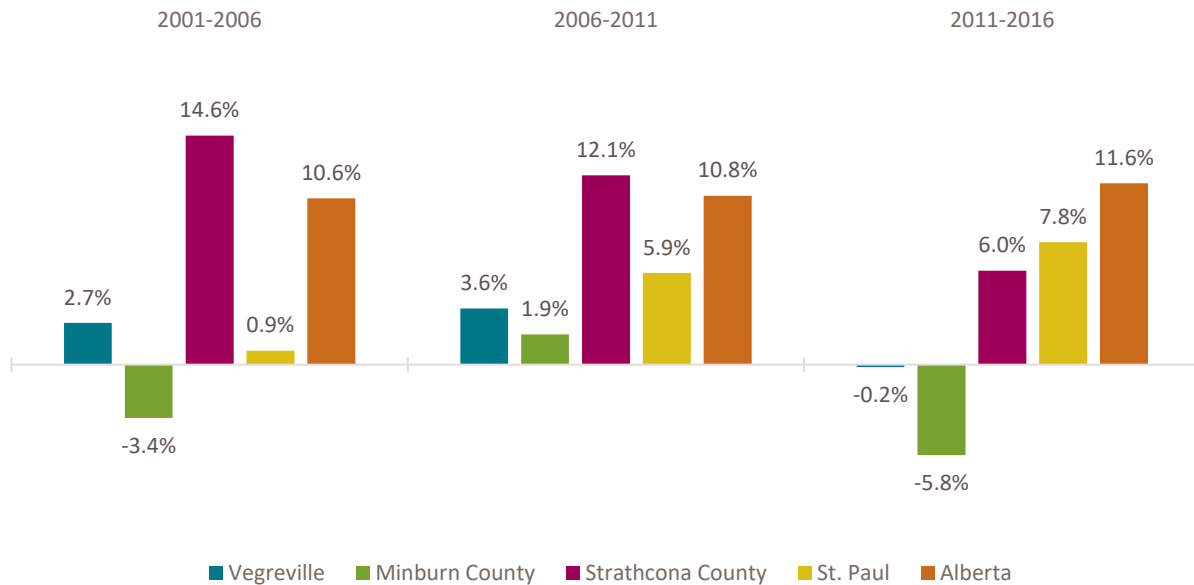
An economic overview is presented in this section based on assessment of Statistics Canada’s Census Profiles from 2006, 2011, and 2016, the National Household Survey from 2011, and Canadian Business Counts from December 2017. Comparators include Minburn County, Strathcona County, Town of St. Paul and the province.

Population and Age

According to the most recent federal census in 2016, Vegreville had a population of 5,708 residents. Although the town experienced population growth from 2001 to 2011, it experienced a population decline of 0.2 per cent from 2011 to 2016. In absolute numbers, the population of Vegreville has grown a net 332 people (6.2%) from 2001 to 2016.

Figure 1 illustrates the population growth in Vegreville, Alberta, and comparator communities over the past 15 years. The graph shows that population growth in Vegreville has fallen short of the province as well as all comparator communities except Minburn County.

Figure 1: Population Change



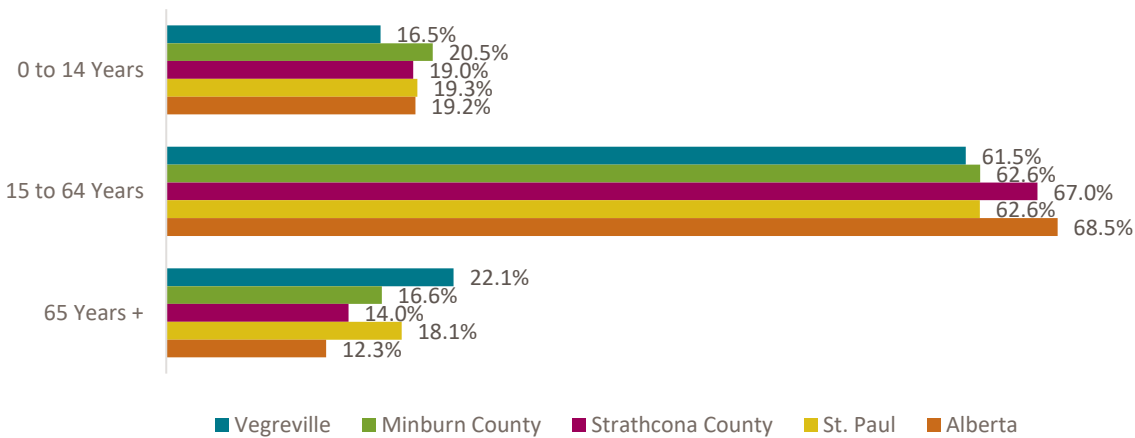
Source: Statistics Canada; 2006 Census Profile, 2011 National Household Survey Profile, 2016 Census Profile.



When compared to the province and comparator communities, Vegreville has a higher percentage of citizens aged 65 and over (22.1%) and a lower percentage of children aged 0 to 14 (16.5%).

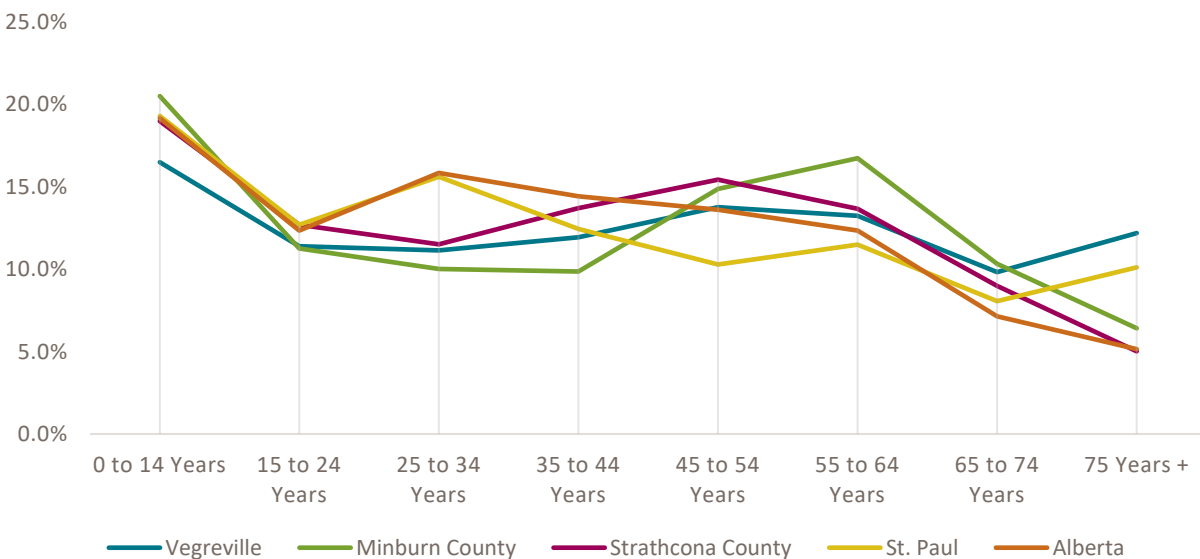
A further age distribution breakdown in Figure 3 shows Vegreville’s population trends older than its comparator communities – showing relatively lower percentages of those aged 0 to 44 and higher percentages of those aged 45 and higher.

Figure 2: Age Characteristics, Percentage of Overall Population – High-Level Categories



Source: Statistics Canada; 2016 Census Profile.

Figure 3: Age Characteristics, Percentage of Overall Population – Detailed Categories

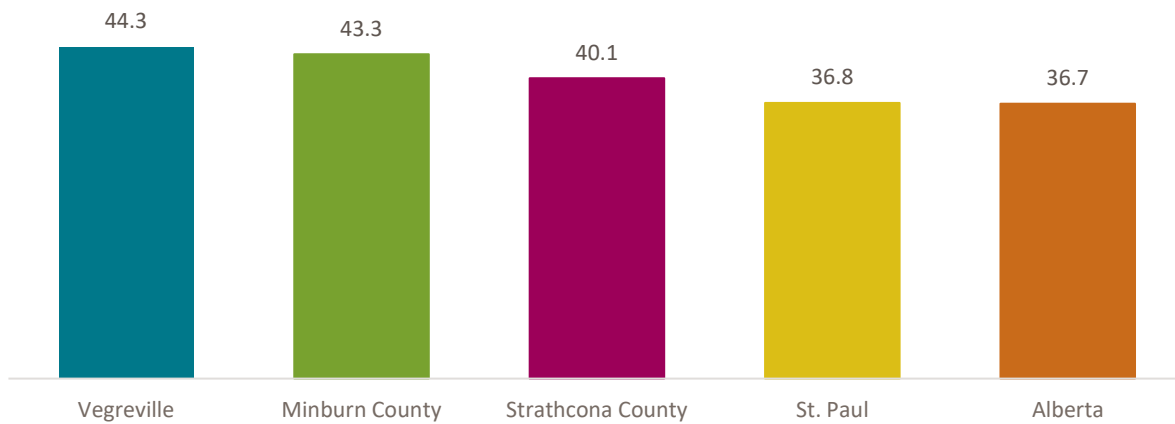


Source: Statistics Canada; 2016 Census Profile.

The median age for Vegreville is 44.3, which is higher than the province (36.7) as well as all other comparator communities. In 2006 the median age for Vegreville was 43.0, indicating the population is growing older.



Figure 4: Median Age of Population

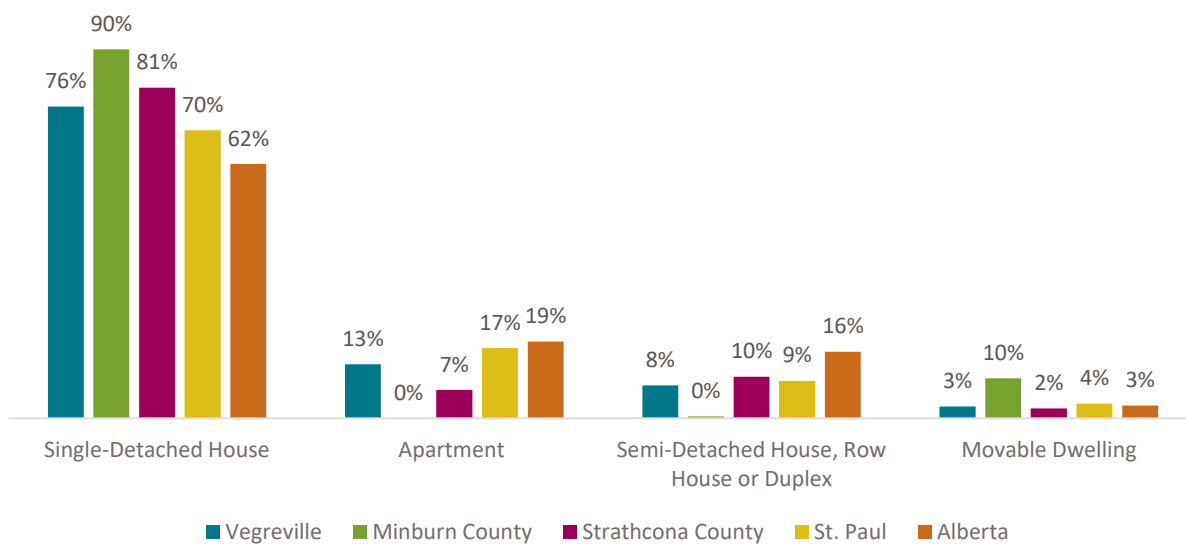


Source: Statistics Canada; 2016 Census Profile.

Dwelling Characteristics

The majority of dwellings in Alberta are single-detached homes, and all comparator communities fit that trend. Approximately 76% of dwellings in Vegreville are single-detached homes and 13% are apartments. Few homes in the community are in the semi-detached or movable categories.

Figure 5: Occupied Dwellings by Type, Percentage of Overall Population



Source: Statistics Canada; 2016 Census Profile.

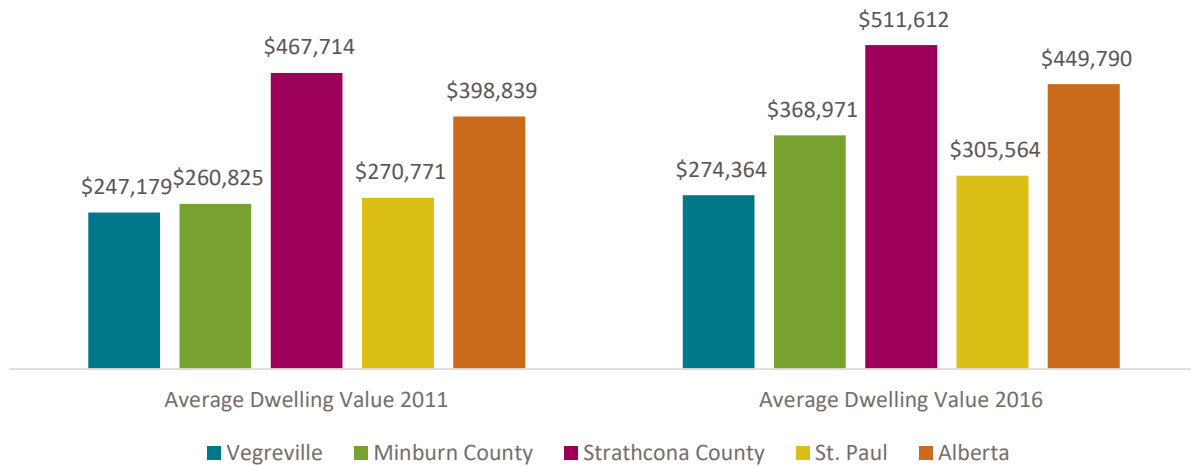
As of 2016, the average dwelling value in Vegreville is \$274,364. This is substantially lower than the average for the province (\$449,790) as well as lower than all comparator communities by at least \$31,200.



However, it is worth noting that rural communities typically have lower housing values than urban centres and communities that are neighbouring those urban centres – i.e. Strathcona County. The province’s average is also propped up by its urban hubs.

From 2011 to 2016, Vegreville saw its average dwelling value rise approximately 11%. This is lower than the provincial average value growth of 12.8%, as well as lower than Minburn County (41.5%) and St. Paul (12.8%), but higher than Strathcona County (9.4%).

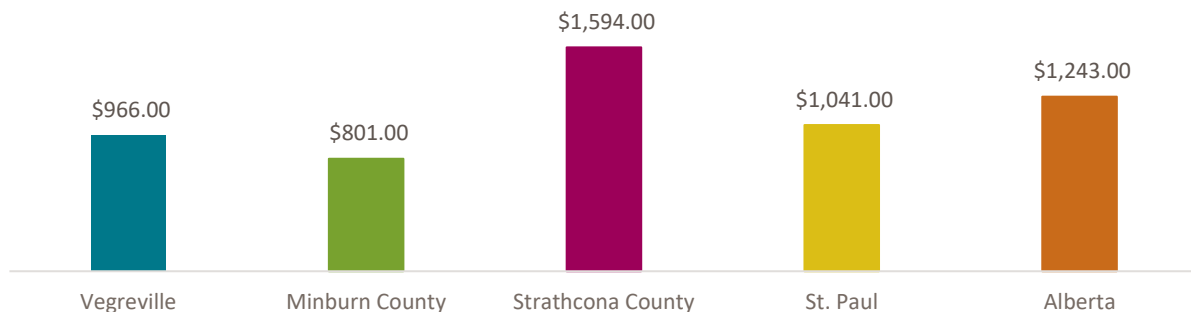
Figure 6: Average Dwelling Value



Source: Statistics Canada; 2011 National Household Survey Profile, 2016 Census Profile.

On average, renters in Vegreville pay \$966 a month – approximately \$277 lower than the provincial average. The town has lower monthly rental rates than Strathcona County and St. Paul, but higher rates than Minburn County. However, unlike Minburn County, Vegreville has apartment and semi-detached dwellings, giving renters a variety of living options in addition to low rates.

Figure 7: Median Monthly Cost for Rented Dwelling



Source: Statistics Canada; 2016 Census Profile.

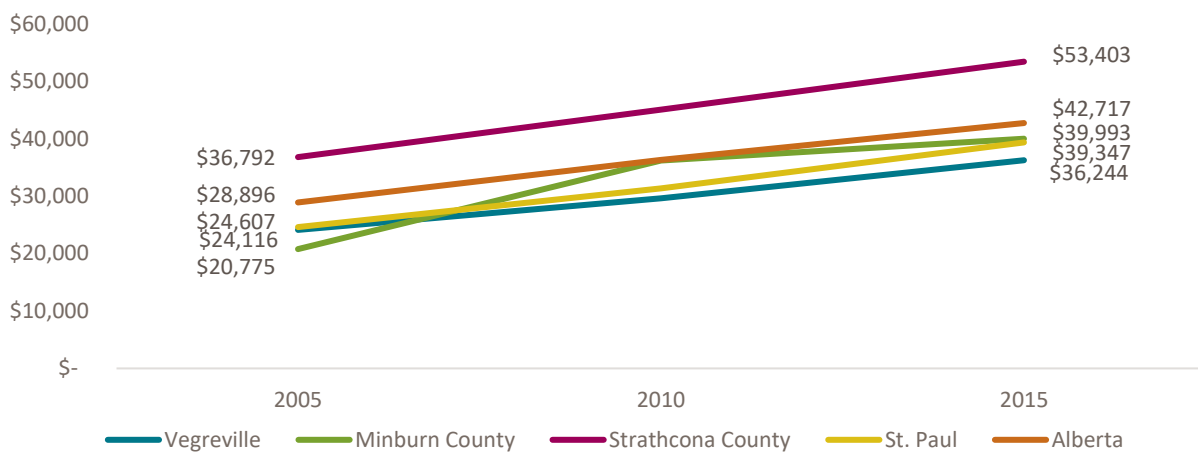


Income

As of 2015, the median individual income in Vegreville was \$36,244 – the lowest of all comparator communities and approximately \$6,475 lower than the provincial average. In terms of household income, the community's median was \$69,402 in 2015 – also below all comparators and approximately \$24,430 below the provincial average.

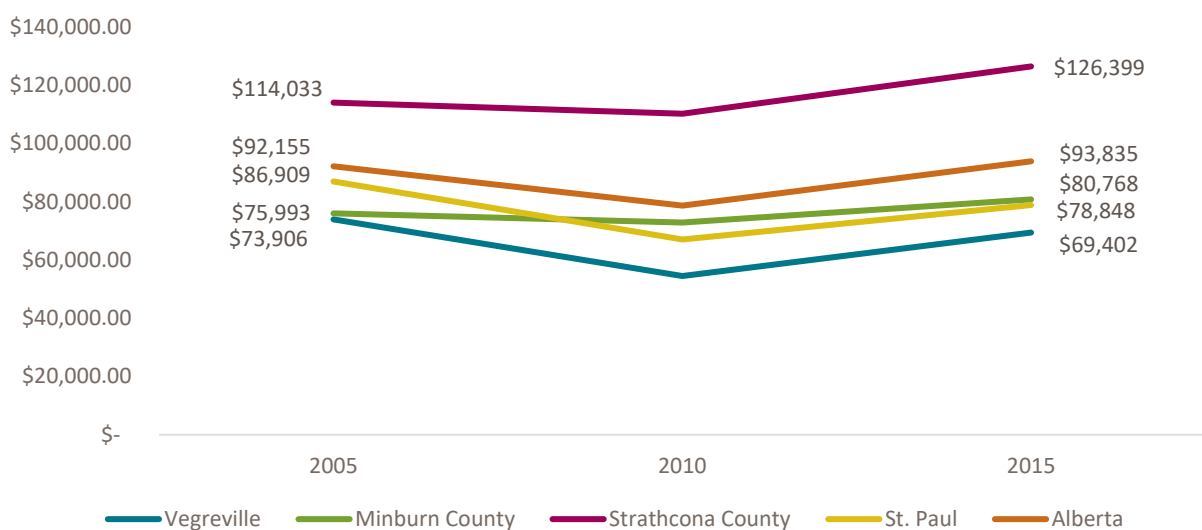
Income level is typically grounded in the industry of the community, the types of jobs available, and population to a certain extent – having many residents in retirement can bring the overall median down.

Figure 8: Median Total Individual Income



Source: Statistics Canada; 2006 Census Profile, 2011 National Household Survey Profile, 2016 Census Profile.

Figure 9: Median Household Income

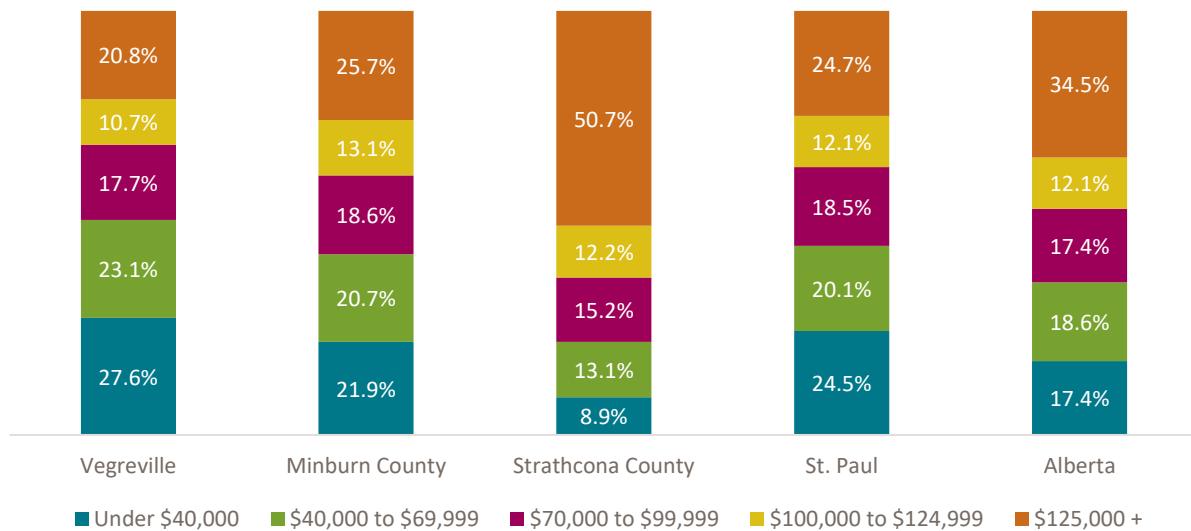


Source: Statistics Canada; 2006 Census Profile, 2011 National Household Survey Profile, 2016 Census Profile.



When analyzing household income with detailed income brackets, Vegreville has more households making under \$70,000 and less households making above \$70,000 in comparison to the other communities and the provincial average. Half of Vegreville’s households fall under the two lowest income brackets: under \$40,000 and between \$40,000 and \$70,000. Although household income in Vegreville skews lower than its comparators, this does not necessarily reflect the standard of living in the community; instead it could be partially due to Vegreville having a large pensioner population.

Figure 10: Household Income Distribution, Percentage of Overall Population



Source: Statistics Canada; 2016 Census Profile.

Education

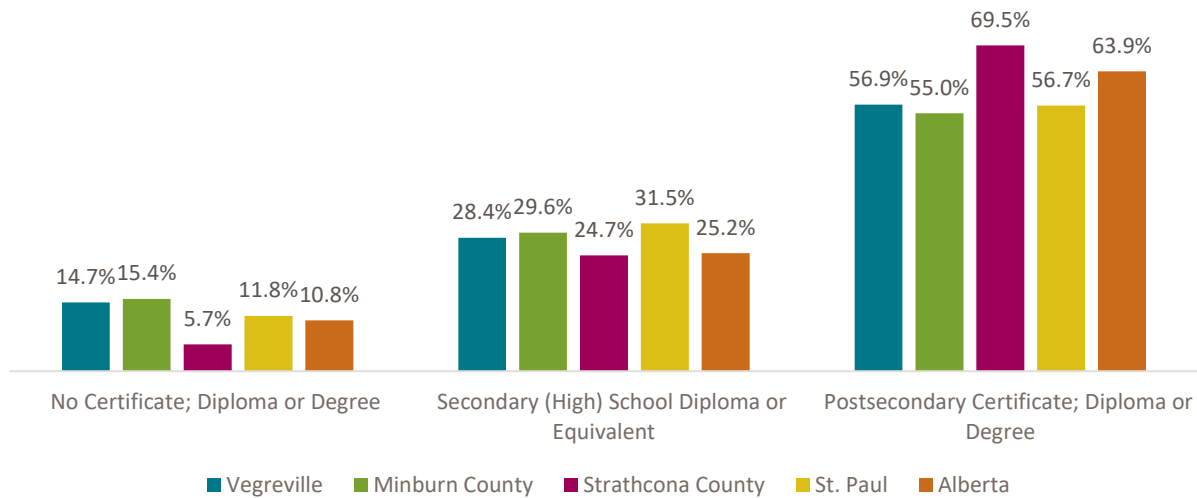
Compared to the provincial average, Vegreville has a higher percentage of their population with no certificate, diploma, or degree (14.7% vs 10.8%) and also has a higher percentage of their population with a secondary school diploma as their highest level of education attainment (28.4% vs 25.2%).

When looking at education in more detailed categories (see Figure 12), Vegreville has proportionally more residents with an education in the trades (13.5% vs 10.6%) and college-level education (26.2% vs 22.0%) than the provincial average.

Although Vegreville residents have lower levels of post-secondary education than the provincial average, the community does have slightly higher levels when compared neighbouring Minburn County and St. Paul.

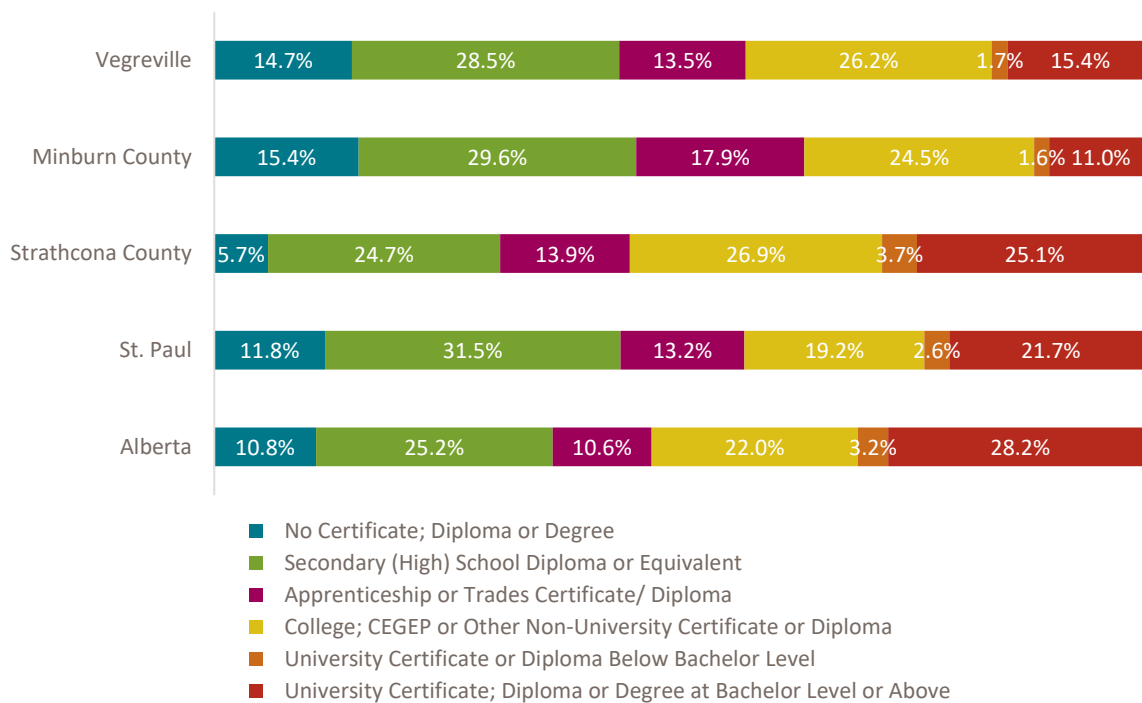


Figure 11: Highest Level of Education Attainment (Ages 25 to 64), % of the Population – High-Level Categories



Source: Statistics Canada; 2016 Census Profile.

Figure 12: Highest Level of Education Attainment (Ages 25 to 64), % of the Population – Detailed Categories



Source: Statistics Canada; 2016 Census Profile.



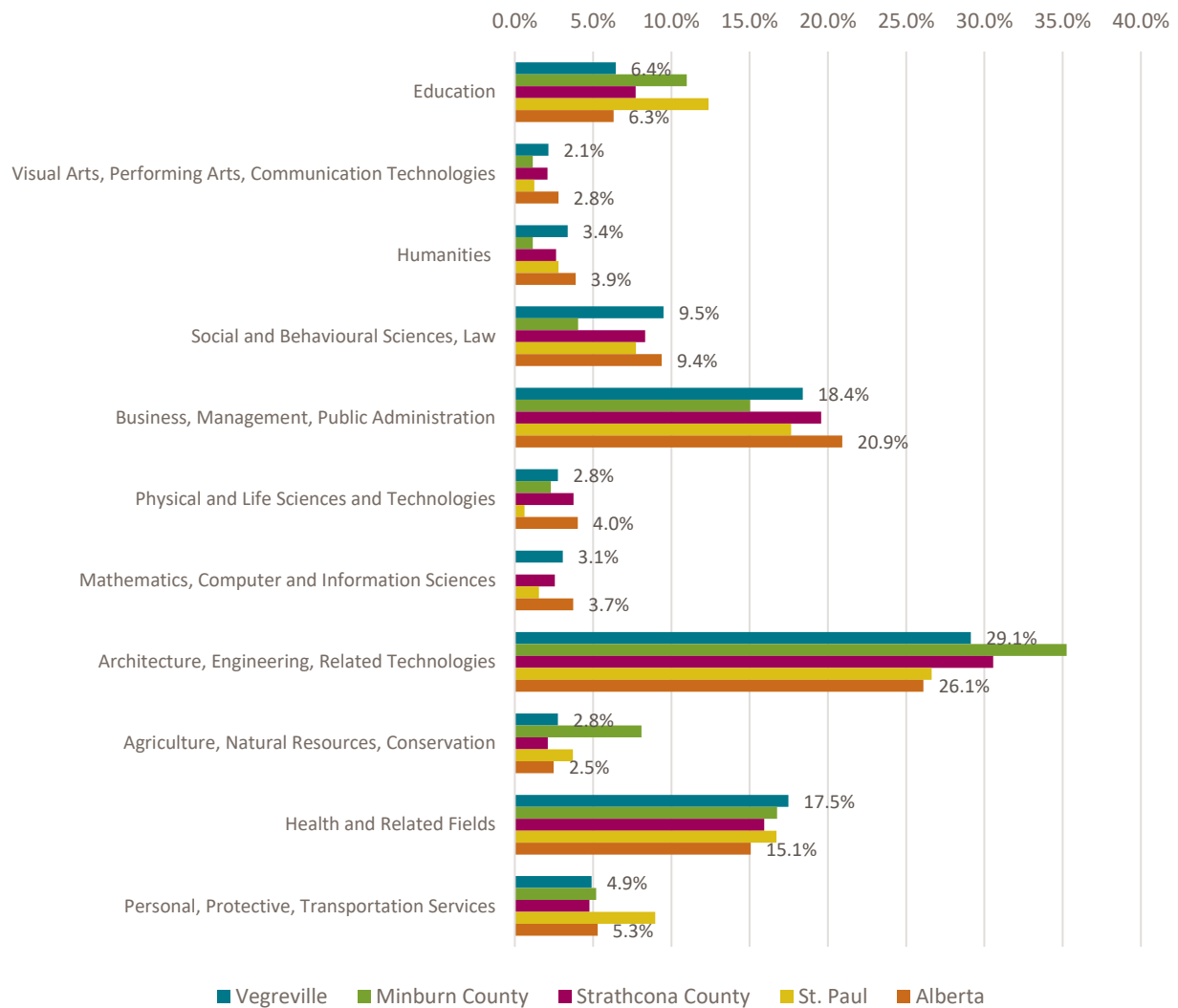
Major fields of study for Vegreville residents include:

- Architecture, Engineering, and Related Technologies (29.1%)
- Business, Management, and Public Administration (18.4%)
- Health and Related Fields (17.5%)

Vegreville has a higher percentage of residents educated in architecture, engineering and related technologies; health and related services; social and behavioural sciences and law; and education when compared to the provincial average.

When analyzed against comparator communities, Vegreville has a higher percentage of residents educated in health and related services; social and behaviour sciences and law; humanities; and mathematics, computer, and information sciences.

Figure 13: Major Field of Study (Ages 25 to 64), Percentage of the Population



Source: Statistics Canada; 2016 Census Profile.



Labour Force

In 2016, Vegreville’s participation rate in the labour force was 64.1% – lower than the provincial average and all comparator communities. Vegreville also saw the largest drop in its participation rate from 2011 to 2016 – approximately 2.6%. In Vegreville’s case, this is mostly due to workers hitting retirement age and leaving the workforce.

In 2016, the unemployment rate for Vegreville was on par with that of the provincial average, however Vegreville had the largest increase in its unemployment rate from 2011 to 2016 in relation to all comparator communities. In 2011 Vegreville had an unemployment rate of 4.9%, meaning a 4.2% increase in five years.

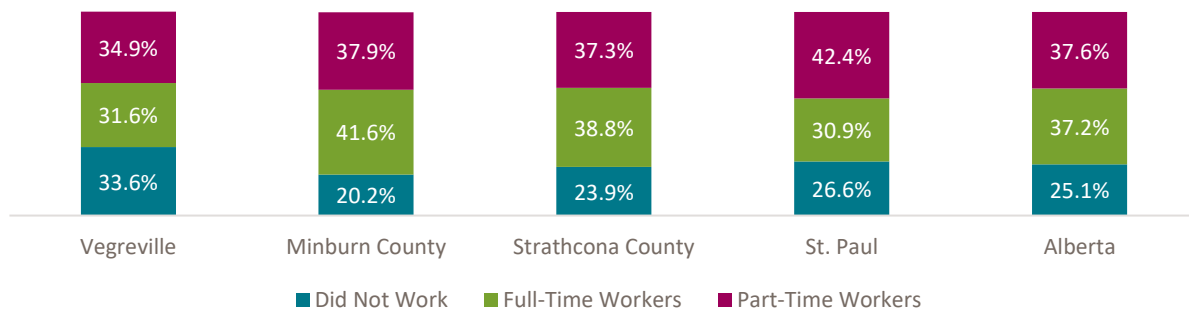
Figure 14: Labour Force Status, Percentage of Population

Industry (NAICS)	Vegreville	Minburn County	Strathcona County	St. Paul	Alberta
Participation Rate (2016)	64.1%	76.9%	72.1%	70.5%	71.8%
Employment Rate (2016)	58.3%	72.2%	67.4%	63.8%	65.4%
Unemployment Rate (2016)	9.1%	6.2%	6.5%	9.5%	9.0%
Participation Rate (2011)	66.7%	79.4%	74.4%	69.2%	73.2%
Employment Rate (2011)	63.3%	77.4%	71.2%	64.4%	69.0%
Unemployment Rate (2011)	4.9%	2.5%	4.2%	7.0%	5.8%
Participation Rate (Change)	-2.6%	-2.5%	-2.3%	1.3%	-1.4%
Employment Rate (Change)	-5.0%	-5.2%	-3.8%	-0.6%	-3.6%
Unemployment Rate (Change)	4.2%	3.7%	2.3%	2.5%	3.2%

Source: Statistics Canada; 2016 Census Profile, National Household Survey, 2011..

The labour force in Vegreville is almost evenly split three ways in terms of work activity for 2016. Approximately 34.9% of the labour force was employed part-time, whereas 31.6% was employed full-time and 33.6% did not work. When analyzed against its comparators and the provincial average, Vegreville has a higher percentage of its work force that did not work in 2016. These figures are likely to change significantly as a result of the closure of the Federal Government office.

Figure 15: Work Activity Ratio

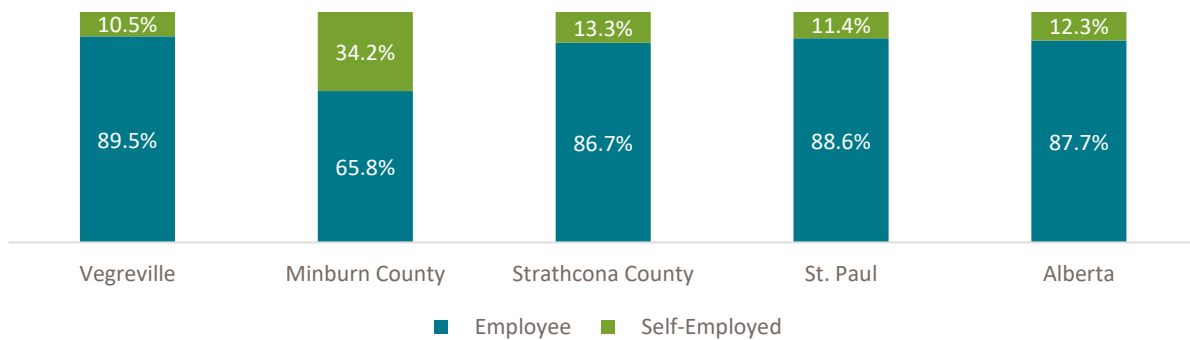


Source: Statistics Canada; 2016 Census Profile.



The majority of workers across Canada are employees, i.e. they do not run their own business but work for someone else. In Alberta, approximately 87.7% of workers are employees while 12.3% of workers are self employed. When compared to the Alberta average, a larger percentage of Vegreville workers are employees (89.5%). Vegreville also has a higher percentage of employees when analyzed against its comparators. Self employment is highest in Minburn County, likely due to the large agriculture industry, where many workers own and run their own farms.

Figure 16: Class of Worker Ratio



Source: Statistics Canada; 2016 Census Profile.

Employment by Industry

Vegreville has an approximate employed workforce of 2,870 residents. Major industries of employment for Vegreville residents include:

- Health Care and Social Assistance (15.5%)
- Public Administration (11.8%)
- Retail Trade (11.5%)

Compared to the provincial average and neighbouring communities, Vegreville has a high percentage of its workforce employed in health care and social assistance; public administration; retail trade; other services; finance and insurance; and utilities.

One thing to keep in mind when reviewing the employed labour force data is that information is pooled based on people’s place of residence, which does not necessarily mean they all work in Vegreville. This means that individuals who live in Vegreville may commute to Edmonton, for example, would also contribute to the statistics. See figures 18-20 for worker commuting patterns in and out of Vegreville.



Figure 17: Employed Labour Force by Industry (Number of People, Percentage of Labour Force)

Industry (NAICS)	Vegreville	% of Labour Force	Alberta	% of Labour Force
Agriculture, Forestry, Fishing, and Hunting	100	3.5%	64,035	2.8%
Mining and Oil and Gas Extraction	100	3.5%	142,490	6.2%
Utilities	110	3.8%	21,940	1.0%
Construction	230	8.0%	236,370	10.3%
Manufacturing	90	3.1%	127,535	5.5%
Wholesale Trade	95	3.3%	80,610	3.5%
Retail Trade	330	11.5%	249,880	10.9%
Transportation and Warehousing	105	3.7%	115,295	5.0%
Information and Cultural Industries	40	1.4%	33,045	1.4%
Finance and Insurance	90	3.1%	69,225	3.0%
Real Estate and Rental and Leasing	40	1.4%	41,520	1.8%
Professional, Scientific, and Technical Services	135	4.7%	167,800	7.3%
Management of Companies and Enterprises	0	0.0%	5,560	0.2%
Administrative and Support, Waste Management and Remediation Services	105	3.7%	87,350	3.8%
Education Services	105	3.7%	147,270	6.4%
Health Care and Social Assistance	445	15.5%	245,875	10.7%
Arts, Entertainment, and Recreation	20	0.7%	44,880	1.9%
Accommodation and Food Services	160	5.6%	153,790	6.7%
Other Services (Except Public Administration)	165	5.7%	105,865	4.6%
Public Administration	340	11.8%	122,595	5.3%
Unclassified	60	2.1%	40,005	1.7%
Total	2,870	100%	2,302,940	100%

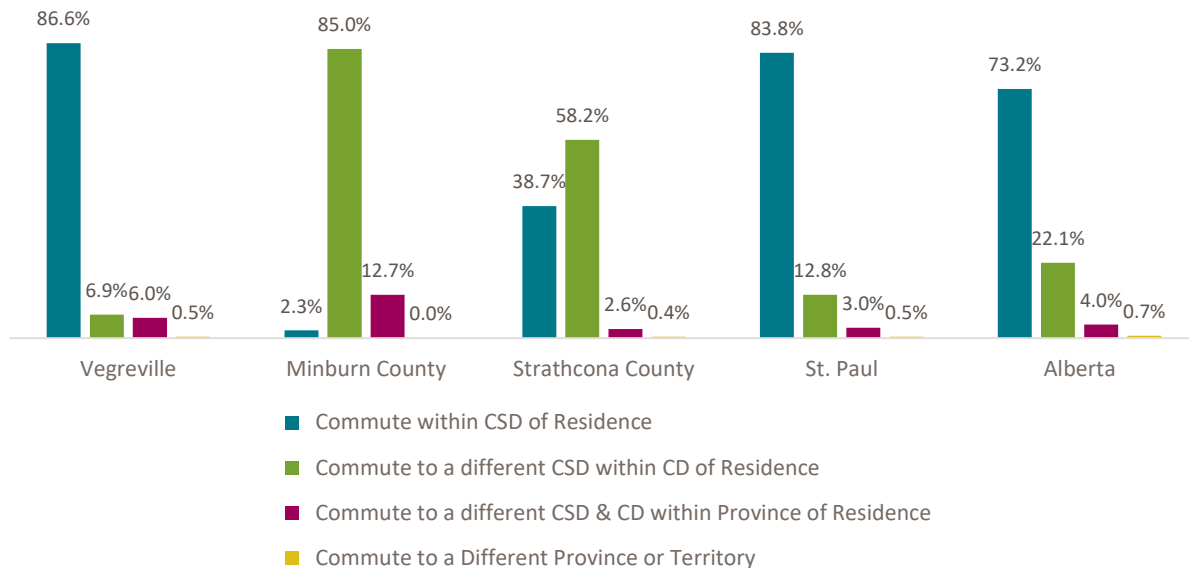
Source: Statistics Canada; 2016 Census Profile.



Commuting Patterns

Approximately 86.6% of Vegreville's employed labour force works within the community, while the remaining 13.4% commutes elsewhere for work. Compared to the province and neighbouring communities, Vegreville has a higher percentage of residents working within the community they live.

Figure 18: Commuting Destination for Employed Labour Force



Source: Statistics Canada; 2016 Census Profile.

Figures 19 and 20 display the commuting patterns for workers that commute to (imported workforce) and out of (exported workforce) Vegreville for work.

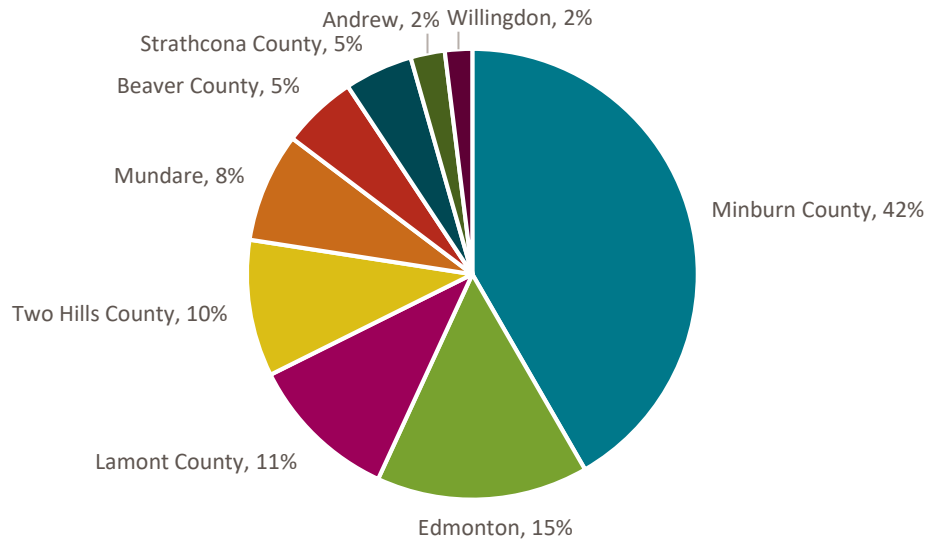
Approximately 1,020 workers commute into Vegreville for work from another community - Figure 19 highlights the residency of these workers. The majority of those that commute into Vegreville for work come from Minburn County (42%), Edmonton (15%), Lamont County (11%), and Two Hills County (10%).

Approximately 995 residents of Vegreville commute to another community for work – Figure 20 highlights the place of work for these residents. The majority of those that commute out of Vegreville work in Edmonton (35%), Two Hills (23%), and Strathcona County (16%).

Overall, Vegreville has a positive commuting net balance with more workers come into Vegreville to work than leaving to work somewhere else. This is generally positive, as it shows there are more jobs in Vegreville than workers. However, it also means that although there is work in Vegreville, workers prefer to live elsewhere. Finding ways to encourage workers to move to Vegreville may help keep earnings and spending in the community.

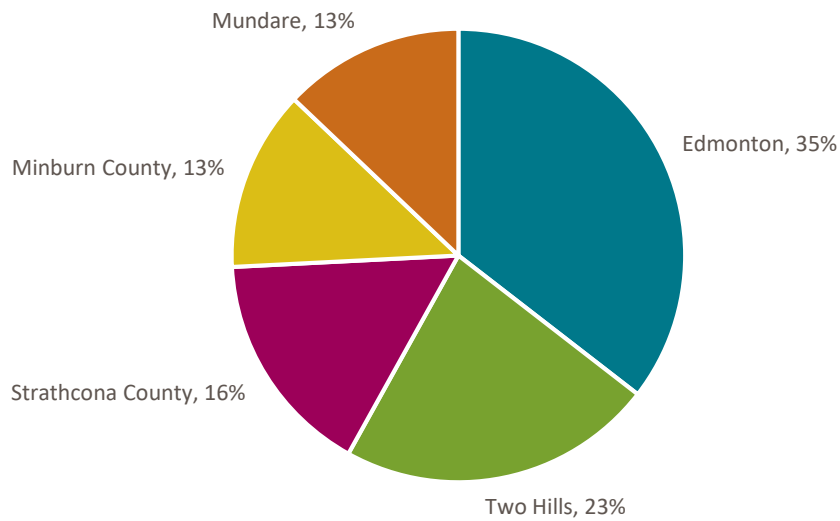


Figure 19: Work Force Imported to Vegreville



Source: Statistics Canada; Commuting Flows 2016, Table No. 98-400-X2016325.

Figure 20: Work Force Exported from Vegreville



Source: Statistics Canada; Commuting Flows 2016, Table No. 98-400-X2016325.



Business Counts

Statistics Canada's Canadian Business Counts provides a record of business establishments by industry sector and size. This data is collected from the Canadian Revenue Agency.

The Canadian Business Counts data records business counts as either "Without Employees" or "With Employees." The establishments in the "Without Employees" category include the self-employed (i.e. those who do not maintain an employee payroll, but may have a workforce consisting of contracted workers, family members or business owners). It should be noted that the Canadian Business Counts data use the Canada Revenue Agency as a primary resource in establishment counts; therefore, businesses without a business number or indicating annual sales less than \$30,000 are not included.

As of December 2017, Vegreville had 936 business enterprises, of which 637 were businesses without employees and 299 were businesses with employees. The majority of enterprises in Vegreville are small, having between 1 to 4 employees. However, Vegreville has a few large businesses - eight enterprises employ between 50 and 99 people while four enterprises employed more than 100 employees.

Figure 21: Business Counts in Vegreville by Industry and Number of Employees

Industry (NAICS)	Without Employees	With Employees	1-4	5-9	10-19	20-49	50-99	100+
Agriculture, Forestry, Fishing, and Hunting	111	15	11	0	4	0	0	0
Mining and Oil and Gas Extraction	13	13	13	0	0	0	0	0
Utilities	0	0	0	0	0	0	0	0
Construction	48	28	22	1	4	0	1	0
Manufacturing	6	8	4	1	1	0	1	1
Wholesale Trade	5	12	5	1	4	2	0	0
Retail Trade	31	41	10	14	9	5	2	1
Transportation and Warehousing	27	13	9	3	1	0	0	0
Information and Cultural Industries	4	3	2	0	0	1	0	0
Finance and Insurance	24	11	3	5	3	0	0	0
Real Estate and Rental and Leasing	146	9	9	0	0	0	0	0
Professional, Scientific, and Technical Services	47	28	18	7	2	1	0	0
Management of Companies and Enterprises	4	2	0	1	1	0	0	0
Administrative and Support, Waste Management and Remediation Services	17	15	10	4	1	0	0	0
Education Services	2	1	1	0	0	0	0	0
Health Care and Social Assistance	24	27	13	5	3	3	1	2
Arts, Entertainment, and Recreation	4	4	4	0	0	0	0	0
Accommodation and Food Services	7	21	3	9	4	3	1	1
Other Services (Except Public Administration)	51	30	24	4	2	0	0	0
Public Administration	0	3	0	0	0	0	2	1
Unclassified	66	15	14	0	0	1	0	0
Total	637	299	175	55	39	16	8	4

Source: Statistics Canada; Canadian Business Counts December 2017. Adapted by MDB Insight.



In terms of industry composition, the following sectors exhibit the highest proportion of business establishments with employees in Vegreville as of 2016:

- Retail Trade (41 businesses)
- Other Services (30 businesses)
- Professional, Scientific and Technical Services (28 businesses)
- Construction (28 businesses)

Over two-thirds of business establishments in Vegreville do not have any employees (and/or those who do not maintain an employee payroll but may have a workforce consisting of contracted workers, family members or business owners).

When compared to the provincial average and the comparator communities, Vegreville has a high percentage of businesses in mining and oil and gas extraction (4.3%); manufacturing (2.7%); retail trade (13.7%); finance and insurance (3.7%); administrative and support, waste management and remediation services (5.0%); and accommodation and food services (7.0%).

Figure 22: Businesses by Industry, Percentage of Total Businesses with Employees

Industry (NAICS)	Vegreville	Minburn County	Strathcona County	St. Paul	Alberta
Agriculture, Forestry, Fishing, and Hunting	5.0%	54.3%	2.0%	7.2%	3.4%
Mining and Oil and Gas Extraction	4.3%	4.3%	1.4%	3.7%	3.0%
Utilities	0.0%	1.4%	0.1%	0.3%	0.2%
Construction	9.4%	4.3%	16.9%	14.7%	13.0%
Manufacturing	2.7%	1.4%	2.4%	2.3%	2.8%
Wholesale Trade	4.0%	4.3%	2.8%	1.4%	4.1%
Retail Trade	13.7%	0.0%	9.1%	11.7%	9.7%
Transportation and Warehousing	4.3%	2.9%	5.2%	7.5%	5.3%
Information and Cultural Industries	1.0%	2.9%	0.6%	0.9%	1.0%
Finance and Insurance	3.7%	2.9%	3.1%	3.0%	3.1%
Real Estate and Rental and Leasing	3.0%	0.0%	4.1%	2.8%	4.1%
Professional, Scientific, and Technical Services	9.4%	4.3%	15.5%	7.3%	13.9%
Management of Companies and Enterprises	0.7%	0.0%	0.4%	0.5%	0.6%
Administrative and Support, Waste Management and Remediation Services	5.0%	4.3%	1.2%	1.0%	1.0%
Education Services	0.3%	1.4%	1.2%	1.0%	1.0%
Health Care and Social Assistance	9.0%	0.0%	8.7%	10.5%	7.7%
Arts, Entertainment, and Recreation	1.3%	1.4%	1.0%	1.2%	1.0%
Accommodation and Food Services	7.0%	2.9%	4.5%	4.2%	5.6%
Other Services (Except Public Administration)	10.0%	5.7%	8.4%	11.2%	8.7%
Public Administration	1.0%	1.4%	0.1%	0.5%	0.4%
Unclassified	5.0%	0.0%	7.2%	4.4%	7.0%

Source: Statistics Canada; Canadian Business Counts December 2017.



The figure below showcases the business counts location quotients (LQ) for Vegreville relative to Alberta in 2016⁵. Compared to Alberta, Vegreville has a high concentration of businesses in agriculture; retail trade; and other services. Areas of notably low concentrations include professional, scientific, and technical services; and wholesale trade.

Figure 23: Business Counts Location Quotients – Concentration of Businesses with Employees, 2017

Industry (NAICS)	LQ	Competitiveness
Agriculture, Forestry, Fishing, and Hunting	1.76	High
Mining and Oil and Gas Extraction	0.97	Average
Utilities	0.00	Low
Construction	0.69	Low
Manufacturing	0.83	Average
Wholesale Trade	0.60	Low
Retail Trade	1.59	High
Transportation and Warehousing	0.80	Average
Information and Cultural Industries	1.04	Average
Finance and Insurance	0.61	Low
Real Estate and Rental and Leasing	1.24	Average
Professional, Scientific, and Technical Services	0.55	Low
Management of Companies and Enterprises	0.69	Low
Administrative and Support, Waste Management and Remediation Services	0.80	Average
Education Services	0.33	Low
Health Care and Social Assistance	0.87	Average
Arts, Entertainment, and Recreation	0.64	Low
Accommodation and Food Services	1.06	Average
Other Services (Except Public Administration)	1.45	High
Public Administration	0.00	Low

Source: Statistics Canada; Canadian Business Counts December 2017. Adapted by MDB Insight.

An LQ analysis was also applied to businesses without employees to understand potential growth opportunities in assisting home-based businesses to expand or grow. Results are shown in the figure below. Three sectors stand out as having greater concentrations of businesses with employees; agriculture, retail trade, and other services, which are offerings consistent with being an urban hub in a generally rural area. Notably absent are strong concentrations of construction and professional, scientific and technical service businesses, which are often most likely to be home-based operations in smaller

⁵ A location quotient (LQ) analysis explains which industries employ a competitively higher proportion of people than the province. A score of 1.25 or greater represents a sector of relative strength, a score between 0.75 and 1.25 represents a sector that is on par with the province (1.0 represents perfect parity), and a score below 0.75 represents a sector that is performing below average. There is always a chance that over time LQs can grow or decline due to local and/or external forces. Strategic planning can look to increase areas of competitive weakness or parity to levels of greater competitiveness.



communities. There are some sectors which approximate an area of competitiveness, such as real estate and rental and leasing, which given the low cost of existing residential real estate, and possibly even commercial real estate, may be a potential benefit to helping to draw new residents and main street businesses to Vegreville.

Figure 24: Business Counts Location Quotients – Businesses Without Employees, 2017

Industry (NAICS)	LQ	Competitiveness
Agriculture, forestry, fishing and hunting	1.76	High
Mining and oil and gas extraction	0.97	Average
Utilities	0.00	Low
Construction	0.69	Low
Manufacturing	0.83	Average
Wholesale trade	0.60	Low
Retail trade	1.59	High
Transportation and warehousing	0.80	Average
Information and cultural industries	1.08	Average
Finance and insurance	0.61	Low
Real estate and rental and leasing	1.24	Average
Professional, scientific and technical services	0.55	Low
Management of companies and enterprises	0.69	Low
Administrative and support, waste management and remediation services	0.80	Average
Educational services	0.33	Low
Health care and social assistance	0.87	Average
Arts, entertainment and recreation	0.64	Low
Accommodation and food services	1.06	Average
Other services (except public administration)	1.45	High
Public administration	0.00	Low

Source: Statistics Canada; Canadian Business Counts December 2017. Adapted by MDB Insight.



2.2 Business Climate Assessment

A business survey was conducted with a random sample of local businesses. Out of a total sample of 408 businesses, 86 surveys were completed, resulting in a margin of error of +/- 9.4%, 19 times out of 20.

Key findings from the survey include the following:

- Overall, 82% of businesses are either very satisfied or somewhat satisfied with Vegreville as a place to own and operate a business, with 50% indicating satisfied and 32% indicating very satisfied. Satisfaction has generally increased over the past 12 months with 27% viewing satisfaction as more positive compared to 15% viewing it as more negative (i.e. net gain of +12).
- The top five aspects that represent the combined highest degree of importance to local businesses and least amount of satisfaction are:
 - Municipal property tax
 - Development/building permit processes
 - Business assistance from the Municipality
 - Development charges and off-site levies
 - Availability of skilled labour
- Businesses were also asked to indicate their level of importance for a variety of ideas, of which those that emerged as most important include: having a diverse mix of businesses across industries, attracting and developing the local workforce, and being a top location for new investment.
- Employers were also asked to offer ideas about why some employees choose to reside elsewhere even if they work in Vegreville. The top reasons offered include: spouse/family live elsewhere, employees do not stay long-term, cost of living or cost of taxes, personal reasons (unexplained), preference for a bigger city, and preference for rural life.
- Green Flags – 21% of businesses indicate they expect to expand within the next two years; of which seven are experiencing difficulty and six have reasons why they would not consider staying in Vegreville, representing opportunities for potential intervention through further visitations. Also, 15% report they are interested in selling their business, indicating a need for potential succession planning assistance.
- Red Flags – There are also several categories of red flags including threats of relocation outside of Vegreville (12%), downsizing (13%), and closure (8%).



2.3 Labour Force Demand

A data collection tool called Vicinity Jobs was used to measure job postings in Vegreville between January 1st and September 30th, 2018. Postings were measured according to the kind of occupation and industry being sought. Occupations are classified according to the National Occupational Classification (NOC) system, while industries are classified via the North American Industry Classification System (NAICS).

Out of 432 postings, demand was highest for occupations in sales and services (30%), health (24%), management (10%), and occupations in education, law and social, community, and government services (9%). See Figure 25 for more details.

Occupations can be classified in different industries. For example, an accountant, which is an occupation, may be needed in any number of industries such as manufacturing, retail, or professional, scientific and technical services. The figure below shows the same job postings for Vegreville but according to industry instead of occupation.

The results below indicate that industries with the highest need for employees in Vegreville are health care and social assistance, retail trade, finance and insurance, and manufacturing. An encouraging sign from these numbers is that positions in manufacturing are in demand, though the roles appear to be in occupations such as office or clerical or management roles.

Figure 25: Occupations in Demand in Vegreville Between January 1st and September 30th, 2018

National Occupational Classification	Total	%
0 - Management occupations	43	10%
1 - Business, finance and administration occupations	23	5%
2 - Natural and applied sciences and related occupations	10	2%
3 - Health occupations	103	24%
4 - Occupations in education, law and social, community and government services	38	9%
5 - Occupations in art, culture, recreation and sport	6	1%
6 - Sales and service occupations	130	30%
7 - Trades, transport and equipment operators and related occupations	23	5%
9 - Occupations in manufacturing and utilities	1	0%
Other / Unidentified	55	13%
Total	432	100%

Source: Vicinity Jobs, 2018, adapted by MDB Insight.



Figure 26: Industry Demand for Employment in Vegreville Between January 1st and September 30th, 2018

Industry (NAICS)	Total	%
31-33 - Manufacturing	26	6%
41 - Wholesale Trade	4	1%
44-45 - Retail Trade	80	19%
52 - Finance and Insurance	29	7%
53 - Real Estate and Rental and Leasing	9	2%
54 - Professional, Scientific and Technical Services	6	1%
61 - Educational Services	1	0%
62 - Health Care and Social Assistance	112	26%
72 - Accommodation and Food Services	8	2%
91 - Public Administration	7	2%
Other / Unidentified	150	35%
Total	432	100%

Source: Vicinity Jobs, 2018, adapted by MDB Insight.



3. Asset Inventory & Gap Analysis

3.1 Asset Inventory

This section consists of a detailed inventory of local and regional assets that are conducive to economic development. Results are presented under four broad kinds of assets: institutional, infrastructure and community, business community, and cultural.

Institutional Assets

- Schools – Two elementary schools and two high schools.
- Post-Secondary Education – Portage College offers a variety of programs, and includes special programming for academic upgrading.
- Town of Vegreville Economic Development and Tourism Department – A dedicated department for economic development resources and referral services, Economic Development Services provides advice to start-up businesses and guidance for business plan development, and the office also hosts information for investors and looks after the Tourist Information Office.
- Community Futures Elk Island – This regional Community Futures organization provides access to federally administered loans and business advice.
- Northeast Alberta Information HUB – A collective of 34 municipalities that coordinate investment attraction, workforce development, and other considerations.
- InnoTech Research Centre – InnoTech’s primary focus is to facilitate the conversion of applied research to economic, social, and environmental benefits for Alberta. There are five different Centres across Alberta, with one being in Vegreville.

Infrastructure and Community Assets

These are the key infrastructure components such as airport, rail, utilities, business parks, available land (serviced and serviced), and amenities (commercial) that can or already do add to Vegreville’s attractiveness to businesses.

- SE 17 Industrial Area Structure Plan – An 83-acre lot currently being developed into serviced industrial land in the southeast portion of town.
- Canadian National Rail – The Vegreville Subdivision connects Edmonton to Lloydminster with direct access to the rail line in the community.
- Highway Access and Infrastructure – Provincial Highway 16 (east/west) and about 20 km from the high-load corridor on Highway 36.
- Vegreville Airport – Open 365 days per year, the airport allows for night flights on its 4,000-foot runway.
- Broadband Capacity – Upload: To 150 Mb/s; Download: To 150 Mb/s.



- St. Joseph's General Hospital – A regional health centre.

Business Community Assets

- Vegreville and District Chamber of Commerce – There is a Chamber of Commerce, however, the website does not provide details about specific member services.
- Commercial Realtors – Realtors for local commercial/industrial property include Colliers International, Re/Max, and Century 21.
- Non-Residential Development Incentive Program – Offers a one-time tax cancellation in exchange for alterations, improvements or new construction that will increase the assessed value by more than \$50,000.
- Vegreville Agricultural Society – A collective that promotes and seeks to improve livestock, grain, and homemaking skills in a social environment.

Cultural Assets

- Vegreville Pysanka (Easter Egg) – The Pysanka is globally known as a symbol of Vegreville's ethnic diversity.
- Our Lady of the Highway Shrine – The seven-foot white marble statue is a beacon to weary travellers, referring back to times when seafarers would ask for the blessing of the Virgin Mary before heading on long journeys. This statue serves the same symbolic value.
- Campground – Within eyesight of the Pysanka, the campground welcomes visitors to the area.
- Annual Father's Day Demolition Show – includes a smash-up event and live entertainment.
- AGRITERRA Country Fair – Annual fair hosted by the Vegreville Agricultural Society.

3.2 Gap Assessment

The gap analysis represents the complimentary component to the asset inventory. It takes into consideration what is missing that could potentially elevate Vegreville's competitiveness.

Institutional Gaps

- Mill Rates – Mill rates (or tax rates) are an important component of site-selection processes, and in 2017 (including policing, education and other related taxes) amounted to 24.5823% for non-residential properties. By comparison, Strathcona County is 12.8087% and Town of St. Paul is 19.886%. Mill rates for non-residential properties are higher in Vegreville, which likely has a negative impact on marketability. Business Survey participants were also likely to indicate that taxes were "too high".
- Data Gaps – Data is not readily available on Vegreville website regarding socio-economics, available properties, mill rates, and other competitiveness considerations. If potential investors cannot easily



find data online they will move onto the next place that does. Some data is available via community profiles, but more could be done, especially as it relates to site selection and competitiveness.

- Community Improvement Plan – The existing community improvement plan may require updating to incentivize façade and other aesthetic improvements to main street businesses. The current minimum threshold of increasing property value by greater than \$50,000 may prove challenging for small local businesses to surpass.

Infrastructure Gaps

- Utilities Infrastructure Data – Listings about utility loads and costs are missing for Vegreville.
- Servicing Details – Listings about water and wastewater loads and capacity, and network are not available; however, a new industrial land Area Structure Plan indicates a new park will include servicing.

Business Community Gaps

- Citizenship and Immigration Processing Centre Closure – The closure has resulted in the relocation of about 200 jobs to Edmonton, which has caused some people to leave the region (permanently or daily to commute) to continue working for the Federal Government, or impacting those that did not leave but may now be without a well-paying job. The multiplier effect has likely led to a local slump in other sectors such as population-oriented commercial services, food services, and retail.
- Locally Owned Shops – Survey participants indicated that there were not enough locally owned businesses.
- Lack of Buy-Local Spirit – Business survey participants indicated that locals do not shop local enough.
- Population Decline – Partially related to the closure of the Citizenship and Immigration Processing Centre, Vegreville’s population may have declined since 2016, when the last National Census was conducted. A declining population can be difficult to explain positively to investors.
- Weak Creative Economy – Sectors such as professional, scientific and technical services represent key drivers to a creative economy, but are notably below provincial concentrations, suggesting a deficit in non-construction-related skilled labour (e.g. engineers, architects, designers, lawyers, accountants), while also indicating there are few home-based businesses active in the sector, which would typically be encouraged to eventually scale-up and expand.



4. SOARR Analysis

This report uses a Strengths, Opportunities, Aspirations, Risks and Results Analysis as a critical tool for appreciative inquiry. Appreciative inquiry is the process by which stakeholders are engaged in self-determined change. It allows for the categorization of information found in previous components of the study into a framework that will facilitate Vegreville’s future strategic planning efforts. Key considerations used in developing a SOARR Analysis are presented in the figure below.

Figure 27: Key Elements and Considerations for a Strengths, Opportunities, Aspirations, and Results Assessment

S	Strengths What can we build on?	<ul style="list-style-type: none"> • What are we doing well? • What key achievements are we most proud of? • What programs and services already exist? • What assets exist that we can build on?
O	Opportunities What are our best possible future opportunities?	<ul style="list-style-type: none"> • What opportunities for employment or skills enhancement are there in Vegreville? • How can we leverage our strengths into new opportunities? • How can we reframe perceived challenges to be seen as opportunities?
A	Aspirations What do We Care Deeply About?	<ul style="list-style-type: none"> • Considering our aspirations, where are there potential challenges or barriers to achieving them? • What unforeseen issues may affect our ability make progress on our goals? • Are there specific areas of sensitivity that need to be considered in moving our objectives forward?
R	Risks How will we recognize and mitigate or eliminate potential risks?	<ul style="list-style-type: none"> • What challenges do we need to be aware of? • What policy shifts could impact our aspirations? • What contingencies should we have in place to address threats or unexpected consequences?
R	Results How will we know we are succeeding?	<ul style="list-style-type: none"> • What meaningful measures will indicate that we are on track in achieving our goals? • What measurable results do we want to see? What measurable results will we be known for? • What resources are needed to implement our most vital projects and initiatives?

Source: MDB Insight, 2018.



4.1 Strengths

- Competitive Labour Force Cost – With a median household income that is lowest among regional comparators and the province, Vegreville may be in position to leverage labour force competitiveness.
- Skilled Trades Population – Higher proportion of people with apprenticeship or trades certificate/diploma.
- Technical skills – 29% of labour force have educations in architecture, engineering, and related technologies.
- New Serviced Industrial Land – A recently enacted Area Structure Plan for industrial land includes full servicing to 83 acres on the southeast edge of the community.
- Portage College and InnoTech Research Centre – Two key assets that can help grow entrepreneurship in Vegreville and which represent opportunities for resident attraction.

4.2 Opportunities

- Oil and Gas-Related Industries – Building on regional strengths in oil and gas, complimentary sectors such as oil and gas by-product manufacturing or chemical production may be possible in the region, as well as support industries for the sector.
- Agrifood – The nexus between agriculture and food processes or other value-added agricultural product processes (e.g. biomass, oil extraction, etc.).
- Fibres and composites – Sectors related to agriculture and forestry can produce different materials useful in composite development, such as hemp fibres, cellulose products, or other agro-forestry by-products or inputs.
- Federal Talent – With the closure of a Federal Office that specialized in documentation processing and which employed nearly 200 people locally, there is an opportunity to attract businesses to Vegreville that require similar skills.
- Increased Self-Employment and Entrepreneurship – Vegreville currently has a low self-employed population. There is room to grow self-employment locally, thereby diversifying the economy and minimizing the risk of large shocks. Space may be required for small-scale industrial companies, such as colocation facilities.
- Key Growth Sectors – Sectors demonstrating capacity for growth include agriculture, manufacturing, professional, scientific and technical services, and transportation and warehousing, but areas of overlap are where there are the most significant opportunities for growth (e.g. manufacturing and agriculture, oil and gas and manufacturing or technical services).
- Key Areas of Slippage – Business retention efforts need to be focussed on the following sectors which are experiencing slippage: mining and oil and gas extraction, utilities, finance and insurance and real estate and rental and leasing, administrative and support, and waste management and remediation services.



- Business Retention and Expansion Priorities – A random business survey identified the following strategic priorities that are most likely to increase business satisfaction: municipal property tax, development/building permit processes, business assistance from the municipality, development charges and off-site levies, and availability of skilled labour.
- Leverage Portage College – Use Portage College to grow future entrepreneurs and as an audience for targeting future resident attraction among recent graduates.
- New Trade Agreements – Recently enacted USMCA and CETA represent new horizons that have not been fully understood by most communities. Those with an expertise in both agreements will see the greatest benefits and opportunities.

4.3 Aspirations

- To shift the assessment burden away from residents by growing investment in non-residential sectors.
- To grow business opportunities in ways which diversify the economy and encourage entrepreneurship.
- To retain students after they have completed post-secondary education while also building a quality of life that encourages people who have moved away for studies return later to raise families.
- To have intuitive, accessible, complete, and accurate data for investors.
- To have stronger local business support by residents as well as existing businesses, who may assist in supporting each other and identifying common commercial or supply chain needs which could signal growth opportunities.
- Attract amenities that are most likely to appeal to target demographics, such as young professionals, independent entrepreneurs, and skilled-labour/trades people.

4.4 Risks

- Fluctuations in Energy Prices – The threat of future oil and gas-related recessions could prove to be a source of insecurity among investors, but also demonstrate an opportunity for diversification into cleantech or other sectors of the economy that are more distant from oil and gas.
- Out-migration – With the closure of a large Federal Government office in Vegreville, the community must struggle to retain those residents that have been directly impacted by the closure. Vegreville must anticipate some out-migration (which theoretically would make for a less severe unemployment rate), but develop opportunities for skills upgrading, resident retention, entrepreneurship, and investment attraction associated with dominant skills.
- Low performing base industries such as manufacturing and professional, scientific and technical services hold the potential to limit further growth in other sectors such as retail and personal services.



4.5 Results

- Have a roadmap to non-residential land development that coincides with a strategy for long-term competitiveness in development costs and assessment; improved non-residential assessment ratio.
- Transition and urgency triage programming for recently laid-off federal employees to assist in new career opportunity identification, skills matching, and second career planning.
- Participation rate, employment rate and unemployment rate tracking.
- Ongoing business satisfaction monitoring and benchmark comparisons.
- Number of expansion leads acted upon, and new projects generated from expansion leads; number of business closures or downsizings prevented due to follow-on activities associated with business-retention and expansion servicing.
- Increased investment lead generation and increased lead-to-conversion ratios.
- Labour force demand monitoring to understand sector or occupation pipeline needs.
- Entrepreneurship programming provided (workshops, consultations, business plan reviewing).
- Active succession-planning match-making programming and results tracking.



5. Investment Readiness Assessment

This section brings the results of all previous sections together, including those from the SOARR Assessment, in an effort to capture the degree of investment readiness in Vegreville. The section looks at five key themes that have emerged, with each presented in a brief synopsis. Below each overview are a series of Recommendations designed to enhance investment readiness accordingly.

Commercial and Industrial Land

With a new commercial sub-division and a recently completed Industrial Area Structure Plan, Vegreville is poised for investment opportunities in both commercial and industrial applications. With these components expected to come online within the coming year, Vegreville can start looking at investment attraction opportunities as soon as possible. With moderate to low population growth expected in the near-term, an emphasis should be placed on industrial development, which may attract interest in relocation to Vegreville among its commuting labour force.

Key Findings

- The Town is poised for growth in commercial and industrial development, permitting new sites can be brought online within a short time frame.
- A formal timeline for newly designated commercial and industrial zones needs to be developed and communicated, to increase investor security.

Business Retention and Expansion

The analysis has isolated numerous themes associated with the process and cost of doing business in Vegreville. Issues such as taxes, development charges, and business development processes are perceived negatively by existing businesses. These perceived short-comings, whether accurate or not, may also reflect investor opinions. In part, this is because none of the details (taxes, charges, or processes) are easily found online, representing a critical gap for business expansion and attraction considerations. Because these issues were among the top priorities for increasing business satisfaction, it stands to reason that addressing them and doing so in a way which gets the attention of local businesses, will help to reverse the trend. Strong BRE programming allows the municipality to be proactive about learning from businesses that are considering expanding or closing/downsizing, but it also improves community relations in general, by showing that the municipality wants to act on the concerns that it hears from its businesses. Growing and maintaining relationships with existing business also leads to increased ability to identify supply-chain gaps. Therefore, Vegreville's BRE activities have both provided valuable input into the priorities for increasing business satisfaction, have exposed opportunities for intervention in business growth or mitigation opportunities, and opened the door for identifying opportunities for new investment.

Key Findings

- Review competitiveness of taxes and charges (fees) associated with development in comparison to other primary competitors.



- For areas of misperception, dispel cost-related myths via public relations campaigns.
- Engage with businesses that have indicated they intent to expand, relocate, downsize or close to understand what challenges can potentially be resolved.

Data, Data, Data

People shop for goods and services online and these trends have led to drastic changes in sectors such as insurance and travel assistance planning, as well as some components of retail. The market has shifted to an online realm where people demand information instantaneously and with as few keystrokes and mouse clicks as possible. Furthermore, for every click to a sub-page, a proportion of prospective clients is lost. Moreover, the use of artificial intelligence in sifting through, identifying and qualifying data is also becoming more prevalent. Just as the discount travel site has become the go-to for eager vacationers, which use AI to assist in finding the vacation package most ideally suited to each user, site selection tools are more AI-dependent than ever, and the majority of municipalities do not even know they are being studied until late in the site-selection process. In order to maximize the likelihood of investment leads being channelled to the community, it is in Vegreville's competitive interest to put as much data as possible online. If people cannot see the data right away, they will not even bother looking for alternative ways to obtain it. In other words, there is a tendency among many municipalities to hide competitiveness data for fear that the data may detract from their competitiveness, but the fallacy behind this logic is that it prevents the likelihood of even being considered in the first place.

Key Findings

- Get all community-related data online, including but not limited to census results, available properties (including private holders), cost and tax information, utility rates and capacities, business mix, labour force composition, employment rate, and all pertinent community assets.
- Connecting results to municipal Geographic Information System platforms is also a recognized best practice among site selectors⁶.

Creative Destruction and New Birth

When Nortel Industries closed its doors under a ribbon of bankruptcy the shock was monumental, but the economic rebirth by the wealth of technical knowledge combined with a strong social capital infrastructure among previous employees led to stronger economic value proposition for a large number of smaller firms⁷. The closure of the Federal Government office in Vegreville can likewise be regarded as an opportunity for rebirth and innovation, as those people that remain in the area have the potential to become entrepreneurs or workers for newly attracted businesses that conduct similar clerical and administrative functions for the private sector as was the case for government. The large commercial office space also represents an important asset that will likely draw significant interest among investors

⁶ For an excellent example of the use of GIS in site selection see: <https://www.slideshare.net/wright0405/atlas-how-site-selectors-use-gis>

⁷ Thompson, Peter J. "Creative destruction, eh! Why there's no reason to fear the demise of Canadian companies," The Financial Post, March 25, 2015: <https://business.financialpost.com/opinion/creative-destruction-eh-why-theres-no-reason-to-fear-the-demise-of-canadian-companies>



in search of existing turn-key facilities.

Key Findings

- Leverage vacant property for investment attraction or re-purposed use. There is a market for this and Vegreville should be aggressive in attracting an investor in this high-demand space.
- Identify top skills qualifications of outgoing Federal employees and work to attract business classifications suitable to identified skills surpluses.

Resident Attraction and Retention

Growing a residential population consists of a “perfect storm” of variables. Some core considerations include job or career opportunities, affordable and diverse living accommodations, quality of place characteristics such as night-life, entertainment, family activities/programming, and access to post-secondary and children’s education amenities. From an economic perspective, the way to grow population is to attract employment opportunities that lure new labour or job creators (i.e. entrepreneurs) to the community, but that is only half of the battle. The other half is convincing family members that Vegreville has opportunities for them as well. Therefore, it is important to understand what kinds of labour force requirements are in high demand for skilled and unskilled spouses of people that currently or may eventually work in Vegreville. There are tools to assist with labour force supply and demand, which can assist local post-secondary education providers in determining what programming should be promoted most aggressively, as well as indicate where economic development staff can be more engaged in trying to promote job opportunities to meet labour force needs. Growing the labour force base can also be used to leverage interest in developers to develop new residential spaces, including the redevelopment of under-developed properties in Vegreville’s downtown core. Prioritizing a few sites for redevelopment, including the development of scenarios that can demonstrate the potential return on investment for investors could help attract the kinds of new residential development that are likely to add to downtown revitalization.

Key Findings

- Study labour supply and demand in an ongoing manner, via platforms such as Vicinity Jobs. Current Vicinity Jobs reports indicate labour demand is highest in retail and services, health care, finance and insurance, and manufacturing.
- Work with the Chamber of Commerce to assist in directing spouses, skilled or unskilled, to local employment opportunities.