

**Economic Zone 2  
Wabush, Labrador City, Churchill Falls**

**Strategic Economic Plan**

**2011-14**

**Submitted To:**

**Atlantic Canada Opportunities Agencies**

**Innovation Trade and Rural Development**

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*This plan has been compiled by the Board and Staff of the Hyron Regional Economic Development Corporation in consultation with the Zone's many Key Stakeholders.*

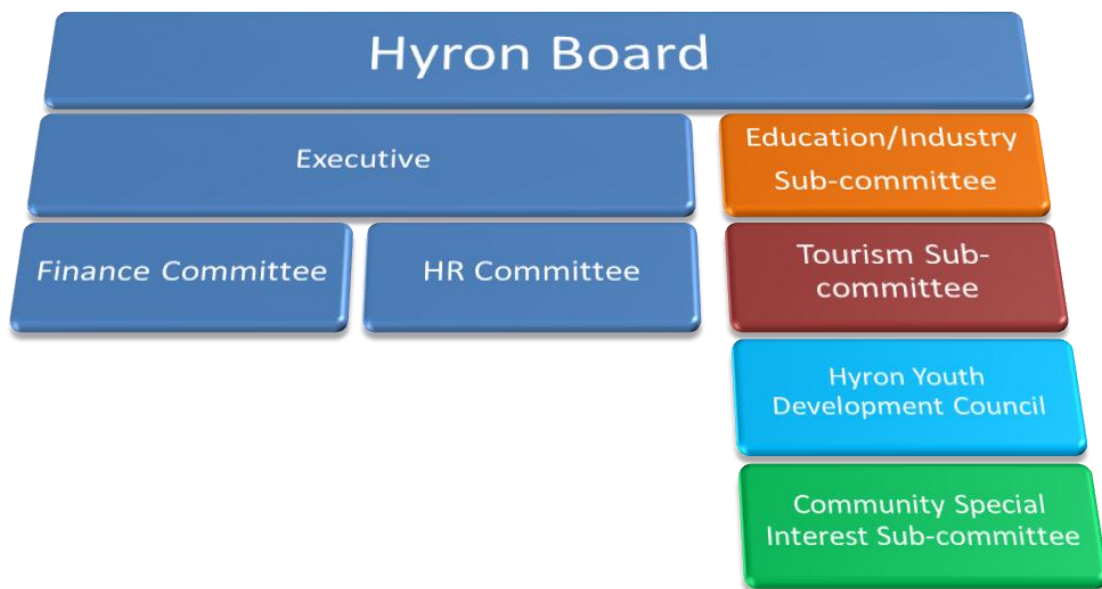
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## 1.0. Background of the Hyron Regional Economic Board

The Hyron Regional Economic Board is one of 20 Zonal Boards in the Province of Newfoundland and Labrador. The Board represents all major sectors of the economy and has representation from the three municipal governments, (i.e. Labrador City, Wabush, and Churchill Falls), the three geographic regions (i.e. Labrador City, Wabush, and Churchill Falls) and one member representing the three major companies (i.e. Iron Ore Company of Canada, Wabush Mines, and Churchill Falls (Labrador) Company), as well as one member each from the business community, education, labour, tourism, youth, and two members representing non-government organizations.

### 1.1. Hyron Structure



## **1.2. Core Functions of the Board**

1. Develop and coordinate the implementation of a Strategic Economic Plan (SEP) in the zone supported by an Integrated Business Plan.
2. Develop a strong partnership with municipalities in the zone that incorporates the strategies and priorities of municipalities in the economic planning process.
3. Develop partnerships in planning and implementation with Chambers of Commerce, Industry Associations, labour organizations, post-secondary institutions, Community Business Development Corporation (CBDC), and other zones that advance and support the economic and entrepreneurial environment of a zone.
4. Undertake capacity building and provide support to stakeholders to strengthen the economic environment of the zone.
5. Coordinate and facilitate linkages with federal/provincial/municipal government departments and agencies in support of the strategic economic plan.

## **1.3. Roles and Responsibilities of the Board:**

1. Target industries to generate new wealth and employment with the aim of providing focus and leadership.
2. Demonstrate commitment to human resource development, entrepreneurial development, public participation, and community education.
3. Provide accountability to communities within the Zone.
4. Aim to improve dialogue between community groups in the development and implementation of the SEP, promoting importance of regional participation.
5. Provide support to stakeholders who are working to ensure that social infrastructure and systems keep pace with economic development.
6. Link education and training to economic development opportunities.
7. Increase entrepreneurial awareness and develop a more entrepreneurial climate.
8. Establish effective links with business, CBDCs, all levels of government, and educational institutions, both within and outside the zone.

## 2.0. Overview

The Hyron Regional Economic Development Board is one of 20 Zonal Boards within the province of Newfoundland and Labrador. The Board is responsible for the region known as Labrador West which consists of three towns: Labrador City, Wabush, and Churchill Falls. The purpose of the Board is to stimulate, promote, co-ordinate and undertake economic development within the region.

The Hyron Board is entering into its fifteenth year of operation and have completed revisions of the three-year strategic economic plan for the Zone based on identified strengths and opportunities of the region. The plan provides realistic scenarios of future development opportunities and helps identify target sectors and projects for future support. The plan provides a framework for assessing future projects. As a guideline for groups and organizations, it is available to various government departments and agencies, municipalities, educational institutions, entrepreneurs, industry, development groups, and anyone undertaking regional economic analysis.

We are a region built around industry and energy and those dependencies must underline our strategies. With the climbing prices for iron ore, we are seeing a great deal of new exploration from existing and new companies. Although competition between mining giants is common, the stakes have certainly been raised with the Asian/Indian demand on steel production and availability of energy is a focal point of industrial development.

### 2.1. Energy

After decades of negotiations the people of Newfoundland and Labrador have signed an agreement with Nova Scotia for development of a portion of the Lower Churchill Falls hydro project. The agreement was announced in November 2010. NALCOR and Emera will partner in the development which will see 800 megawatts of power produced from the Muskrat Falls section of the Lower Churchill. NALCOR will build a generating facility at Muskrat Falls (Cost 2.9 Billion). This facility will be fully financed and owned by Newfoundland and Labrador.

Emera, a publicly traded company, and NALCOR will jointly develop the transmission route to wheel the power from Labrador, through Newfoundland and on to Nova Scotia. The subsea link between Labrador and Newfoundland will be built as a joint venture 71 per cent owned by NALCOR (cost 2.1 Billion) and 29 per cent owned by Emera (Cost = 600 million). Emera has agreed to finance 20% of the ongoing maintenance costs for the life of the agreement. The subsea link, also known as the Maritime route, between Newfoundland and Nova Scotia will be built and wholly owned by Emera. (Cost 1.2 Billion)

It would seem there are still details to be determined relating to the Maritime link itself as officials with Emera have said that they are still negotiating agreements with NALCOR to build the subsea transmission link between the two provinces in return for access to 20

per cent of the energy from Muskrat Falls for a period of 35 years. At the end of the 35 year contract the undersea transmission line will revert to Newfoundland and Labrador ownership for the sum of 1 dollar.

Investments by all parties into the project total an estimated \$6.2 billion.

## 2.2. Mining

The global demand for iron ore is at an unprecedented high, with expectations of doubling prices again into 2021. International mining group Rio Tinto PLC (RIO.LN) has approved a further \$277 million investment in expansion, Rio Tinto share \$163 million, in the next phase of a project that will raise the Iron Ore Company of Canada's concentrate production capacity by 40% to 26 million tons per year, or Mt/a.

Main Facts:

- This is the second phase of a three stage expansion with a \$400 million investment, Rio Tinto share \$235 million, to raise production capacity to 22 Mt/a from 18 Mt/a.
- Phase two of the project will increase IOC's spiral and magnetite concentrate production capacity by an average of 1.3 Mt/a to 23.3 Mt/a from 2013.
- Third stage of the planned expansion to 26 Mt/a is currently under study and a final investment decision is expected by 2012.

In 2011, Cliffs CLF-N has reached a deal to acquire Consolidated Thompson CLM-T for about \$4.7-billion, tapping the Montreal-based company's iron ore assets as part of a strategy to expand into the crucial Chinese market.

Cleveland-based Cliffs cited Consolidated Thompson's "world-class" operations in the iron ore-rich areas of north eastern Quebec and western Newfoundland and Labrador, along with its coveted Asian supply contracts as reasons behind the deal – its latest and largest in a series of Canadian resource buys over the past several months.

The price of iron ore has risen rapidly in recent months as demand for the steel-making ingredient grows, particularly in fast-growing countries such as China. Miners are also scrambling to secure often-scarce global mineral reserves to grow and meet continued increases in consumption.

This deal allows Cliffs to expand beyond its largely North American steel-making customer base. Consolidated Thompson has long-term arrangements with China's third-largest steel producer, and two large Asian commodity brokers.

Cliffs chairman and chief executive officer Joseph Carrabba said the merger was the result of exclusive talks that came about as the two sides worked on transportation issues at their nearby sites in Newfoundland and Labrador.

Transportation linkages and challenges have long been an issue for all Labrador. “Air transport can play a key role in economic development and in supporting long-term economic growth. It facilitates a country’s integration into the global economy, providing direct benefits for users and wider economic benefits through its positive impact on productivity and economic performance.”<sup>1</sup>

The expansions and growth being experienced in the mining sector provide increased opportunities for new supply service business as well as expanded operations of current supply services. Increased industrial training opportunities are abundant within the region. There’s every indication that iron ore prices will need to stay higher in the future because of costs associated with developing some of the world's iron ore deposits.

In terms of social infrastructure the region has been, in general, well served; however, the boom of the mining industry and the changing demographics of the population have caused an immediate need for residential housing, senior’s facilities, and day care institutions. Community and medical services, public and individual safety and education have adequate capacity to expand and tourism has good quality facilities and attractions. Culture and recreational activities as well as community involvement are well represented in the region, however, are challenged with aging infrastructure and insurance costs.

While the region is experiencing a mini-boom, there are a number of challenges which currently exist. The region’s dependency on single industries increases the risk of a boom-bust economy, especially given the cyclical nature of the mining industry, poor transportation and hydroelectricity links are hindering major industrial developments, a demographic shift in the region is creating some social challenges as well as human resource retention challenges. Other challenges include: the low volume/high cost of transportation to and from the area is reflecting in the cost of doing business, difficulty in motivating people to take advantage of the opportunities in the region, aging infrastructure, understanding the limitations of northern communities, and the challenge of maintaining a qualified and trained workforce to support growth. As an example of one such challenge, a major employer in the region has spent over half a million dollars in travel expense for their mobile workforce. Turnaround times for contractual employees are defined by a specified work period followed by a defined rest period whereby the group is transported between the work site and home base; usually in another part of the province or out of province. In this particular business’s case, the

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<sup>1</sup> Report by the International Air Transport Association (IATA) on Aviation Economic Benefit - *Taking Flight - an air access strategy for Newfoundland and Labrador*

turnaround time was eight weeks in and eight weeks away which was quickly reduced to six to four and finally two week changes in a desperate effort to appease a transient workforce; all this results in an additional 50 percent increase in travel cost going forward just to keep up with the enormous amount of regional activity.

All of this hinges on housing. Affordable and low-income housing aside, though their importance ought not to be diminished as they are extremely urgent issues, there is a perilously restrictive ability for communities to support the very industries they are attempting to attract, the human resources demanded of secondary, tertiary and service industries, and capacity to host regional, national or international events to promote other sectors such as tourism and education.

Without the basic infrastructure of accommodation, transportation, and communication, the development of tourism, industry, education, and business are stymied to the point where regional efforts need to converge in an attempt to address these core issues.

### ***2.3. Tourism***

#### Service Sector

Labrador West has a large number of businesses operating in the service sector. The mining and exploration boom has significantly impacted this sector first of all, in the additional demands for service and second of all, in the increased human resource requirements. Western Labrador has enjoyed the benefits of being the retail hub of this part of our province and neighbouring Fermont, Quebec, having the only Wal-Mart in over 600 km radius. Along with other chain restaurants, clothing and furniture stores, this has created an attraction for Labradorians and visitors to the area.

With increasing competition for skilled workers and the rapid up-skilling of residents the service industry is suffering high turnover and the inability to fill vacancies. Qualified, responsible staff is difficult to retain in the increasingly competitive environment. Several business owners have chosen to import labour from outside the country in an effort to mitigate the gap this economic boom has created. While immigration programs have been successful and have since seen the support of several other entrepreneurs, the challenge of housing is an increasing struggle. In addition to importing labour, the acquisition of accommodations is necessary and essential to its success. Service industry wages, while higher than the provincial average, cannot sustain the ever mounting rental rates.

Other service industries such as auto repair shops, banks, accounting firms, insurance companies and pharmacies are experiencing many of the same challenges.

## 2.4 Business

A core strategy in any business expansion/development plan is to start with where you are, what you know and what you do the best. One has only to look at Sudbury or North Bay to see that each city started out based on a mineral resource, developed a strong infrastructure and then branched out into other areas. Without that step of becoming a strong industrial centre, it is very difficult in this competitive world to attract other industries. Internationally, Labrador is recognized as an iron ore producer and it would be a natural advancement for the area to piggyback on these resources and reputation for industrial growth. Labrador is also known internationally for its current hydro power and the opportunity to generate more power through the development of the Lower Churchill Hydro project. This, too, presents a strong resource that can be used to attract future new investment in the area. Even if the green light is given today, it would still take approximately 10 years to develop the Lower Churchill Hydro project and 2041, the year the contract expires with Quebec Hydro for the Upper Churchill Power, is not too far off in development terms. Between now and 2016 Labrador West should be positioning itself to be the mining and energy cluster of eastern Canada.

It became apparent that many of the services important to being a mining centre were not located in Labrador West. Many historic reasons exist for this including the fact that IOC and Wabush Mines provided many of those services in-house and other services were provided from Sept-Isles or Montreal. However, mining is often cyclical, but not every mineral falls into the same cycle. It just so happens that the iron ore cycle is on a high at the same time as the demand for some other minerals, fuelled in large part because of the explosive growth of China. Today, not only are the two mining companies outsourcing for much of their services, but also Western Labrador and other parts of Labrador are in high exploration and development mode and transportation has improved since the last positive iron ore cycle. As exploration and mining increases in Labrador West, it will become more of a mining centre.

The mining companies operating in the region are large, successful, and operate on a global scale. Their purchasing networks are global. They will not wait around for the supply of goods and services. Services are dependent on qualified people and it is accepted that there are contract skills shortages. This represents a clear opportunity for Labrador West. The global look for labour and expertise begins locally, primarily due to the high cost of importing labour and expertise.

The region is currently experiencing a shortage of workers which is having dramatic effects on the business community. The high costs associated with employee turnover are in some cases too much for small and medium sized enterprises to bear. The region has to look at recruitment and retention strategies which will assist small, medium and large operations.

## **2.5. Transportation**

Labrador West is remote, but it is connected by air, rail, and road and accesses a deep water port via the rail line.

Labrador West is connected with central Canada by road and is now connected with the rest of the province of Newfoundland and Labrador through the completion of the Trans-Labrador Highway link in early 2011. However, Labrador West is at a disadvantage in terms of quality of road and travel time to other major North American cities.

Rail does exist and can be used for the transport of both goods and people, but its future is uncertain and the quality of service is not of high calibre. Quebec North Shore and Labrador (QNS&L) Railway provides year round access to deep water port facilities in Sept-Isles, providing access to European and North American markets.

## **2.6. Education**

### Post-Secondary Education

There is only one post-secondary campus in Labrador City which services the area of Labrador West, the College of the North Atlantic (CNA). There is a private safety institute delivering occupational safety courses to industrial and commercial businesses. Other post-secondary institutions are possible in the near future.

The College of the North Atlantic has offered a variety of courses over the years, but the first year University Program, Adult Basic Education (ABE), Mining Technician Program (MT) is unique to Labrador West. Added to the curriculum with the assistance of local industry partners and the Hyron Board are the Industrial Mechanic (Millwright – Block 4), Construction Industrial Electrician (Block 5), and Welding (Block 4) training. Before the inclusion of the programs 100% of our apprentices were leaving the area to avail of block training, leaving industry and employees in a vulnerable position; industry with respect to increased labour needs and employees with respect to financial and personal stresses of less income while traveling and maintaining residence away from home and family.

Labrador West's strength and claim to fame is that it is known nationally and internationally as a mining region. The region wishes to use this reputation to build additional credit in this sector in order to attract other operators – primary, value-added and service/supply – to the area. But for any region to progress based on a significant cluster of activity, it requires a complementary focus on education and training, as well as research and development. One of the areas that has hampered Labrador West's development as a mining centre is its lack of mining related education and training, research and development, and innovation to meet local industry needs, despite CNA's Labrador West campus having the designation as a Mining Centre of Excellence. The

regional campus just recently acquired two mining equipment simulators to complement local training programs illustrating the provincial and federal commitment to the region. Nonetheless, more needs to be done to service the industry, stop “leakage” of potential labour out of the area to other educational institutions and to attract young people to the area.

### Daycare Facilities

Recruitment and retention capabilities have been greatly impeded regionally due to the lack of daycare and after school programs for children. All sectors are affected by the lack of daycare facilities. It has been noted in the recruitment of professionals, skilled tradespeople, health care staff, and service industry. Through the dedication and foresight of Hyron Board members and resource personnel outside of the role of this economic development board, success has been realized in that a daycare and an afterschool program are being offered in the very near future.

We are competing on a global scale for similar resources and against less remote and more urbanized regions with increased amenities. Our regional recruitment and retention strategies are targeting a younger dynamic with a focus on family and essential to that strategy is the provision of adequate daycare.

### Seniors

No long-term care facility for seniors exists in the region other than the six beds at the hospital. One seniors’ club is located in Labrador City. As the number of seniors increases, there will be a need to address their long-term needs both in terms of accommodations and every day services.

## 3.0. Strategic Issues

### 3.1. Mission & Vision Statement

To develop and facilitate, in consultation with our stakeholders, sound economic development strategies which will ensure the long-term economic development and viability of the HYRON region.

### 3.2. Business

#### **GOAL #1: Clustering of mining related businesses thereby creating a positive and competitive environment for investment.**

The Hyron Zone has the benefit of already being known within the mining industry. As we begin to put the pieces in place to make it a true mining and exploration centre, including that all important education, training, research and development piece, we need to ensure that these improvements become publicly known through trade shows, websites and targeted publications. The Regional Investment Team will help steer business attraction and promotion activities within the region and the services of a Business Prospector will provide the networks and one-on-ones necessary to realize new business investments.

Timelines: Mid-2011-14

Lead: Hyron Regional Economic Development Corporation & Regional Investment Team (Financial and Resource Partners)

#### **GOAL #2: Ensure adequate skills sets are available to meet growing industry demand.**

Given the national and international attention to labour shortage and the fact that most, if not all industry is completely unprepared for the ensuing battle for human resources, it is important for communities to develop programs for succession planning.

Hyron's research into regional labour market issues will help to identify potential opportunities for assessing the future skills needs of our communities.

Timelines: 2011-14

Project Lead: Hyron Regional Economic Development Corporation

### **GOAL #3: Ensure adequate transportation network to attract industry investors.**

Department of Tourism, Culture, and Recreation are working closely with the Department of Transportation and Works to identify key pull-off areas along our newly linked highway.

Hyron will work closely with Destination Labrador and other zonal boards through our Labrador Caucus to provide support in developing viable rest areas. The locations are thought to be most feasible built around existing infrastructure already in place through Department of Transportation and Works (DTW).

#### *Initiatives:*

##### **Highway 500 Enhancements**

Lead: Hyron, Gateway Labrador

Improved transportation networks will advance the business climate within the zone, ease shipping of goods and services, open up greater opportunities for trade and improve access for residents.

Lead: Hyron Regional Economic Development Corporation/Municipalities

Timeline: Ongoing

### **GOAL #4: To create an industry network increasing global capacity of region.**

#### **Community Investment Project – Mining Network Development**

The Labrador West Community Investment Strategy Team, through the implementation of a comprehensive regional strategy developed with the services of AMEC Earth Sciences, is pursuing the bolstering of the current mining and energy service entities in the region. The region must become fully serviced and have all necessary provisions for the current mining and energy industries as well as potential new mining operations as a means of attracting other large industries. The project will involve a collaborative approach with major industry, specifically procurement requirements, municipalities and development agencies and will identify service gaps which will in turn translate into business opportunity identification and attraction

The successful implementation of this initiative will prepare zone two for future external opportunities and will provide the support measures for larger investment attraction, reducing the region's dependency on the mining and energy industry.

The creation of a mining services network in Labrador could offset the direct effects of our current boom/bust economy. Advantages of Mining Services Networks:

- Finding and sharing business contacts
- Opening communication lines amongst companies to find new clients
- Allows small firms to offer significant expertise (working in remote areas) to big clients just entering the region
- Allows for collaborative marketing efforts
- Allows for competitive posturing on global market

Note: *Addressing distance, competition and trust proved to be critical success factors*

### **GOAL #5: Ensure adequate workforce to supply current and future business demands.**

The Hyron Regional Economic Development Board is actively working with a number of partners to develop and implement a regional recruitment and retention strategy for the zone. The strategy includes:

- a) Marketing Collateral (Selling the quality of life)
- b) Coordinated Trade Show Attendance
- c) Increased use of Distance Education Options
- d) Community Profile Information
- e) Centralized Job Advertisements
- f) Community Billboards
- g) Community Welcome Program

Throughout the implementation process of this strategy Hyron will:

- Continue to work with partners to identify new opportunities for Human Resource recruitment and retention;
- Assist in the development of funding applications to obtain resources to support such initiatives;
- Take a lead role with municipalities in promoting the working and social lifestyle of the zone;
- Continue to gather pertinent labour market data and disseminate to the business community;
- Facilitate 'think tanks' for recruitment and retention strategies;
- Provide linkages to Provincial human resource programs.

**GOAL #6: Ensure economic development practitioners have the appropriate skills and knowledge to pursue investment attraction initiatives.**

**EDAC Training**

Hyron will capitalize on training for Economic Development staff through the Economic Developers Association of Canada and the University of Waterloo.

Lead: Hyron Regional Economic Development Corporation

Timeline: Ongoing

**Economic Development Conferences and Workshops**

Hyron, where possible, will attend economic development/business/trade Shows and workshops, and will work with key partners to disseminate information on schedules and assist in the distribution of regional profile information.

Lead: Hyron Regional Economic Development Corporation

Timeline: Ongoing

**3.3. Tourism, Culture & Recreation**

**GOAL #7: Develop a competitive winter tourism industry, capitalizing on nordic skiing, alpine skiing and snowmobiling.**

**Cain's Quest Snowmobile Endurance Race**

The White Wolf Snowmobile Club, along with community and government partners, has created a world-class snowmobile event, Cain's Quest, Canada's longest snowmobile endurance race. Beginning in 2006, it has seen some changes due to fluctuating weather conditions within the coastal areas of Labrador. However, it is still successful, with teams representing various parts of Labrador, Quebec, Nova Scotia, Ontario, Maine, Wyoming, Minnesota, and even France, making its mark on the racing circuit as one of the most challenging and extreme professional sporting events in the world. As the race teams came from across the North American Snow Belt, so did the exposure from the media taking Cain's Quest and its supporters to new heights. News and magazine journalists as well as crews from various TV programs and networks and radio, web, and multi-media reporters were all on hand. This media coverage coupled with the first ever dedicated Cain's Quest TV program produced and promoted by Snowmobiler TV elevated Cain's

Quest sponsors from supporters of a great snowmobile event into being part of a major North American media package.

Cain's Quest entices non-resident visitation, markets the existing trail system, and provides economic benefits to the communities of Labrador City, Wabush, Churchill Falls, other parts of Labrador, and seen in 2011, the community of Kuujjuaq, Quebec. In previous years, capturing from immediate visitor data pertaining to the race teams, we know that over 84 percent of participants were from outside the region, and number that consistently rises each year.

The Canadian and American marketplaces have yet to be truly tapped with respect to the enormous expanse of groomed trails and pristine surroundings in Labrador. It stands to reason that continued support for this type of undertaking is indispensable for Labrador's growing snowmobile and tourism industry. It is known that this event provides economic benefit to the area and is economically viable with an estimate of 250-350 visitors to the area during the race, also providing long-term benefits to the Labrador Economy.

Hyron will aid in constructing an Economic Impact Assessment of Cain's Quest to demonstrate viability and sustainability of the event. Hyron will also continue work with the proponent and partners in delivering and organizing this world-class event.

Lead: White Wolf Snowmobile Club

Timeline: 2011-14

### **Menihek Nordic Ski Club- Ski School**

Menihek Nordic Ski Club currently operates early on-ski snow schools during the month of November. There is great potential to contribute to attract high calibre ski teams from across Canada given the early winters experienced in Labrador as well as the grooming expertise of the Nordic Ski Club.

Lead: Menihek Nordic Ski Club

Timeline: Ongoing

### **Smokey Mountain Ski Club**

Continue to support Smokey Mountain Ski Club in operational improvements.

Lead: Smokey Mountain Ski Club

Timeline: Ongoing

**GOAL #8: Develop a competitive summer tourism industry, capitalizing on hunting/fishing, adventure, educational and cultural markets.**

**Bowdoin Canyon Development**

Hyron will work with other partners to develop a plan for the utilization of Bowdoin Canyon as a summer attraction in Labrador.

Lead: Hyron Regional Economic Development Corporation.

Timeline: 2011-2014

**Research impact of Highway Completion on Tourism numbers**

Collaborate with Memorial University, Department of Transportation and Works, and Destination Labrador to research anticipated effects on travel numbers following the completion of the Trans Labrador Highway.

Lead: Hyron Regional Economic Development Corporation

Timeline: 2011-2014

**Destination Labrador Partnership**

Continue to work closely with Destination Labrador to:

- a) Make recommendations on tourism practices within the zone;
- b) Monitor tourism trends within the zone;
- c) Identify opportunities for marketing and product development;
- d) Identify Best Practice Missions which would benefit tourism operators in the zone;
- e) Provide current web information on tourism within the zone;
- f) Assist with facilitation of training programs;
- g) Assist with facilitation of marketing partnerships for the zone.

Lead: Hyron Regional Economic Development Corp. /Destination Labrador

Timeline: Ongoing

## **GOAL #9: Increase number of francophone tourism by developing bilingual promotional tools.**

Hyron will assist with the following:

- Tourism map – create a tourism map for region between Quebec and Labrador
- Tourism packages – create packages that include accommodation, restaurant and attractions

Research a digital alternative to paper literature displays for bilingual visitors

### **3.4. Education**

## **GOAL #10: Increase mining related training programs.**

The Labrador West Campus of the College of the North Atlantic does not currently have a Heavy Equipment Operator (HEO) program even though there is an obvious demand locally for the trade. Space and money present the greatest challenges in mounting such a program. For instance, to deliver the practical part of the training, a campus requires at least five pieces of very expensive heavy equipment, as well as a work/construction site and a garage to house and service the equipment. Nonetheless, the Labrador West Campus believes that the program could be offered locally through its contract training department on an as-needed basis. They believe that the numbers suggest that the program would be sustainable for approximately five years.

However, to make the program more feasible to students and sponsoring agencies, the college would need to identify an industry partner (or partners) who would be willing to contribute money, and/or equipment, and space to deliver the practical part of the program. Since industry has a need for such operators, the college believes that industry will see that it is in its interests to cost-share with the college in the delivery of a HEO program.

Furthermore, to meet industry's specific needs, the Labrador West Campus is proposing to offer additional mining-related training to students as an add-on to the standard HEO program. While the mines and contractors in the area are looking to recruit HEO graduates, they would prefer to hire graduates who have some industry-related knowledge and experience. In addition, to giving HEO students some practical industry-related experience, the Labrador West campus is proposing to incorporate its two new haul truck simulators into the HEO program in order to give students simulated training as haul truck operators in a mine. Such specialized training initiatives will assist in making the Labrador West Campus a 'Mining Centre of Excellence' and will help attract students to the mining industry.

Attracting and retaining skilled workers has become increasingly difficult as the labour market has shifted from an employer-dominated 'seller's market' to a candidate

dominated ‘buyer’s market.’ Currently, key positions remain unfilled for longer periods of time as companies search for the right candidate in a shrinking labour pool. “By the 21<sup>st</sup> century 60 percent of all new jobs will require skills possessed by only 20 percent of the workforce”<sup>2</sup>

Again, when industry and business were asked where the best energies could be spent in retaining labour, the indication leaned toward retention programs and up skilling or training of residents. In estimating future occupational demands, businesses were asked to estimate which skilled trade occupations will be in demand within their organization from 2008 to 2012. Through analyzing the data the occupational needs were determined for Zone 2 that 28.6 percent of businesses were facing a labour shortage, an additional 23.3 percent felt that recruiting would be a challenge from 2007 to 2012. Over one quarter of businesses surveyed felt that recruiting new employees was extremely difficult.

Thus, Hyron’s focus will be on securing a partnership between industry and education in providing a course available to our local residents, as well as those travelling to the area for training.

This will assist not only in attracting new students and employees but to secure those already located in the region while cutting down on exorbitant travel costs out of and into this region to avail of like programs.

Lead: Hyron Regional Economic Development Board

Timeline: 2011-2014

### *3.5. Youth*

#### **GOAL #11: To increase youth awareness within Zone 2.**

The Hyron Youth Development Council (HYDC) has facilitated a variety of strategic events and initiatives over the years in working with the youth sector in Zone 2. This organization promotes youth employment, entrepreneurship and education programs to the youth of the region, while creating a means to bring forth pertinent issues and concerns and getting young people involved in community economic development through representation of all community youth.

There have been some challenges in the past few years with respect to overturn in youth positions. This is mainly due to the fact that many youth who have been highly involved in this council have entered post-secondary education institutions in other areas and/or have gained successful full time employment in which their time is limited. However, this past year we have seen some increased interest in the HYDC, with the launch of the

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<sup>2</sup> It's 2008: Do You Know Where Your Talent Is? (Deloitte Research) Pg 1, November 19,2007  
<http://solutions.monster.ca/intelligence/labourMarket.asp>

Hyron's Youth Media Contest and having regular monthly meetings with the committee. We had great responses at our consultation meeting with youth and with an upcoming Annual General Meeting (AGM), Hyron is confident that the HYDC will be a strong subcommittee carrying out a number of initiatives throughout the community. HYDC currently has two of its members on the provincial Futures in Newfoundland and Labrador Youth (FINALY!) council.

- Community Capacity Building
- Youth Opportunities – YO!
- Support and partner with educational institutions and youth related organizations
- Funding programs for youth familiarization trips with province, specifically Labrador portion
- Attend regional workshops for youth

Lead: Hyron Youth Development Council

Timelines: Ongoing

**GOAL #12: To retain and recruit youth to local post-secondary institutions.**

Part of the recruitment and retention strategy as mentioned above will be a youth component. Statistics show where youth attend post-secondary they usually find jobs in adjacent communities. If we are to grow our communities, we need to retain our youth in their pursuit of education.

Lead: Hyron Regional Economic Development Board

Timeline: Ongoing

**GOAL #13: Ensure adequate housing for post-secondary students.**

It has been the plight of the region's stakeholders to provide adequate housing for students. That fact has never been as emphasized as in the current economic environment whereby housing is the base issue to every expansion challenge in the western region of Labrador. Hyron will work with community partners to address this specific housing gap through the update of labour market research.

Lead: Hyron Regional Economic Development Board

Timeline: 2011-14

## Regional Summary

The Hyron Regional Economic Development Corporation, while mandated to focus on Economic activity feels that some of the social infrastructure requirements of any particular jurisdiction have a strong role in economic development. The demographic changes and human resource challenges which are so prevalent in our current economy are greatly impacting social infrastructure needs within the region. Increased investments in social infrastructure are essential to service the residents of the zone. While specific initiatives are not outlined for the Hyron Regional Economic Development Corporation, the Economic Plan of the zone must still outline major capital projects be they social in nature and are identified in the following section.

A community is more than its roads, buildings, complexes, industries, and businesses. We cannot usher in physical development without building up education, housing, health and entertainment at a parallel rate. When the first housing developments were constructed in Labrador West, the residents' employer and landlord were essentially one in the same. The mines afforded their employees/tenants a higher standard of living than their urban counterparts by erecting social clubs, theatres, schools, water and sewage, telephone and electricity infrastructure, as well as providing financial incentives. Much of the infrastructure, while well maintained for almost half a century, are in need of an infusion of dollars especially in light of the additional strains of economic growth. Until recently, other issues such as educational and health facilities have been shelved or pushed to the end of the priority list due to lack of growth and previously predicted decline in population.

The nature of the one-industry town conjures images of cyclical economies, stagnant projects waiting for a 'boom', strategies that are reactive as opposed to forward-thinking. We have to move economically in a way that ebbs and flows with the tides of industry change. As we move into a time of regional transformation, we are cautious and anxious to address emerging and imminent concerns of:

- Daycare facilities
- Emergency housing
- Community Housing Strategy – rent increase controls, homelessness, senior's housing, etc.
- Support networks to accommodate growth – family justice, mental health, addiction services, health services

Our collective communities are busting at the seams as attempts are being made to accommodate the 'physical' growth. While we don't want to paint these exciting times with a gloomy landscape, we do, however, need to keep our feet planted in the reality of growing population lending itself to growing crime rates, growing drug and addiction problems, and growing poverty. Concurrent with ongoing construction of new housing, hospital, and college development should be additional investment in more local police presence to address potential rising crime rates, mental health facilities and staff to

address an already strained system, daycare facilities to address child care issues desperately needed, and government subsidy for medical travel extensively used for an area with one of the highest airline rates.

## Goal Summary Table

Sector	Goal
<b>Business</b>	<ul style="list-style-type: none"> <li>• Clustering of mining related businesses thereby creating a positive and competitive environment for investment;</li> <li>• Ensure adequate skill sets are available to meet growing industry demand;</li> <li>• Ensure adequate transportation network to attract industry investors;</li> <li>• To create an industry network increasing global capacity of region;</li> <li>• Ensure adequate workforce to supply current and future business demands;</li> <li>• Ensure Economic Development Practitioners have the appropriate skills and knowledge to pursue investment attraction initiatives.</li> </ul>
<b>Tourism, Culture, Recreation</b>	<ul style="list-style-type: none"> <li>• Develop a competitive winter tourism industry, capitalizing on Nordic skiing, Alpine skiing, and snowmobiling;</li> <li>• Develop a competitive summer tourism industry, capitalizing on hunting/fishing, adventure, educational and cultural markets.</li> <li>• Increase number of francophone tourism by developing bilingual promotional tools</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>• Increase mining related training programs.</li> </ul>
<b>Youth</b>	<ul style="list-style-type: none"> <li>• To increase youth awareness within Zone 2;</li> <li>• To retain and recruit youth to local post-secondary institutions;</li> <li>• Ensure adequate housing for post-secondary students.</li> </ul>

### Appendix:

LIST OF STAKEHOLDERS (S)