

Nanaimo 2011

Economic Development Strategy Report

city of nanaimo - economic development office - 250.755.4465 - www.nanaimo.ca



This document was prepared by EDCD Consulting. While every effort has been taken in the compilation of this information to ensure that it is accurate at the time of publication neither EDCD Consulting, or any person acting on their behalf, accepts warranty or liability from incorrect, incomplete or misleading information or its improper use. Readers should be aware that information in this publication may change at any time and without notice.

Table of Contents

Executive Summary	1
Report Introduction	1
Economic Development in Nanaimo	3
Economic Scan	4
Demographic Overview	5
Population Growth	5
Age Distribution	6
Income Level	6
Labour Force Availability	7
Educational Attainment	7
Cost of Housing	8
Entertainment & Culture.....	8
Migration.....	8
Economic Base Modeling.....	9
Strengths	9
Weaknesses.....	9
Economic Base Analysis.....	10
Location Quotient	12
Shift-Share Analysis	12
Industry General Overview	15
Industry Targets.....	20
Ranking the Performance of Industry Sectors.....	20
Tourism.....	25
Green Industry.....	27
Warehouse and Distribution	29
Professional, Scientific and Technical.....	31
Business Services	32
Competitive Positioning Analysis (SWOT)	33
Strategic Plan	43
Objectives and Actions	43
Summary of Actions	70
Implementation Plan	74
Summary of Objectives and Actions.....	74
Objective One.....	76
Objective Two	80
Objective Three	86
Objective Four	90
Appendix A: INDUSTRY DEFINITIONS.....	94

Executive Summary

The City of Nanaimo is a community that is ready to embrace change and become more of what it can be. Through the consultation process many feel that Nanaimo's image from the outside looking in is bright and favourable, yet when looking from the inside out, Nanaimo's image is challenged to live up to the perception. The strategic planning process has been a key first step for Nanaimo to change the view to what others see.

The Nanaimo Economic Development Strategy is a strategic plan for the future of Nanaimo's economic development. The strategy should be viewed in the following ways:

- 1. As direction for making immediate and long-term planning decisions.*
The strategy can be used as a guide for directing short and longer term economic development initiatives, planning and development initiatives and strategic investments into specific sector projects and developments. The intent of the strategy is that future City, organizations, private, institutional and non-profit investments work towards achievement of common goals as laid out in this strategy.
- 2. As direction into the creation and development of future economic development work plans and budgets.*
This strategy will require flexibility of existing programs and creation of new programs in the future.
- 3. As the source of ideas and inspiration for community action and collaboration.*
Achieving the objectives of this strategy will require the involvement and participation of many businesses, organizations, associations, levels of government and stakeholders. This strategy should serve as a source of ideas and inspiration for actions aligned with mutually supportive goals and objectives.

In the case of Nanaimo, this strategy is a starting point – not an end point – of a process that will yield increased prosperity in the community and a competitive position in the regional, national and global economy. The list of actions is a starting point based on community input and research at a point in time. Essential for effective implementation will be ongoing annual review of the strategy implementation. New realities, new ideas and opportunities will emerge that could not possibly be envisioned during the creation of this report. Therefore, the strategy must not remain static but needs to be fluid and ever-changing in response to what is happening around us.

Report Introduction

The following pages provide the analysis undertaken to develop the Economic Development Strategy and Implementation Plan. This includes a baseline assessment, economic base analysis and SWOT analysis. These analyses examined both the common and unique characteristics of the City of Nanaimo and identified the underlying economic factors that define it as a viable economic region. It identified a series of demographic and labour market trends and challenges and laid the framework for which to

examine new target industry opportunities. Additionally, EDCD Consulting conducted numerous one-on-one interviews and participated with and collected input from the Nanaimo Economic Development Commission (NEDC), and received input from online business and resident surveys.

The report examines various industry trends and looks at Nanaimo's specific competitive advantages to determine potential target industry opportunities for Nanaimo. For each industry, the report describes the industry description and an overview of its national growth trends, regional strengths and potential related to specific industry niches; relevant regional economic and labour force development assets; and occupations and skill sets required within the industry and available in the City.

The final section of the report serves as the City of Nanaimo's action plan that aims to help the City of Nanaimo increase its competitiveness and prosperity. This section is the roadmap for the City to reach the objectives and strategies presented in the following pages. The strategies presented in the following pages support and are primarily focused on the following objectives:

1. Establish an Effective and Sustainable Economic Development Program
2. Expand and Diversify Employment Opportunities
3. Increase Nanaimo's Image as a Destination for Opportunities
4. Establish Nanaimo as a Leading Investment Destination

Defining the City of Nanaimo's Vision

Every plan must begin with a vision that will guide the community in its economic development endeavours to ensure the plan becomes a reality. A vision is the foundation of all activities that will improve the community and it is what drives every aspect of a successful strategic plan.

Through a facilitated session with the Nanaimo Economic Development Commission, input was gathered to develop a vision for economic development. Themes and common views quickly emerged – lifestyle, business friendly environment, quality of life, balance and vibrancy.

The vision must be realistic and achievable. The vision for economic development also needed to incorporate the overall vision for the City of Nanaimo. After some discussion and clarification the vision for economic development for the City of Nanaimo is: "The desirable City to live, work and play. Invest and stay."

Economic Development in Nanaimo

Today, the City of Nanaimo is undergoing a period of change. There has been a steady increase in population with growth of over thirteen percent in the ten year period of 1996 – 2006 (last census year available). Like much of Canada, Nanaimo's population, though growing, is also getting older. This affects how a city grows as different age groups have different economic needs. A community's economic characteristics may be expected to change as its population ages.

The aging population in Nanaimo in part can be attributed to the migration of older individuals seeking a particular quality of life. Unlike many other communities in Canada, Nanaimo has not suffered the same degree of declines in quality of life that growth sometimes brings. Traffic is relatively minimal, housing prices are comparatively affordable, and the environment is envious to many. Simply put, Nanaimo remains a great place to live.

The main economic activities include forestry, tourism, manufacturing, transportation and warehousing and services. The Port of Nanaimo dominates the activity in the area, making the City the main service and distribution centre for central Vancouver Island. The forest sector activity includes logging, lumber mills, veneer production and pulp manufacturing. Some of the lumber mills have announced closures or output reductions. However, there is very cautious optimism in the forestry industry as the first quarter of 2010 has seen the re-opening of several mills throughout BC as the US housing industry slowly starts to recover and the China market is increasingly demanding BC forest products.

In Nanaimo, the Malaspina College is now designated as Vancouver Island University. An expansion of the cruise ship terminal has been proposed and several condominium projects are proposed or under construction.

Net migration to the Nanaimo region declined in the mid-eighties and late-nineties during the downturn in the forest sector; however, it has remained positive in the past number of years. This is likely due to the strong service sector in Nanaimo. As mentioned, the age structure has shifted as the population has aged and Nanaimo added 10.5 years to its median age since the mid-1980s. Nanaimo is now almost six years older than the provincial median. Fertility has decreased over the last two decades while elderly dependency has increased. Nanaimo is seeing a gender bias in favour of females. This combined with the aging population is providing Nanaimo with growth in service sector jobs, and unlike other regions on the Island, Nanaimo is less dependent on male-dominated forest sector jobs. Growth in Nanaimo is driven by in-migration and strong net inflows have resulted in the significant growth experienced in the last several years.

Nanaimo's role as a service centre for central Vancouver Island and the growing retirement base should ensure that the region continues to experience strong growth. It is projected that the recent strong, positive net migration will persist and the region will continue to expand. However, deaths now outnumber births and natural increase is expected to become increasingly negative over the next three decades, resulting in slower growth. Nonetheless, Nanaimo's population is expected to grow by almost 38 percent by 2036. The population will continue to age and, by the end of the projection, the region will likely have over 7.5 dependents for every 10 people of working age. Most of these dependents will be seniors.

Economic Scan

The following section presents a summary of demographic and economic trends shaping Nanaimo. The information collected in this scan, the more detailed economic base analysis and the SWOT analysis will lay the groundwork for identifying target industries and for developing comprehensive economic development strategies.

The following data serves as a quick overview of benchmarking Nanaimo and providing a basic level of economic understanding of the community. The purpose of this economic scan is to review the dynamics operating throughout the City of Nanaimo and region based on the typical data that private site selectors collect.

The information below provides an “at a glance” look at Nanaimo compared to three other Island communities and regions – Victoria, Cowichan Region, and Comox-Strathcona Region.

AT A GLANCE				
	Nanaimo	Victoria	Cowichan RD	Comox Valley RD
Population	78,692	78,057	76,929	101,595
Population Growth ('01 – '06)	7.8%	5.3%	6.8%	5.7%
Unemployment Rate	7.2%	5.1%	6.4%	7.4%
Labour Force Growth ('01 – '06)	12.9%	8.3%	9.4%	5.2%
Median Household Income	\$58,971	\$55,591	\$62,201	\$60,231
% Bachelor's Degree	11.4%	21.1%	9.2%	9.4%
% in 25 – 44 Age Group	23.8%	31.4%	21.9%	22.9%

Source: 2006 Census, Statistics Canada

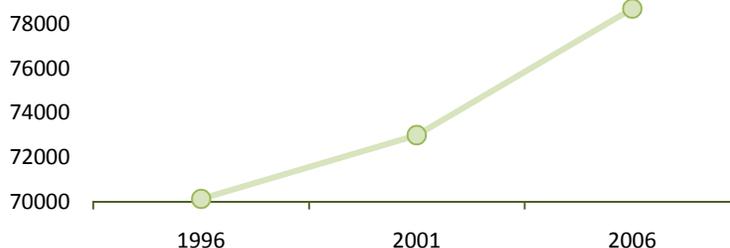
Demographic Overview

This section continues the comparison of the City of Nanaimo with other communities within the region. The comparisons provide a point of reference for Nanaimo and will start to illustrate some of the characteristics that Nanaimo possesses. For additional and more detailed demographic information please refer to Report One: Demographic and Economic Trends available on the project website at edcdconsulting.com/Nanaimo. In addition to this report, the Vancouver Island Economic Alliance report titled “Regional Economic Analysis: Vancouver Island and Central/Sunshine Coasts” prepared in February 2009 provides statistical and demographic data.

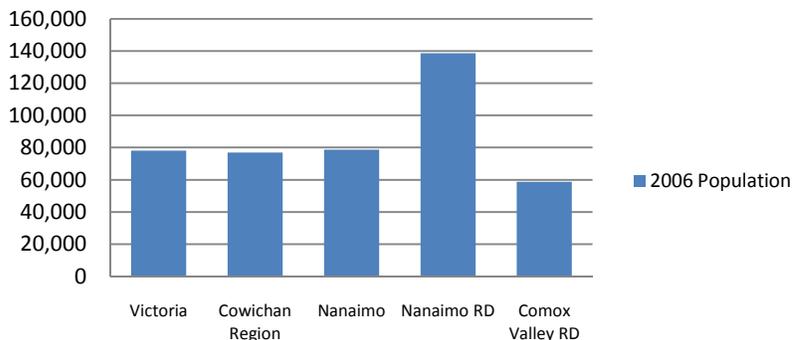
Population Growth

- Between 1996 and 2006, the population of the City of Nanaimo increased by over 12 percent, and the five year period between 2001 and 2006, the City experienced a 7.8 percent growth.
- Nanaimo has grown at a similar rate to most Island communities like the Cowichan and Comox regions. Both the City and the regional district for Nanaimo grew significantly more than Victoria.
- Island communities will experience strong growth well into 2021. BC Stats projects population for provincial regional districts. Over the next three census periods the Nanaimo region is projected to grow significantly: 9 percent (2006 – 2011); 8 percent (2011 – 2016); and, 7 percent (2016 – 2021). Only one region, Comox, is projected to grow at a faster rate than Nanaimo.

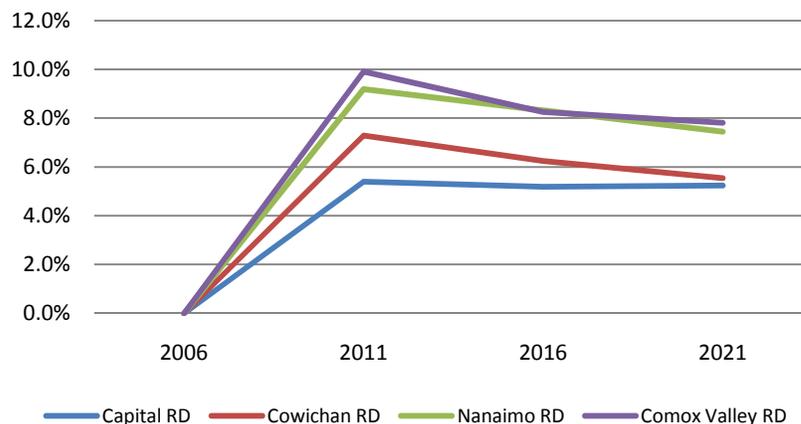
Population of Nanaimo, 1996 - 2006



Population Growth 2001 - 2006



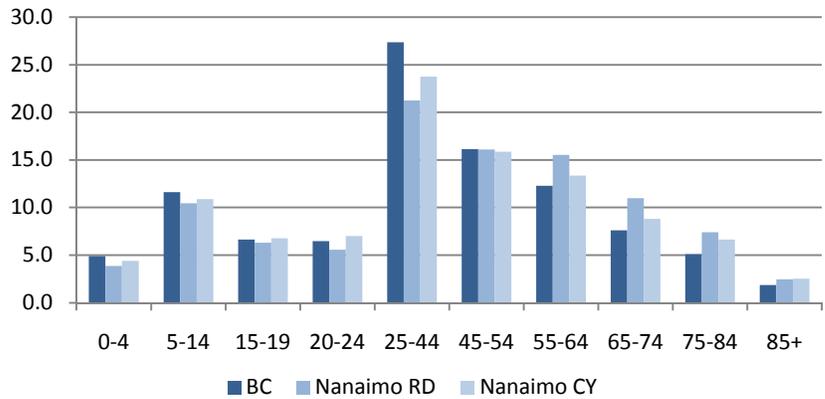
Population Growth Rate 2006 - 2021



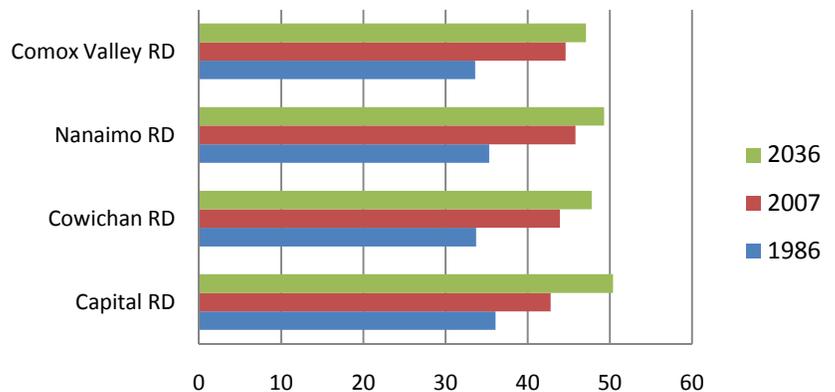
Age Distribution

- The population of Nanaimo is getting older. The age group under 45 decreased between 2001 and 2006 by 1.09 percent, whereas the age group over 45 increased by 19.95 percent.
- A significant decrease in population was in the 25 – 44 age groups. This age group decreased by 4.20 percent for the City and 5.61 percent for the Regional District.
- Trends show all Island communities are aging with median age significantly increasing from 1986 to 2007 (estimates). The trend continues with Nanaimo’s median age projected to increase to 49.3 in 2036 – an increase of 3.5 years and making the region’s median age one of the oldest on the Island.

Percent Population By Age Groups and Region, 2006



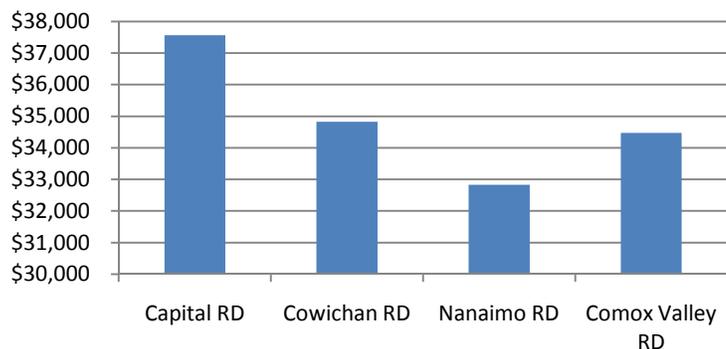
Median Age Projected to 2036



Income Level

- The Nanaimo region has the lowest employment income of the comparison communities. This is attributable to the aging population Nanaimo has and perhaps to a less diversified economic base compared to the other communities. The Capital region has the benefit of government employment along with possessing greater and more diverse employment opportunities.

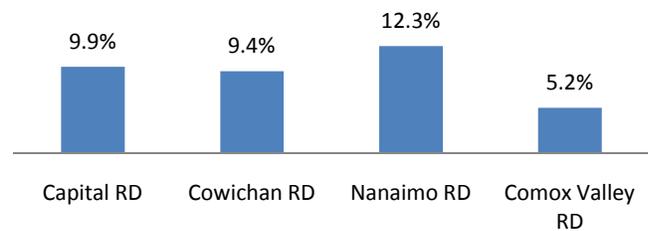
Average Employment Income 2006



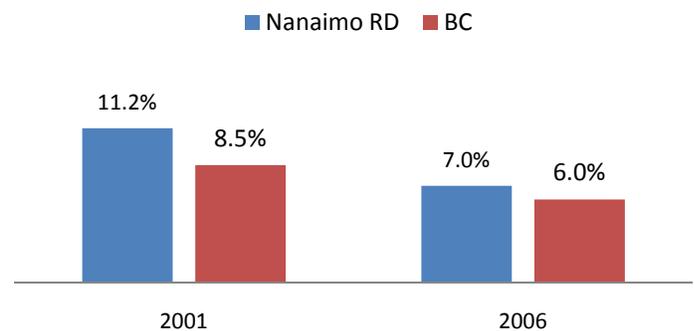
Labour Force Availability

- Nanaimo has enjoyed relatively robust employment growth since 2001, with employment growing more than twice the rate of the Comox region and three points more than both the Capital and Cowichan regions. In the five year census period, Nanaimo's employment has increased an impressive 12.3%.
- Despite this high employment growth, Nanaimo's unemployment rate has remained above the provincial average. Since 2001, Nanaimo has struggled with unemployment rates higher than the provincial average. Fortunately, the data indicates this gap is closing.
- For the comparison regions, only the Capital region is consistently lower than the provincial average.

Employment Growth, 2001 - 2006



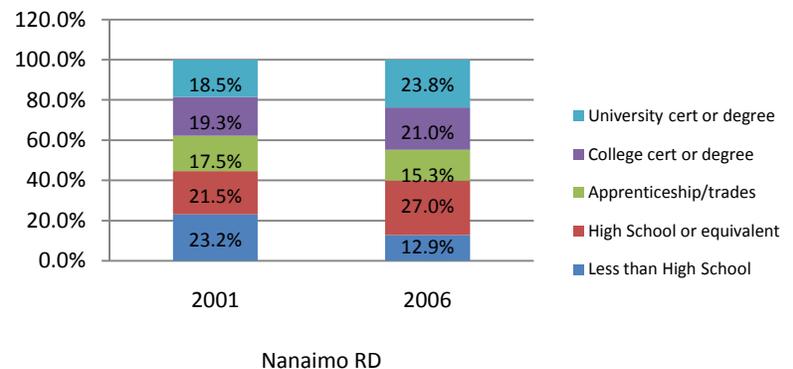
Unemployment Rate 2001 - 2006



Educational Attainment

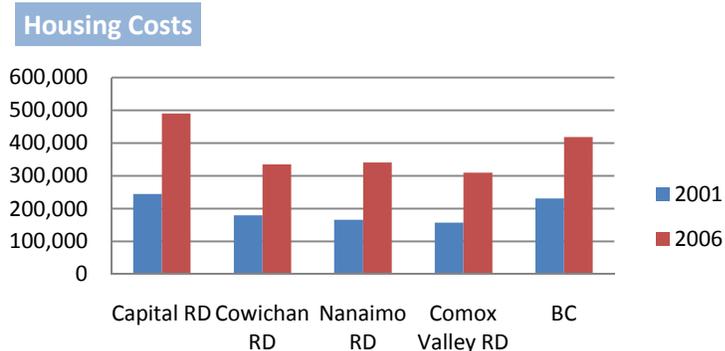
- Over the five year census comparison period, Nanaimo has improved its educational attainment significantly. In particular, Nanaimo has succeeded in greatly reducing the percentage of residents without a high school diploma; between 2001 and 2006 this percentage was cut in half. In addition, the percentage of people with university degrees has increased by five points over the same time period.
- As increases in educational attainment are largely due to in-migration, the progress witnessed over the past number of years is expected to continue alongside future population increases. Contributing to the projected increase in education attainment is the recent designation of Vancouver Island University.

Educational Attainment 2001 - 2006



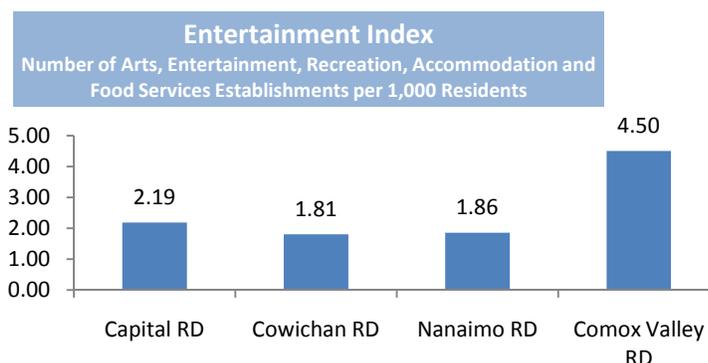
Cost of Housing

- Housing costs have increased dramatically in all areas of the province. Island communities have outpaced the BC average increase of 81.5 percent with Nanaimo leading the way. Between 2001 and 2006, Nanaimo's housing costs increased a staggering 104.7 percent. CMHC projects the housing sector to expand with increased home sales and prices increasing in 2011 but at a slower pace than previous years.



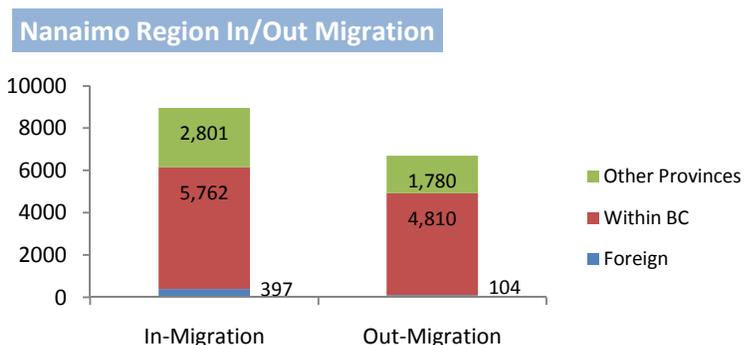
Entertainment & Culture

- Nanaimo features significantly fewer entertainment establishments on a per capita basis than most of the other examined benchmark communities. For further reference BC is indexed at 2.51.
- Entertainment outlets include arts and entertainment establishments, restaurants and bars.



Migration

- BC Stats recently produced a report on migration components. Between 2008 - 2009 a significant number of individuals came to Nanaimo. Over 60 percent (64.1 percent) of those who migrated into the Nanaimo region came from a community within BC.
- The Nanaimo region saw a net migration increase during this period of close to 2,300 individuals.



Economic Base Modeling

Economic base modeling has its foundation in economic base theory. According to economic base theory, a local economy is dependent upon money coming into the region. Any activity that brings money into the local economy is called “basic” activity. All other local activity is considered “non-basic”. Non-basic activity is locally determined, and is assumed to be dependent upon the basic sector in the sense that the money that comes into the economy is spent and re-spent locally. Local economic growth results from any event that increases the inflow of cash into a region and generates an increase in the multiplier effect of spending and re-spending in the non-basic sector.

The main deterrent to growth is the tendency towards “import substitution” by local residents; rather than spending money locally, goods and services are purchased from outside the economy. Non-local expenditures are defined as a “leakage”, and dampen the multiplier-effects of growth.

Basic industries include the obvious ones: the export of agricultural products, the shipping of logs or manufactured wood products from local forests, or minerals from local mines. Tourism, by definition, is also a basic industry because it sells “sightseeing”, etc. to visitors which brings in money from outside the local economy. Non-basic industries include any good or service that serves as a favourable substitute to imports, and are supported from dollars spent by locals (technically these dollars could come from the initial spending of the inflow of money associated with basic services, or the re-spending of local dollars through the support of non-basic services). For example, the local goods and service industries that commonly develop in rural communities include the grocery store or gas station.

Strengths

1. Allows the analyst to split the local economy into “basic” (export) and “non-basic” components.
2. Allows the analyst to summarize the structure of the local economy indirectly in a multiplier, which shows how outside (export or ‘basic’) dollars enter and are circulated in the local (‘non-basic’) economy.
3. The size of the income multipliers is an indication of the degree of impact that an increase in exports has in a given sector on the rest of the economy. A small multiplier, for instance, is an indication that income may be “leaking” from the community in terms of imports purchased.
4. Complements trend analysis.

Weaknesses

1. Does not illustrate the degree of dependence on export sectors.
2. Does not illustrate the cumulative impact of an exogenous (outside) change to the local economy.
3. Does not calculate the multiplier effect of income or employment in different sectors.
4. Static: a “snap shot” of one point in time, does not give indication of possible future directions or changes over time.
5. Assumes ‘non-basic’ (all other economic activity) depends on ‘basic’ activity in order to exist, i.e., suggests economic growth depends solely on the growth of exports.
6. Does not indicate role of all “non-labour” sources of income, such as transfer payments. Does not distinguish between types of employment, such as self employed versus wage and salary employment.
7. Valid only for short-run impact analysis.

Economic Base Analysis

An Economic Base Analysis is a tool used to profile a local economy and compare it to a reference area or areas. Comparison areas were chosen for this analysis based on the locations of identified communities and the similar mix of economies. The analysis includes comparisons with the Regional Districts of Comox-Strathcona, Okanagan-Similkameen, North Okanagan, and Central Kootenay.

The analysis consists of two sets of calculations:

- The Location Quotient Analysis which is used to measure the relative concentration of each industry in the community, compared to the Reference Area.
- The Shift-Share Analysis which examines the “net change of employment” over a period of time and measures the relative growth or decline of each industry in the region compared to the performance of that industry across the rest of the province.

NAICS Code

EDCD Consulting uses the *North American Industrial Classification System (NAICS)* to categorize each industry sector. The following gives a brief description of the NAICS classifications.

Select Industries in the NAICS Code

- Wholesale & Retail Trade – retail activity typically accounts for 80% of the total employment in this sector
- F.I.R.E. – is an acronym for Finance, Insurance and Real Estate. It also includes “leasing” activities
- Professional, Scientific & Technical – is dominated by Accounting and Legal services. It also includes Computer Systems Design, Architectural & Engineering services
- Management, Administration & Support Services – covers such services as Temporary Personnel Agencies, Security Services and Property Management Services. It also includes Call Centres and Back Office operations
- Information, Cultural & Recreation – includes Telecommunication Companies, Broadcasters and Internet Service Providers. It also includes Recording and Publishing operations and the Performing Arts, Theatres, Galleries and Recreation Centres.

Sectors/Industries in NAICS Cord – 2 digit level

11 – Agriculture, Forestry, Fishing & Hunting
21 – Mining & Oil & Gas Extraction
22 – Utilities
23 – Construction
31-33 – Manufacturing
41 – Wholesale Trade
44-45 – Retail Trade
48-49 – Transportation & Warehousing
51 – Information & Cultural Industries
52 – Finance & Insurance
53 – Real Estate & Rental & Leasing
54 – Professional, Scientific & Technical Services
55 – Management of Companies & Enterprises
56 – Administrative & Support, Waste Management & Remediation
61 – Education Services
62 – Health Care & Social Assistance
71 – Arts, Entertainment & Recreation
72 – Accommodation Food Services
81 – Other Services (except Public Administration)
91 – Public Administration

Data Sources

Community level analysis is often hindered by lack of comparable statistics. Fortunately EDCD Consulting was able to source information from the previous two census periods (2001 and 2006). To ensure the data we used produced accurate results we compared results utilizing labour force survey data as an additional source when available or required.

2001 and 2006 Census – Census data is the most comprehensive and reliable information available at the community level. However, Statistics Canada switched from the SIC code (Standard Industrial Classification) to the NAICS code (North American Industrial Classification System) in 1997. As a result we cannot measure changes from previous census periods. Census statistics are measured every five years (2001 and 2006 being the last census periods) and Stats Canada released 2006 labour statistics in March 2008. *Census data presented in this report is subject to suppression and random rounding in order to preserve the confidentiality of respondents to the census. This technique randomly rounds figures either up or down to a multiple of 5. This procedure does not add significant error to the data but does result in certain inconsistencies.*

Labour Force Survey – To measure changes in the economy we utilize the Labour Force Survey (produced by Statistics Canada) when available or required. It provides comparable data (using NAICS) back to 1990. Unfortunately, data is not available down to the community level – only the “Census Metropolitan Area”. We were able to use labour force survey data as back up data only and to ensure that the results obtained are accurate.

Location Quotient

The first step is to take the labour data we have previously reviewed and start the analysis with a tool called Location Quotient Analysis. A Location Quotient Analysis is used at this point to provide some understanding of the labour force numbers. The analysis is a simple ratio of “sector employment” to “total employment” compared to the ratios in a reference area. In this case, we will compare Nanaimo and the four identified regions using the reference area of British Columbia. We also use Canada to provide another level of data for comparison purposes. This analysis was prepared only for Nanaimo and to give national reference.

When reading the results of the Location Quotient (LQ) analysis the following applies:

- When the $LQ = 1.00$, the ratio of that industry’s employment in the local area (Nanaimo) is the same as that for the reference area.
- When the $LQ > 1.00$, the ratio of employment in that industry is higher than that for the reference area. A high LQ ($LQ > 1.25$) implies the local area possesses a “competitive advantage” for that industry. It also shows that the industry has grown larger than the local marketplace and therefore must be serving customers outside the region.
- When the $LQ < 1.00$, the ratio of employment in that industry is less than that for the reference area. When the LQ is significantly lower than the norm ($LQ < .75$) it shows there is a significant leakage of dollars from the local economy to another nearby marketplace.

It is important to note that census data presented in this report is subject to suppression and random rounding in order to preserve the confidentiality of respondents to the census. This technique randomly rounds figures either up or down to a multiple of 5. This procedure does not add significant error to the data but does result in certain inconsistencies.

Shift-Share Analysis

The second step is to determine which industries are growing or which are declining in the region. For this step we conducted a Shift-Share Analysis. A Shift-Share Analysis is a standard regional analysis method that helps to determine how much of the regional job growth can be attributed to national or provincial trends and how much is unique to regional factors. To do this a Shift-Share Analysis splits regional job growth into three components:

- Reference Area Growth Effect – is the portion of the net change in employment that can be attributed to the overall growth or decline of the provincial economy. This helps adjust for the business cycle in the province.
- Industrial Mix Effect – is the portion of the employment change attributable to the growth or decline of the individual industry sector.
- Differential Shift Effect – the differential is attributable to local factors for the growth or decline of that industry when compared to the reference area.

The Differential Shift Effect (DSE) is the key measurement in the Shift-Share Analysis. It shows how each industry is performing in the context of that industry's performance across the rest of the province.

The Shift-Share Analysis is similar to the Location Quotient Analysis in that it highlights the uniqueness of a regional economy, but it does so in terms of job growth rather than total jobs in an industry. Industries with high regional competitiveness highlight the region's competitive advantages or disadvantages. A Shift-Share does not indicate why these industries are competitive but will show the sectors in which the region is out-competing or under-competing the nation.

The following is an analysis of the changes taking place across the Nanaimo Region using the BC economy as a reference area. We have selected the most recent five year census periods available (2001 and 2006) as our study period. A review of changes in employment data for the Nanaimo Region reveals there was a net increase of 12.3% in employment, compared to labour force growth in BC at 8.9% for the same period.

It is important to note that census data presented in this report is subject to suppression and random rounding in order to preserve the confidentiality of respondents to the census. This technique randomly rounds figures either up or down to a multiple of 5. This procedure does not add significant error to the data but does result in certain inconsistencies.

The following table pulls together the results of the Location Quotient and the Shift-Share Analysis by industry. You will note that industry categories deviate slightly from standard Census Canada NAICS definitions. In order to bring together comparative data, in addition to using Census Canada data we incorporated the industry definitions from the 2009 Vancouver Island Regional Economic Analysis Report.

The report separated certain industries into a format that is better understood by most people versus the method used by Census Canada and the NAICS definitions. For a better understanding of the industry definitions used for the following table please refer to Appendix A: Industry Definitions.

Statistical Analysis of Industries

Industry	Nanaimo RD				Capital Region				Cowichan Valley				Comox Valley			
	LQ	Job Growth Local	Job Growth Actual	Job Growth	LQ	Job Growth Local	Job Growth Actual	Job Growth	LQ	Job Growth Local	Job Growth Actual	Job Growth	LQ	Job Growth Local	Job Growth Actual	
Wood and Paper Manufacturing	0.96	-176	-320	0.17	401	360	2.28	-255	0.27	-52	-420	0.27	-52	-70		
Mining (including Oil & Gas)	0.35	39	65	0.26	-38	35	0.62	84	0.48	10	100	0.48	10	25		
Fishing	3.28	62	80	0.63	-80	-45	1.60	-3	3.82	-24	5	3.82	-24	-5		
Seafood Products Manufacturing	1.76	119	115	0.47	55	50	0.71	16	0.86	-94	15	0.86	-94	-100		
Farming (including support services)	0.49	-77	-50	0.44	194	250	1.73	-124	1.46	-50	-80	1.46	-50	-20		
Food Manufacturing	0.38	15	30	0.65	43	125	0.75	48	0.53	-31	60	0.53	-31	-20		
Construction	1.21	457	1,045	0.91	325	1,930	1.09	1	1.19	169	315	1.19	169	405		
Non-resource manufacturing	0.50	7	40	0.64	-155	-15	0.56	-70	0.30	74	-50	0.30	74	80		
Utilities (including Energy)	0.80	5	-15	0.55	-97	-150	1.03	16	0.59	24	5	0.59	24	20		
Tourism (estimated)	1.04	391	463	1.04	1,140	1,366	1.00	100	1.06	4	135	1.06	4	37		
High Technology	0.62	326	421	1.01	561	1,115	0.27	-218	0.30	-20	-178	0.30	-20	4		
Transportation and Warehousing	0.80	105	85	0.73	283	225	0.46	-93	0.67	71	-100	0.67	71	65		
Retail Trade	1.32	517	1,095	0.99	78	1,510	1.23	371	1.42	477	620	1.42	477	710		
Wholesale Trade	0.71	82	250	0.57	480	875	0.57	57	1.42	108	120	1.42	108	140		
F.I.R.E., Management and Administration	1.05	826	1,490	0.93	605	2,660	0.79	-87	0.84	-155	205	0.84	-155	115		
Professional, Scientific, Technical Services	0.78	259	750	1.09	651	2,865	0.55	-364	0.70	178	-125	0.70	178	340		
Health Care and Social Assistance	1.23	925	1,265	1.20	-226	975	1.05	-139	1.29	42	30	1.29	42	205		
Education	0.96	203	495	1.03	-118	925	1.18	-126	1.01	-234	65	1.01	-234	-85		
Public Administration	0.97	31	10	2.59	180	5	0.71	-27	1.89	260	-35	1.89	260	245		
Arts and Culture (estimate)	1.07	157	331	1.25	-67	645	0.90	-41	0.94	-22	43	0.94	-22	49		

Source: Statistics Canada, Regional Economic Analysis (Vancouver Island and Central/Sunshine Coast – February 2009)

Industry General Overview

Forestry – includes the primary activities of forestry and logging, as well as related activities including manufacturing (sawmills, pulp and paper mills and all wood products manufacturing). Nanaimo employed 2,105 people in 2006, representing a regional share of 15 percent of total Vancouver Island industry employment. Nanaimo's strength in the forestry industry is based more on manufacturing than traditional forestry jobs. Of the 2,105 people employed, 1,620 were employed in wood & paper manufacturing.

Trends: Forestry has been hard hit over the past number of years with employment decreasing 12% from 2001 to 2006. In the past few months some signs of recovery have been seen as the Chinese market widens and the US housing market begins to rebound. The Canadian dollar continues to be an important factor in determining the cost competitiveness of the industry.

Mining (Including Oil & Gas) – includes the primary activities of mining and oil and gas extraction, as well as, related support services and petroleum, coal and mineral products manufacturing. Though this sector is not prominent in the region, it is valuable to communities as it pays significantly higher wages and has elevated economic spinoffs. Nanaimo employs only 265 people with the majority (180) based in mineral manufacturing (includes concrete products, glass and clay products manufacturing).

Trends: Vancouver Island is rich in thermal coal and has the only remaining large coal mine located near Campbell River. This mine serves the cement industry in BC and US west coast. Though the region and Vancouver Island has many of the basics in place to expand the mining industry, it is hindered significantly by the urban populated areas. Offshore oil and gas is also under pressure from various organizations and attention from the recent BP oil spill.

Fishing and Seafood Manufacturing – includes commercial fishing, sport fishing and seafood products manufacturing. Not surprisingly, this industry is extremely strong on Vancouver Island. Nanaimo shows significant concentration with a location quotient of 3.28 meaning the sector has three times as much concentration in the region than in the province.

Trends: The sector is facing increasing competition from international markets. There is the challenge and pressure to produce cost-effective products. Growth in the industry has been seen primarily in aquaculture production versus wild fishery. Sport fishing has experienced some decline in activity due in part to the reduction of US visitors, strength of the Canadian dollar and competition from other vacation options.

Agriculture and Food – includes farming as well as all food and beverage manufacturing (not seafood). Nanaimo has 11 percent share of total agriculture and food industry employment on the Island, however, employment actually decreased for farming. Food manufacturing saw a slight increase in employment from 2001 to 2006.

Trends: Farms are getting smaller in size and less profitable on average, this is particularly true when compared to other BC farming communities. There is a trend towards eating locally and more healthily with locally-produced food believed to be a higher quality and lower price. Farm succession is becoming more of a challenge as farming may not attract younger people willing to take over farm operations. There is starting to be a move towards niche food and beverage production in a small-scale environment and sales focused on local markets.

Construction – includes building construction, heavy construction and trade contractors. Nanaimo has the second highest regional share of construction employment on the Island at 20 percent. Though employment increased between 2001 and 2006, we know that construction is a follower of other economic activity and the recent economic downturn has led to job losses since the last census period.

Trends: Labour remains to be a challenge for the industry as demand for skilled trades' people increases while the aging population continues to take these workers out of the market. Construction is not a driver of an economy but is a follower and as such where communities experience strong population growth and infrastructure investment, there will be opportunities for industry expansion.

Non-resource Manufacturing – includes all manufacturing activity excluding resource based. This industry has been extracted from various NAICS industry classifications (see Appendix A). Nanaimo has modest employment in this sector with most related to boat and ship building activity.

Trends: The non-resource sector is very diverse but generally indicates a decline in manufacturing. There is a strong dependence on the strengths of local company owners to grow the business. As an Island community, transportation and infrastructure can present a challenge for cost effective production and global competition continues to increase.

Utilities – includes electric power generation, transmission and distribution, as well as natural gas distribution and local utilities infrastructure like water and sewer systems. The utilities labour force characteristics include an older worker, works full-time/full year, has a post-secondary diploma or certificate, and is one of the highest paid of all sectors.

Trends: The aging workforce will have a significant impact on this sector with most workers in the industry being 55 plus. Vancouver Island produces only about one-third of the electricity it consumes and is looking towards increasing their self-sufficiency in energy generation. Increased environmental awareness and higher oil prices have encouraged communities to look to expanding or attracting the "green" sector.

Tourism – Stats Canada does not have a designated NAICS code for tourism. This industry has been extracted from various industry classifications that provide goods and services to tourists. Examples include accommodation and food services, transportation, retail, arts and culture, and recreation. Tourism is a strong industry in Nanaimo and next to the Capital Region it possesses the highest regional share on Vancouver Island.

Trends: Tourism is a changing industry as visitors are looking for more of an “experience” when they visit a community. Outdoor recreation like hiking, kayaking and mountain biking are becoming more popular reasons to visit and growth is starting to be seen in combining a culinary experience with travel. There is also a trend towards combining business and pleasure trips with visitors often adding on a day or two for recreation to a business meeting or conference.

High Technology – includes industries that either produce goods or services with significant technology content, or make significant use of technology to produce other goods and services. Although Nanaimo ranks 2nd for regional share of high technology employment at 14 percent it is significantly behind the Capital Region at 72 percent.

Trends: In general, the tech sector is one of the fastest growing parts of regional and provincial economies. The availability of skilled labour plays a key role for the sector as only a small portion of the working population possesses the required skills. The industry also needs proximity to post-secondary institutions, modern telecommunications infrastructure and a network of support services. Quality of life is noted more often as being a high factor for this sector than any other.

Transportation and Warehousing – includes air, rail, water, truck, transit, pipeline transportation and goods-moving services like the postal service and courier. Also included is warehousing and storage. The workforce is generally less educated than the average with many workers having high school or less.

Trends: Fuel prices can have a significant impact on this sector with over-reach into other sectors such as tourism (i.e. ferry fares). The decline in the forestry sector has had a negative impact with a reduction of wood products being shipped. Air travel has seen some growth as people choose to save time by flying and cruise traffic continues to increase as well.

Retail and Wholesale Trade – includes all businesses related to retail and wholesale. This sector is particularly strong in Nanaimo as it serves as a service centre to other Island communities. Nanaimo possesses 20 percent of the Island’s regional share of employment. Nanaimo has a high concentration of wholesale trade as it benefits from its role as the main distributor for the mid and north Island.

Trends: It is expected growth for the industry will remain strong as Nanaimo serves as the main shopping destination for the mid-Island region, as well as the affluent retiree market and a strong tourism sector. There is increasing pressure on smaller independent retailers as they face increased competition from large chain stores and a changing consumer demand for product, price and service.

Finance, Insurance, Real Estate, Management and Administration – this category combines several NAICS sectors: Finance, Insurance, Real Estate and Leasing (F.I.R.E.) and Management of Companies and Enterprises and Administrative and Support, Waste Management and Remediation Services. This grouping of sectors experienced strong growth between 2001 and 2006. Not surprisingly, given the growth of Nanaimo during the same period as this sector provides services to other companies and to residents of the region (i.e. banks, insurance agents, realtors).

Trends: Growth is expected to continue as Nanaimo will remain a service centre for the region and is forecast to have population growth over the next number of years. However, the rate of

housing development will have some effect on the sector. For instance, the rate of housing development affects how this sector grows. This sector also includes call centres and data centres. The value of the Canadian dollar and availability of labour force play key roles in the attraction of the industry and currently both are not favourable to industry growth in Nanaimo.

Professional, Scientific and Technical Services – includes lawyers, accountants, architects, engineers, designers, computer and management consultants, scientists and various other professionals and technicians. Growth in the industry was strong however the sector is somewhat less concentrated relative to BC with a location quotient of 0.87.

Trends: The industry is comprised of a well-educated workforce with one of the highest rates of degree-holders and incomes that are higher than average. The industry in some ways takes over where the traditional goods-producing industries of the past left off, meaning it is sectors like professional, scientific and technical services that have the most potential to provide large numbers of well-paying jobs. The challenge for a community the size of Nanaimo is to offer future opportunities or a career path or risk the growth of a valuable industry.

Health Care and Social Assistance – the health care component includes ambulatory health care services such as doctors and dentists, plus facilities like hospitals and nursing homes. Social assistance includes various counselling and family services, rehabilitation services and child-care centres. The sector has a higher concentration relevant to BC with a location quotient of 1.23. This is attributable in large part to the older age profile of the region.

Trends: Growth of the sector occurs in proportion to growth in population. The aging population almost certainly assures the growth for a wide range of health services. Despite the role of government in the health care system, private sector companies are a growing trend. This is true for services in the social assistance sector. The private sector has greater flexibility to respond to consumer demand. Though the population is aging, baby boomers and retirees are willing to spend more to maintain health and fitness. There is a growing trend in spas, massage, nutritionists and alternative health care practitioners.

Education – includes all levels of education (primary, secondary and post-secondary) as well as specialized forms of instruction. The sector follows population as illustrated by the location quotient of 0.96 for Nanaimo. There is a challenge to the industry as only a slight percentage of workforce are under the age of 25, while a significant percentage is over the age of 55.

Trends: Significant re-investment in the system has occurred with the transition of Malaspina University-College into Vancouver Island University (VIU). VIU reaches beyond Nanaimo with campuses in Duncan, Parksville and Powell River. Post-secondary education is evolving as demographics change and the younger target market shrinks.

Public Administration – includes all three levels of government, First Nations administration and any international government organizations within the community. Nanaimo has approximately 700 provincial government jobs along with another 750 federal jobs as it serves the centralized role for the mid-Island region.

Trends: Employment in the public sector has been decreasing over recent years as the government reduces its overall budget costs. Unfortunately, the loss of these jobs can damage a local economy as they provide source money coming into the community from the outside. These incomes help to support local population serving industries.

Arts and Culture – includes both the core creation and production of artistic and cultural goods and services, as well as associated distribution, management and support services. Nanaimo is positioned second for the regional share of Island employment at 18 percent. This more than doubles the next community's share, but is well below the Capital Region at 58 percent share.

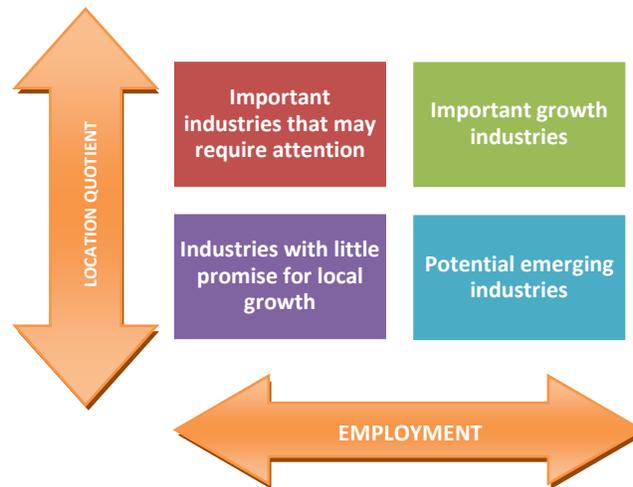
Trends: Growth in arts and culture employment is relatively spread out among a variety of activities including design, heritage institutions, artists, writers and performers. There is a distinct connection between the arts & culture industry to the tourism industry. Cultural tourism is a growing trend in many communities. As Nanaimo's population continues to age and immigration plays a key role in attracting new residents, the development of a strong cultural corridor becomes increasingly important. Development of First Nations cultures is also an evolving and increasing component of the arts and culture industry.

Industry Targets

Ranking the Performance of Industry Sectors

This report uses two models to provide the data needed to rank the performance of different sectors for Nanaimo. The data we have used helps to provide a focus for targeting the economic development programs of the community.

The location quotient data and the job growth data can be combined to classify industry clusters or target industries. The following is a simplified chart utilizing various clusters and targeting analysis methods including the McLean/Voytek model (a model generally accepted in urban and regional planning).



Finally, one additional critical point with regards to identifying Nanaimo's target industry opportunities: given the varying degrees of "success" the City has had with attracting firms, Nanaimo's approach to capitalizing on any opportunities must be different. The target industry opportunities should be looked at as:

- "Core Targets" – These are industries in which Nanaimo currently enjoys a regional advantage or specialization. Primary objectives include *retaining* these industries and ensuring a support structure exists (e.g. capital, labour force development, etc.) to grow new small business spin offs and entrepreneurship opportunities – especially those that are built upon innovative technological applications.
- "Diversification Targets" – These are industry sectors that are growing nationally or provincially and in which Nanaimo is currently well-suited to take advantage of in the future. They provide a critical opportunity for the City to diversify its industry portfolio.
- "Emerging Targets" – These are emerging industries nationally (may be regional in some cases) that are growing and provide high wage job opportunities.

Core Targets

- High local concentration in Nanaimo, driven by local and regional demand; industries expected to continue to grow
- Will need critical support structures (e.g. capital, skilled labour force, customer base). Small business spin offs/ entrepreneurship can be a focus
- Targets include:
 - Seafood Products Mfg.
 - Construction
 - Health Care and Social Assistance
 - Business & Professional Services
 - Regional Goods & Services

Diversification Targets

- Sectors expected to continue to grow nationally or provincially. Nanaimo well positioned to nurture these industries and diversify economic base
- Targets include:
 - Tourism
 - Transportation and Warehousing
 - Professional, Scientific, Technical Services (Innovation)

Emerging Targets

- Small to no concentration locally yet but growing nationally/regionally and expected to continue (although unclear how fast).
- Requires new programs and strong relationships with regional R&D universities
- Targets include:
 - High Technology
 - Arts & Culture
 - Green Industries

Using the analysis and process described in the above, EDCD was able to filter potential target industries based on the presence and strength of existing industry, local and national industry growth trends, the competitive assets that would or would not make Nanaimo a desirable location for specific industries, and the “fit” of the potential industry with Nanaimo’s community vision. At the conclusion of the target industry identification process, five industries stand out as the primary focus of business retention, expansion and recruitment efforts for Nanaimo. These industries demonstrate potential for long-term economic growth, and present Nanaimo with strong assets and short-term opportunities for retention, expansion and recruitment.

To identify the target industries, the following questions were asked:

- Which industries are strong and are concentrated locally?
- Does local industry reflect national growth trends?
- Are there local assets that give industries a competitive edge?
- Do these industries meet the goals of the community?

The target industries are:

- Warehouse/Distribution (Logistics & Distribution)
- Professional, Scientific, Technology (Innovation)
- Tourism
- Business & Professional Services
- Green Industries

The following pages will provide additional information within each target industry. For each industry, we identify and define the industry and niches, outline industry growth trends and challenges in supporting the industry.

These industries are not to be viewed as five distinct sectors. In fact, breaking down the industries into niche sectors or value chains reveals significant overlap. For example, the Professional, Scientific, Technology (Innovation) industry value chain can include several components: research & development, manufacturing, sales & operations and service provision. Thus, the industry can include direct lines to the Business Services and Green Industries and even Warehouse/Distribution industries. We also chose Nanaimo's target industries within the context of the regional economy because Nanaimo will have greater success within the broader basis of this regional economy. In addition, target industries have direct effects on the land use within a city. Below shows only a partial perspective of how these five target industries are connected to a broader vision for the community.

	Warehouse/ Distribution	Innovation	Tourism	Business & Professional Services	Green Industries
Office		<ul style="list-style-type: none"> Specialized Services 		<ul style="list-style-type: none"> Customer Service Tech Support Professional Office Specialized 	
Industrial					<ul style="list-style-type: none"> Industrial Supplies Specialized Manufacturing
Flex/R&D	<ul style="list-style-type: none"> Logistics & freight forwarding 	<ul style="list-style-type: none"> R&D Testing 			<ul style="list-style-type: none"> R&D Testing
Other			<ul style="list-style-type: none"> Tourism, Hospitality & Recreation Specialty Retail Arts/Culture 		

This idea is important for a number of reasons. Because of this industry connection, industry requirements (i.e. specific labour force needs, infrastructure demands, etc.) are often similar and therefore, strategies for how Nanaimo should build capacity and market to these industries will also share similarities.

The target industries we have recommended will complement Nanaimo's existing industry mix, labour force, sites and future vision that will help create a sustainable, diversified economy with sectors that have a potential for growth.

Though the five industry groups are separated, there is a strong mutual degree of dependence between industries given the overlap between services, production and research & development. These intersections should be seen as fundamental assets to Nanaimo, potentially maximizing the return on investments.

Competitive Advantages

Understanding the community's competitive advantages is fundamental to establishing a viable economic development strategy for Nanaimo since it enables the development of a vision of what the community can and should become. The community survey, stakeholder interviews and input from the NEDC have been instrumental in gathering viewpoints and facilitating the related analysis.

The City's advantages include the availability of land and building space, competitive local government process, and an attractive quality of life.

The community's quality of life, for example in the areas of access to recreation, housing availability, housing affordability and public school quality, is also an asset. VIU makes Nanaimo one of the most competitive locations on Vancouver Island.

Transportation congestion has been eased substantially in recent years with the significant transportation investment of the Island Highway. New developments planned south of Nanaimo will create new jobs and an increase in developable land. Strong partnerships and collaborations with Snuneymuxw First Nations are resulting in increased economic activities and a strengthening of the local economy. In fact, Nanaimo was one of the least impacted communities in the recent global economic slowdowns as a result of these partnerships and a diversified economy.

The District is committed to supporting high value job creation through the Economic Development Department. Any client looking at establishing or expanding in Nanaimo is encouraged to contact the highly trained staff within the department.

Nanaimo has a diverse economy, stable workforce and a central location on Vancouver Island, resulting in greater resistance to major downturns and contributing to overall economic stability. This can be attributed to the following:

Strategic Location:

- Geographic centre of Vancouver Island
- A gateway location between North America and Asia
- Strong growth in regional population base

Excellent Multi-Modal Transportation and Distribution Infrastructure:

- Largest distribution centre for Vancouver Island
- Intermodal rail systems
- Worldwide freight forwarding services
- Airport with daily flights to major Canadian and US cities
- Deep sea ship anchorages – Nanaimo Port Authority

Competitive Business Costs

- International consulting firm KPMG identified Canada as the lowest-cost country in seven of twelve basic operations – Software, Research & Development, Corporate Services, Electronic Assembly and

Specialty Chemicals. Canada's cost advantage over the US ranges from 7 percent for food processing to 33 percent for electronic systems development and testing

- Labour is a key location-sensitive component averaging 59 percent of location-sensitive costs for manufacturing and 81 percent for non-manufacturing operations. Total labour costs, including wages and salaries, statutory plans and other benefits are lowest in Canada compared to G7
- Canada's cost index is 85.5, representing a 14.5 percent cost advantage over the United States
- British Columbia's combined federal and regional tax rate is the second lowest in Western Canada, with a number of additional tax allowances, credits and exemptions available for specific industries
- Third lowest hydro costs in North America

Diverse Industry and Leading Companies:

- Home to several Canadian leading companies and entrepreneurs
- Home to BC's first large customer contact centre: Nordia
- A business environment that invests in innovation

Productive and Skilled Workforce

- Competitive labour costs
- Highly productivity
- Low turnover rates providing workforce stability
- Well educated and trained workforce
- Among the lowest worker's compensation board rates in North America
- Excellent education and training institutes

Excellent Educational and Technical Training

- Home to the Vancouver Island University
- Home to a number of technical/career colleges
- Approximately 20,000 students enrolled in post-secondary regional institutions

Affordable Industrial and Commercial Sites and Buildings

- Fully serviced land available for a variety of industries
- Ample commercial and office space
- Office space costs among the lowest in major Canadian and North American cities
- Serviced industrial land costs less than Metro Vancouver and other major Canadian centres

Reliable Low-Cost Energy and Communications

- Low electricity rates
- Abundant supply of natural gas, oil and emissions-free hydro-generated electric power
- Cost competitive, state-of-the-art, world-wide telecommunications infrastructure and service

Tourism

The tourism sector involves economic activity related to providing goods and services to tourists. BC Stats defines tourists as people “who travel to, or stay at, a place outside his/her usual environment for a period of no more than a year”. Tourists can travel either for business or for pleasure.

Unlike most economic sectors, tourism does not have uniquely defined goods and services. Rather, tourism is made up of proportions of several different activities, including accommodation and food services, transportation, retailing, recreation, travel arrangements, vehicle rental services, cultural services, and others. Many businesses provide goods and services to both tourists and local residents. As such, only the shares of revenues that have been estimated to be received from tourists are counted as part of the tourism sector.

Approximately 72 percent of overnight visitor revenues in BC are derived from out-of-province visitors. Such revenues, generated by sales of both goods and services, add about \$7 billion annually to the BC economy.

British Columbians themselves are one of BC’s best sources of visitors. A full 50 percent of visitors and 28 percent of total spending arises from BC residents travelling within the province. Another strong source of visitors is the rest of Canada accounting for 21 percent of visitors and 29 percent of spending.

The US remains BC’s largest international market which accounts for 21 percent of total visitors and 24 percent of revenues. All other international visitors account for only 8 percent of visits and 19 percent of visitor spending.

An emerging trend in the BC tourism sector is the recognition of the role it can play in furthering other aspects of the economy. Economic development organizations have known how tourism can be used as a vehicle to stimulate local or regional economies, however, tourism is increasingly being viewed as a catalyst for broader business and social development. There are many examples of communities that have leveraged their impact with sports tourism, major

Quick Facts:

- \$5.9 billion
- 4% of total GDP
- 120,400 employed

Within tourism, transportation accounts for 36 percent of tourism’s total GDP, while accommodation and food services make up 35 percent. Approximately 10 percent of the sector’s GDP comes from retail activities; the remaining share is comprised of various other industries, such as travel agents, vehicle rentals, vacation rentals, and performing arts.

Half (51%) of those employed in the sector are in accommodation & food services. Transportation industries account for the second largest share of direct tourism employment (24%), followed by retail trade (14% and other services (11%).

Opportunities:

- Cultural, educational and experiential activities
- Eco-tourism
- Sports tourism
- Alternative and diversity acceptance
- Aboriginal travel

attractions and major events to generate economic activity and business relocations.

Like many of BC's industries, tourism is vulnerable to what happens globally. The number of US visitors travelling to BC has been declining since 2001 due to the dot.com bubble burst, the US economic slowdown, the 9/11 terrorist attacks and resulting security fears. The past five years has seen a commodity and energy price boom, rising gas prices and a strengthening Canadian dollar, all contributing to keeping visitors from the US away.

Like most sectors, Tourism is facing a future full of economic, demographic, social and technological changes. The outlook is for the tourism industry to incorporate and adapt to the changing needs and demands of the future tourist:

- The aging population will have an impact on the tourism sector. Today's senior is wealthier and more educated, both of which have an impact on travel patterns. A more educated traveller will be interested in cultural, educational and experiential activities. A wealthier traveller will be able to afford to participate in all the offered activities and will look for higher-end services including hotel and restaurants.
- Canada's immigration policy combined with our cultural diversity can help expand the international tourist market by encouraging new Canadians to explore their adopted country and invite family and friends from their homeland to visit.
- As global environmental awareness and activism increases, tourists seek to minimize their environmental footprint and demand better waste and energy management from their service providers.
- The internet is affecting how travellers research possible destinations, connect with travel groups, and book travel plans. Tourism organizations need to stay on top of media, entertainment and communication trends in the wired and wireless world.
- Visitors will look for places that accommodate alternative travel interests and lifestyles.
- Aboriginal tourism is flourishing in BC and has enormous potential for growth. Aboriginal tourism businesses offer a wide variety of unique products, providing tourists an opportunity to experience First Nations cultures and traditions.

Green Industry

The core green components of BC's economy can be quantified using a framework that consists of six key sectors responsible for *supplying* the bulk of green products and services to other areas of the economy in order to help lower GHG emissions and to reduce human-related impacts on the environment. These six sectors are:

- 1. Clean and Alternative Energy** (including renewable energy, bioenergy, and fuel cells);
- 2. Energy Management and Efficiency** (including energy storage, transmission infrastructure and smart grid, energy efficient lighting and heating, ventilating, and air conditioning (HVAC), and low-carbon and public transportation);
- 3. Green Building and Sustainable Design** (including green construction, infrastructure development, community design, and real estate);
- 4. Environmental Protection and Resource Management** (including elements of agriculture/aquaculture/silviculture, remediation, pollution control, water and waste management, carbon capture and storage, and environmental consulting/engineering);
- 5. Carbon Finance and Investment** (including carbon management, carbon trading, offset markets, green lending, and venture capital); and
- 6. Green Knowledge and Support** (including research and development (R&D), advanced education and training, law, information and communications technology (ICT), non-governmental organizations (NGOs), and the public sector).

In 2008, these sectors combined generated \$18.4 billion in revenues for BC companies and contributed roughly \$15.3 billion to provincial gross domestic product (GDP) -- \$11.1 billion direct and \$4.2 billion indirect -- which is equal to 10.2 percent of the province's total GDP for that year.

The greatest contribution comes from electric power generation, transmission, and distribution in the Clean and Alternate Energy sector, which can be largely attributed to

Quick Facts:

- \$18.4 billion in revenue
- 10.2% GDP
- 117,000 employed in BC

The GLOBE Foundation estimated 117,000 green jobs existed in 2008. By 2020, it is suggested job growth could reach 202,000, an overall growth rate of 73 per cent.

BC's green workforce will be impacted by attrition more so than the workforce as a whole. It is estimated that roughly 22 per cent of the existing green labour force will retire over the next six years. A significant gap between labour demand and supply could lead to a shortage of more than 60,000 green workers by 2020.

Opportunities:

- Renewal Energy
- Biomass & Green Forestry
- Agriculture & Aquaculture
- Green Building sector
- Knowledge Sector

the province's clean hydro-electricity system. Most of the activity in the green sectors of BC's economy is concentrated in the south-western regions of the province - the areas with the highest populations and access to infrastructure. However, other regions throughout BC are directly responsible for the generation of a large percentage of the wealth from the exploitation of the province's natural resources, including its renewable energy capacity, abundant supplies of lower-carbon natural gas, and its green forestry-related products.

By developing innovative practices, adopting new technologies, and consulting the services offered by firms that are part of the six key sectors, traditional primary resource-based industries -- including mining, forestry, agriculture/aquaculture, and oil and gas -- are progressively "greening" their operations across the province. The same holds true for secondary and service-based sectors, such as in the manufacturing, wholesale, retail, transportation, warehousing, tourism, hospitality, and food services industries.

It is also important to recognize that internal, "grass roots" efforts are being made within many organizations in other areas of BC's economy that fall outside of the six key green sectors. Green teams and committees, sustainability managers, and engaged employees are working to improve environmental performance within their companies and to promote energy and resource efficiency.

Opportunities in BC's renewable energy and clean technology sectors are predicted to increase substantially. Sustainable Development Technology Canada (SDTC) projects that Canada's clean technology industries will grow at a cumulative annual growth rate (CAGR) of 117 percent from 2010 to 2012 -- driven by growth in the areas of power generation, energy efficiency, energy infrastructure, and more sustainable industrial processes -- with BC having Canada's largest clean technology cluster, compared with national gross domestic product (GDP).

Growth in BC's green economy will be driven in part by the development of major green and clean energy projects. The North Coast/Nechako and Northeast Development Regions could potentially see the largest green job creation benefits relative to the size of their current labour force, stemming from investment in these proposed major projects. In addition, BC's Innovative Clean Energy (ICE) Fund is investing \$25 million annually into clean energy projects province-wide.

In terms of trade in green products, BC has historically followed a pattern of trade and commerce that trends toward the export of raw natural resource and energy commodities, and the import of manufactured technologies and products.

The province exported more than \$1.3 billion in green commodities in 2009 (including \$290 million in clean electricity). The province also imported nearly \$2.4 billion in green equipment, machinery, and electricity, some of which was sourced from high-carbon generating facilities. This negative trade balance for green technologies and products has been growing steadily in the province since 1999 and stood at a cumulative balance of more than \$4.4 billion in 2009.

British Columbia's weakness in product exports is somewhat compensated for through its stronger export of consulting and environment-based services. Further export diversification of BC's mind and management expertise for addressing environmental issues is seen as a huge opportunity -- especially in relation to emerging nations, such as China and India, where environmental concerns are growing and the countries are actively looking to green their economies.

Warehouse and Distribution

The role of transportation has evolved in British Columbia over time but its key role has always been as facilitator of regional, provincial and national economic growth and as a revenue generator in its own right. For this reason, it is intricately tied to all industries – moving goods and moving people. Logistics is the process of planning, implementing and controlling the efficient flow of goods and services through the supply chain from producer to consumer. Closely related to distribution, which includes all freight carriers (air, sea, trucking and intermodal) and warehousing, logistics is a high value-added service that will drive industry growth in coming years.

The transportation and warehousing industry employed 114,915 people in 2006 in BC. While the current economic climate has had a strong impact on this industry, future growth is expected. Growth may occur for a number of reasons. For example, labour productivity may rise if output increases while employment levels decrease or stay on par. This phenomenon may occur from firms becoming more capital intensive that is, increasing their use of technology and capital inputs in order to become more productive. To maintain viability, logistics businesses will have to evolve from providing forwarding and warehousing services to being IT driven supply chain providers.

Freight forwarders provide logistics services to companies of all sizes, routing shipments through third-party transportation modes, including passenger air carriers and air freight lines, oceangoing container lines, intermodal rail operations and trucking lines. Freight forwarders dominate the international air transportation markets, controlling more than 85 percent of the volume of trade flows, and continue to expand into other modes, particularly container shipping via sea. This subsector has grown particularly quickly over the past ten years because of its ties to international trade.

The appetite for renewable energy sources will also fuel growth in this industry as advances on processes and technologies associated often overlap with green initiatives. While competing in a highly commoditized service sector, logistics and transportation service providers are placing increasing importance of green supply chain management (GSCM). Even though the value of GSCM activities is rarely

Quick Facts:

- \$10.4 billion
- 6.2% GDP
- 114,915 employed

Leading Canadian firms intend to improve or assess their performance based on sustainable business practices including: use of environmentally friendly energy sources; reduction of harmful air emissions; water conservation or processing; waste reduction; product or packaging recycling; ecosystem and land or ocean biodiversity preservation; green procurement practices.

Location Criteria:

- Proximity to airports
- Access to highways
- Transportation infrastructure
- Well trained labour force
- Low labour costs
- Availability of inexpensive electricity

disputed, literature to-date has been sparse in providing tangible evidence regarding performance and business benefits. However, companies that have adopted GSCM practices in distribution activities have successfully improved their business and environmental performance on many levels. Specific resulting business benefits can include greater service differentiation, successful compliance, increased sales, new access to foreign markets, better customer retention, decreased distribution costs, enhanced risk management and improved distributional efficiency.

Professional, Scientific and Technical

This sector comprises establishments primarily engaged in activities in which human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis. The individual industries of this sector are defined on the basis of the particular expertise and training of the service provider.

The main components of this sector are legal services industries, accounting and related services industries, architectural, engineering and related services industries, surveying and mapping services industries, design services industries, management, scientific and technical consulting services industries, scientific research and development services industries, and advertising services industries.

The distinguishing feature of this sector is the fact that most of the industries grouped in it have production processes that are almost wholly dependent on worker skills. In most of these industries, equipment and materials are not of major importance. Thus, the establishments classified in this sector sell expertise. Much of the expertise requires a university or college education, and the jobs are considered to be of value due to their high pay scale.

Demand is projected to remain strong for this industry, with an annual growth rate of 2.7 percent. The industry is expected to employ over 190,000 people in BC in 2011. The industry will continue to play a key role in BC's economy and now includes many activities such as testing laboratories and computer services, which are of a more recent vintage than the more "traditional" services such as engineering and architecture.

Some industries in this group have close ties to the goods sector, with construction, manufacturing, or mining among their most important clients. However, their clients also include governments and other industries in the service sector. Others have a more broadly based clientele, including households as well as businesses. Some are highly export-oriented, generating a significant portion of their income from foreign clients.

Quick Facts:

- \$7.7 billion
- 4.6% GDP
- 162,340 employed

Employment in professional, scientific & technical services has grown faster than the average for all industries, nearly doubling during the period from 1990 to 2008. Its share of total employment has risen from about 6 percent to nearly 8 percent. Over two (legal services and advertising & related services) of the seven sub-industries included in this group recorded below-average job growth during this period.

The computer systems design industry has experienced particularly strong growth, with employment more than quadrupling between 1990 and 2008.

Average wage for the industry is \$4.50 more per hour than the average for all industries in the province.

Opportunities:

- Engineering services industry
- Specialized design service
- Computer systems
- Scientific & technical consulting

Quick Facts:

- 40.8 Billion
- 24.4% GDP
- 244,835 employed

Business Services industry comprises small, medium and large enterprises including multinationals and franchises that operate with the primary purpose of providing business services to external clients, e.g. management consultants, recruitment agencies, customer contact centers. Additionally, Business Services industry underpins every other business across all industries providing critical functions such as human resources management, office administration, data-entry, record-keeping and leaderships.

The industry faces the challenge of maintaining and building workforce skills throughout the period of economic downturn and recovery while technology, business requirements and regulatory environments continue to change.

Opportunities:

- Environmental sustainability – carbon bookkeeping and related green skills
- Leadership and supervision – particularly in relation to new working structures created by the mobile and remote workforce
- Converging technologies – cross-industry skills encompassing ICT, business and creative skills

Business Services

Business services include businesses in place to support other businesses, many of which are included in the Professional, Scientific & Technological industry sector. This section will deal with a number of other businesses including banking and insurance, real estate, rental and leasing (FIRE) along with other services used by individuals or households.

These services combine to employ 244,835 in British Columbia, though they make up only a small percentage of the workforce, they generate nearly a quarter of the province's GDP, considerably more than any other industry. The discrepancy between the industry's share of employment and its contribution to GDP can be explained. The most important reason for the gap is that the industry's GDP includes an estimate of the *imputed rental income on owner occupied housing*. This is the potential income that homeowners could get if they rented out their residence instead of living in it. This is included in GDP because a home is an asset that has rental value in the marketplace.

The imputed rental income is a significant factor and accounts for nearly 12 percent of BC's total GDP, however there are no jobs associated with this value and that is one of the reasons for the big gap between GDP and employment in this sector. Another reason is the output per worker in this industry is higher than in other industries, largely because of the extent to which computer and other technologies are used to produce financial and insurance services.

Employment in this sector has increased 44 percent since 1990; particularly strong job growth was seen in banking, securities and investments, while real estate saw more modest growth. Another strong growth segment was rental & leasing, where employment more than doubled since 1990. The strong growth in this sub-sector was partly due to the increase use of consumer and business leasing arrangement for big-ticket items such as vehicles or office equipment.

Competitive Positioning Analysis (SWOT)

Part of the process for developing a strategic plan is to garner information from key stakeholders and the community at large. The SWOT Analysis provides an inventory of the area's strengths, weaknesses, opportunities, and threats (SWOT) and assesses the degree to which each economic factor supports future growth. The overall goal of this section is to have a clear understanding of the City of Nanaimo's strengths and areas of potential that can be built upon and better marketed. It is the findings in this report, combined with the economic analysis that will lead to our recommendations in the overall strategic economic development plan.

Observations in this report are based on significant input collected from local citizens, businesses, City staff, and the economic development advisory committee. A comprehensive online survey was established for businesses and one for residents. The response rate was very high from businesses and residents alike demonstrating a strong desire to help guide the City's economic future. Analyzing the perception of residents and businesses in the City is an important step as it directly relates to how well the community conveys its strengths and tells its economic development story.

Nanaimo's strengths and challenges are examined within three key factors which are all important economic development topics:

- Community/Quality of Life
- Economic Development Program
- Industrial/Commercial Business Climate

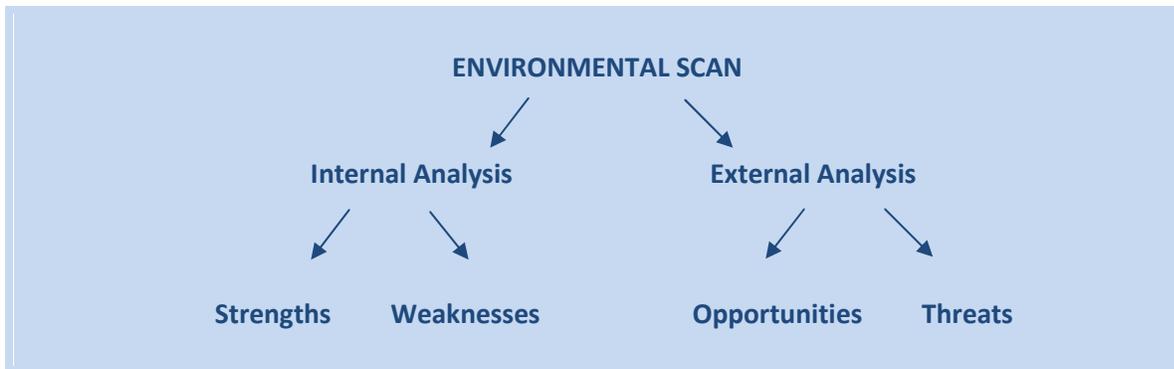
Companies, site selectors and residents looking to expand or relocate a business will analyze these factors to determine how well a city ranks compared to other communities. It is important for Nanaimo to be aware of its strengths and opportunities so that it may expand upon them and at the same time are aware of its threats and weaknesses in order to ensure that it develops programs to adjust these and work towards resolutions that will weaken the impacts that these can create.

Overall, through our research, it has been determined that Nanaimo's strengths far exceed any weaknesses or threats. It is important however to not overlook these weaknesses and threats as they can quickly jeopardize the strengths that have been identified.

What is SWOT Analysis?

A scan of the internal and external environment is an important part of the economic development strategic planning process. Environmental factors internal to the city or community being reviewed usually can be classified as Strengths (S) or Weaknesses (W) and those external to the city can be classified as Opportunities (O) or Threats (T). This analysis of the strategic environment is referred to as SWOT Analysis.

The SWOT Analysis provides information that is helpful in matching a city's or community's resources and capabilities to the competitive environment in which it operates. As such it is instrumental in strategy formulation and selection. The following diagram shows how a SWOT Analysis fits into an environmental scan.



We have characterized our “SWOT Analysis” in these terms:

<p>STRENGTHS Positive Local/Regional Internally</p>	<p>OPPORTUNITIES Positive Local/Internally External</p>
<p>WEAKNESSES Negative Local/Regional Externally</p>	<p>THREATS Negative Internally/Regional Provincial/Federal/International</p>

- Strengths (Positive, Local/Regional/Internally): Positive attributes currently present in Nanaimo, particularly in comparison to competitors.
- Weaknesses (Negative, Local/Regional/Internally): Local issues or characteristics that limit the current or future growth opportunities for Nanaimo.
- Opportunities (Positive, Local/Internally with External impacts): Areas where Nanaimo can remedy its weaknesses (learning from others, regional/provincial/national change, aggressive marketing, targeted investment, etc.).
- Threats (Negative, Internally/Regional/Provincial/Federal/International): Trends that threaten Nanaimo's future and attractiveness to new industry, from local weaknesses or external threats.

Key SWOT Findings

We have identified three key points that are vital to growing Nanaimo's economy and attaining its vision.

- Integrated/expanded economic development program
- Internal/external marketing and communications
- Retention and Expansion

These key points will be expanded upon through action plans developed as we continue to work on the comprehensive economic development strategy as requested by Nanaimo.

S.W.O.T Summary

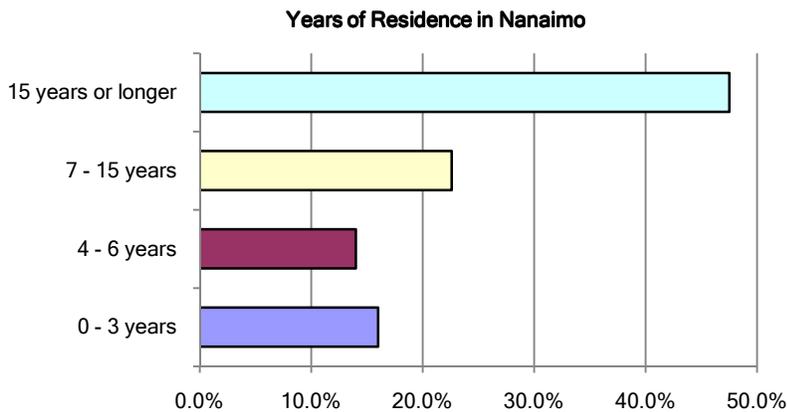
The following table summarizes the S.W.O.T findings of all factors. The factors are described in the sections following this table.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Progressive City • Education • Transportation • Regional hub • Location – Island Community • Proximity to Vancouver • Green space/liveability • Affordability • Community amenities/hospital • Willingness to do business • Infrastructure • Tourism 	<ul style="list-style-type: none"> • Island community • Aging population • Job development • Retail/service sector – low paying jobs • Division between high and low incomes • Retirement community • Loss of forestry/resource tax base • Proximity to Victoria • City Hall processes

Factor 1: Community/Quality of Life

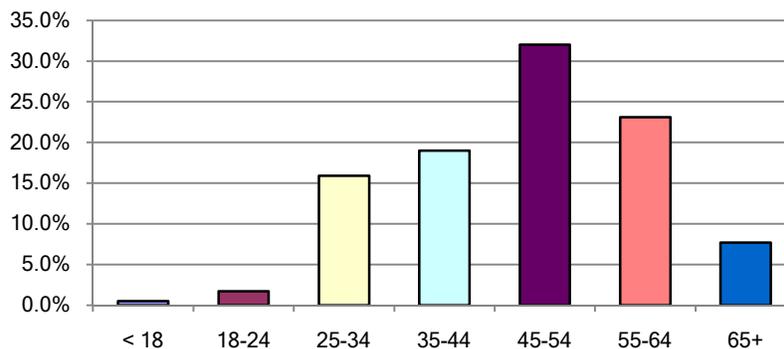
While not always does an economic development strategy include a component on “community/quality of life” EDCD believes in the case of Nanaimo that this is a critical component to pay attention to. Given the proximity and the need to clearly define that competitive advantage, and the long term commitment by the City to look at the status of the community with the goal of making improvements to the economic structure, this component can give a good understanding of what can be supported.

ECDC Consulting in consultation with the City Economic Development Department surveyed a number of community residents and business to gather input. For the purposes of this section we used the responses of the residential survey which can be found in the Community and Business Survey Appendix document.



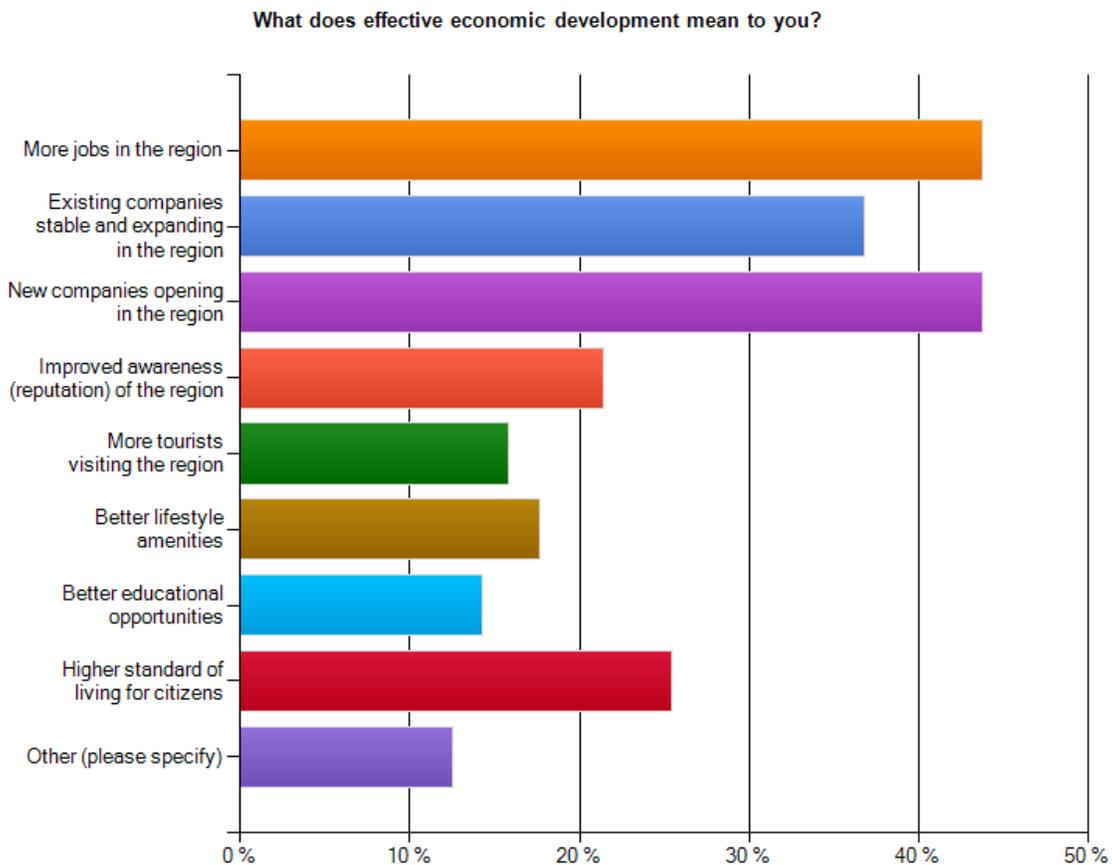
The majority of residents surveyed have lived in the community for more than 15 years which gives a good indication that the makeup of those providing input into the future of the City are residents that have lived in the community for some time. This is quite different from the results that we see in other communities we have surveyed. Seventy-two percent (72 percent) of all respondents believe that community residents have a positive image of Nanaimo while only 18.6 percent believe that it is negative. It was interesting that 47.2 percent of those that have lived here 15 years or longer felt that the image was positive and 35.8 percent was negative indicating that a very high percentage of relatively newer residents had a stronger impression of the community as a place to live.

The age breakdown of respondents was similar to the age breakdown of the latest census showing a high aging population which will be a challenge for the community in the years ahead.



Residents were asked what the three biggest challenges currently facing Nanaimo are. Sixty-seven percent (67 percent) responded that the "Availability of Jobs" was the biggest challenge followed by keeping young skilled workers which came in at 53.2 percent. In a follow-up question residents were asked what the top three economic goals should be for the future of Nanaimo. Forty-nine percent (49 percent) felt retaining and expanding existing companies should be ranked as number one followed by more revitalization of older commercial areas. More small business and entrepreneurship and retaining young professionals also ranked very high as priorities.

When asked what effective economic development meant to local residents an overwhelming response was new jobs and new companies. This clearly demonstrates that local residents recognize that the community must attract new businesses to the region and would provide the City with a mandate to strengthen its efforts in this regard.



S.W.O.T. Community/Quality of Life	
<p>Strengths</p> <ul style="list-style-type: none"> • Positive image from community residents • Affordable • Access to recreational amenities • Strong sense of community • Convention centre • Redevelopment of downtown • Ability to balance lifestyle with work • Attractive Waterfront • Growing Entertainment and Arts and Culture sector • Transportation Infrastructure • Climate • Health Care System • University • Respected Education system (k-12) • Island Community • Regional Hub • Green Space • Diverse Economy • City's ability to manage growth • Internet accessibility • Positive Image externally • Multi-level Care • Proximity to Vancouver 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of opportunities for young families to stay in community • Several areas need to be redeveloped • Lack of waterfront trails • High Crime rate • Transportation Infrastructure • Strip Malls diverting traffic from downtown • Lack of employment opportunities that pay enough to support families • Underserviced Health Care system • Perception from residents that City is not able to manage growth • Lack of Multi-cultural sector • Cost of Living • Island Community • Aging Population • Retail Service Sector - low paying jobs • Loss of resource tax base
<p>Opportunities</p> <ul style="list-style-type: none"> • Improve transportation infrastructure and linkages • Revitalization programs in older commercial and industrial areas and downtown • New programs promoting quality of life • Expanded efforts towards business attraction and economic diversification • Attraction/retention of Skilled labour • Partnerships with VIU to promote an increase in the foreign student programs • Continue to grow "Quality of Place" 	<p>Threats</p> <ul style="list-style-type: none"> • Feasibility of expanded infrastructure • Global Economy • Increased transportation costs (BC Ferries) • Aging Population

Factor 2: Economic Development Program

Nanaimo has an opportunity to capitalize on the recent changes within the economic development program. The City must now take a step back and look at the structure of the department and all other associations/organizations that impact the over economic growth of the community. They must be bold and be willing to make decisions that incorporate other key components to the economic development department that establishes it as a key senior department within the City structure.

Through discussions with local residents and businesses it is clear that economic development must incorporate tourism fully into the department or to separate it completely. Clearly to ensure management of activities and incorporation of these activities into the economic development marketing of the community it is better to have it managed by the City. With the creation of the cruise ship terminal, it will be important that a unified approach to the marketing of tourism and marketing of tourism investment is focused and integrated.

Much of this section was discussed in the comprehensive Investment Readiness Assessment report which identified that the City needs to work on resolving a number of these outstanding items in order to be successful in expanding the local economy.

S.W.O.T. Economic Development Program	
<p>Strengths</p> <ul style="list-style-type: none"> • Committed and well educated staff • Strong library of information • Strong provincial and federal linkages • Relatively complete Community Profile • Good labour data • Participant in regional and provincial marketing initiatives • Active in trade shows and trade missions • Strong and up to date OCP • Well defined bylaws • Strong Economic Development Board • Business Retention and Expansion Program • Support from Community for program 	<p>Weaknesses</p> <ul style="list-style-type: none"> • EDO seen as part of bureaucracy not part of solution • EDO is not part of Senior Management Team • Board lacks sector representation • Business Retention and Expansion Program not active • No Land Inventory • City development information not in easily distributable package • Non consistent Branding • Fragmented Tourism program • Marketing materials not online • No regular newsletter • No follow up procedure to inquiries • No site visit procedure in place • Not a separate Economic Development Website
<p>Opportunities</p> <ul style="list-style-type: none"> • Hire EDO • Make EDO Senior Manager and part of City Senior Management Team • Develop Land Inventory • Reactivate Business Retention Program • Expand Community Profile • Develop a separate Economic Development Website 	<p>Threats</p> <ul style="list-style-type: none"> • Limited Financial Resources • Limited buy in from senior management on the importance of economic development

Factor 3: Industrial/Commercial Business Climate

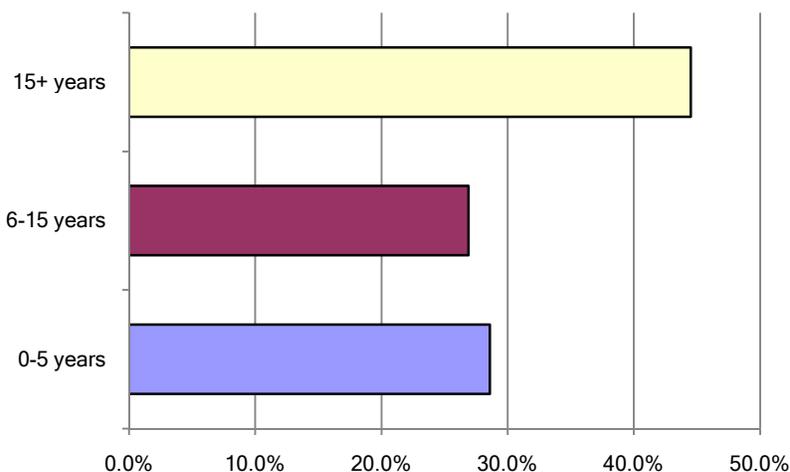
Nanaimo has a reputation both internally and externally as not having a pro-business environment. The Mayor and Council have made significant steps to address this with the appointment of an Economic Development Commission and to complete various review of certain items, including the completion of the Investment Readiness Assessment.

Nanaimo has the potential to be successful in the attraction of new business, with the reasonable cost of land and its quality of life. This can also help in encouraging new residential growth. Through the re-creation of a strong BR&E program, new business parks, redevelopment zones and a review of current development approval polices, the City can position itself as the most proactive business friendly community on Vancouver Island.

EDCD Consulting in consultations with the Economic Development Department completed an online survey of businesses. This was in addition to a number of one on one business interviews completed to gather input on the development of this strategy. For the purposes of this section we used the responses of the business survey which can be found in the Community and Business Survey Appendix document.

The majority of the businesses responding to the survey had been in businesses in Nanaimo for 15 or more years. In is interesting that the residential survey respondents had lived in the community for more than 15 years showing that both residents and businesses are interested in helping to build a strong Nanaimo for future generations.

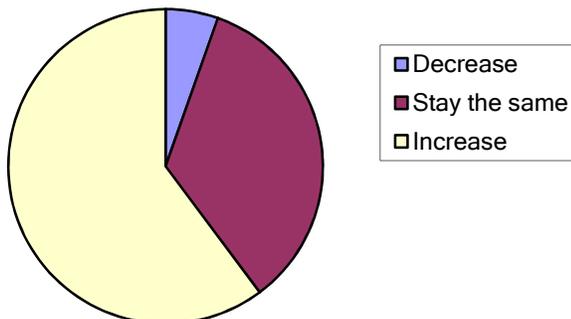
How long in Business in Nanaimo



The largest percentages of respondents were involved in Real Estate and Professional, Scientific and technical services. This was followed by retail trade and construction. Sixty-six percent (66 percent) of respondents have less than 10 employees. What was interesting was the expression of confidence that in the next two years the number of employees they would have would be either staying the same or increasing. Only 2.7 percent felt that the number of employees would decrease. The next chart shows

that this is even higher in the 5-7 year range where the majority of businesses believe the number of employees they will have will increase.

Over the next 5-7 years do you expect the number of employees to:



Thirty-one percent (31 percent) of those responding acknowledged that they located in Nanaimo for the "quality of life" or "close proximity to customers". A larger number indicated difficulty in finding employees for senior level positions illustrating the need for efforts to be taken in the development of relocation programs and additional partnerships with VIU.

Businesses were asked to identify top three advantages and disadvantages of doing business in Nanaimo. Comments were very diverse but some of the common comments included:

Advantages

- Quality of Life
- Diversity
- Central Location
- University
- Local Amenities
- Housing
- Affordable
- Transportation

Disadvantages

- Transportation (ferries)
- Taxation
- City Hall Red Tape
- Crime Rate
- Cost of doing business
- Lack of Space
- Shipping Costs
- Aging Population

S.W.O.T. Industrial/Commercial Business Climate	
<p>Strengths</p> <ul style="list-style-type: none"> • Economic Development Office • Central Location on Vancouver Island • Quality of Life • University and other Education • Business support services (EDC/CF/MISTIC) • Business community support for economic development • Recreational Amenities • Transportation Network to other part of VI • Cruise Ship Terminal • Airport • Port Authority • Regional Collaboration • Location 	<p>Weaknesses</p> <ul style="list-style-type: none"> • EDO seen as part of bureaucracy not part of solution • EDO is not part of Senior Management Team • Business Retention and Expansion Program not active • Transportation Networks and Costs (Ferry) • Limited awareness of opportunities (external) • Aging population • Limited availability of skilled labour • Perceived Red Table/Regulations at City Hall • Lack of development lands • Geographic Location • Distance from customer base (if off island) • External perception of Island lifestyle
<p>Opportunities</p> <ul style="list-style-type: none"> • Reactivate Business Retention Program • Downtown Redevelopment • Redevelopment of older Industrial areas • Elevation of marketing efforts • Increase Levels of Business support • Continued support of Nanaimo Airport • Cruise Ship Terminal and redevelopment of lands where they will dock • Focus on Green Economy and Innovation • Facilitate ongoing Dialogue with local business • Develop an Aftercare program to work with new businesses after they establish • Increase Regional Collaboration • Increase communication with Federal and Provincial agencies • Increase participation in Provincial marketing partnerships • Increase partnerships with VIU • Land Inventory 	<p>Threats</p> <ul style="list-style-type: none"> • Rising Land costs • Loss of Industrial Land to other uses • Competition of other Island Communities • Declining Resource sector • Declining Manufacturing Sector • Increased Transportation costs (BC Ferries)

Strategic Plan

This Economic Development Strategy focuses on activities related to generating sustainable economic growth and prosperity for the citizens of the City of Nanaimo. The activities relate to retaining and enhancing the existing business base, however, economic development also relies on business attraction efforts and one cannot be done without the other. During the process of evaluating the current investment readiness status for Nanaimo it became clear that there needs to be an expansion and increased awareness of economic development within the community.

The City of Nanaimo has many strengths and opportunities that, if managed effectively, will result in future economic prosperity. To ensure the City reaches its full potential, actions have been developed to capitalize on its strengths and improve its position as a destination to live, work and invest.

An economic development plan needs to be flexible and able to respond to changing economies and community issues. Though this plan outlines specific objectives it needs to be remembered that each should work in collaboration with each other to achieve economic growth and sustainability. Actions that are focused on marketing work to improve the overall business climate, industrial/commercial actions can directly affect how the community is marketed. Cross-over goals serve to strengthen the connection between the objectives and help to bring economic success and relevance to the plan.

Objectives and Actions

Objective One: Establish an Effective and Sustainable Economic Development Program

How economic development is defined differs among communities. For many years communities focused their activities on recruiting new business. Recently the focus of economic development in many communities has shifted and now places an emphasis on community development activities that improve local business climate, the labour force and infrastructure. These activities help local companies grow and new ones to emerge.

The City of Nanaimo has made a commitment to increase their economic development activities. When this commitment is made, the community is able to focus on programs and initiatives that foster prosperity and growth. The community can then begin to:

- Enhance the quality of life
- Improve the economy
- Stabilize economic ups and downs
- Diversify the overall economy
- Create more and better jobs
- Manage the rate and type of growth

All of these are positive and desirable but difficult to do when economic development is not supported within the community. Sustainable economic development requires commitment and leaders need to

establish a long term vision. Economic development does have the support of the Nanaimo City Council, business leaders and key stakeholders; however, past activities have not been focused enough nor streamlined to produce results from year to year. Current economic development efforts have also been constrained due to capacity of resources. There has not been a full-time Economic Development Officer (EDO) in place since March 2010. This has had a significant impact on how economic development has operated in Nanaimo during the past nine months. Fortunately, there is commitment to replace the position and now that the strategy is complete we believe the time is now. However, it is not enough to just replace the previous EDO. In order for economic development to be successful in Nanaimo, and for it to be able to accomplish the objectives outlined in this strategy as well as to raise the investment profile of the City, changes to the EDO position must occur.

The importance of economic development within the City of Nanaimo needs to be reflected in the position of the EDO. This simply translates into a position that is valued at City Hall and within all City departments and has the authority to interact with senior level officials. Anything less will be a disservice to Nanaimo's future opportunities and success.

A well run economic development organization builds capacity, but in the context of economic development capacity also means the ability of a community to provide for the needs of the businesses whether it is through recruitment, expansion or start-up. Economic development capacity consists of three basic elements:

- Commitment from the community – those who fund and those who lead
- Sufficient assets, resources and support services
- A well run economic development organization to lead, coordinate and facilitate economic development efforts

Nanaimo has funded economic development for a number of years; however there is a need for further support and understanding from the community in its commitment to economic development. It is important for Nanaimo to recommit to economic development capacity building and to ensure sufficient resources are built up before initiating major development efforts. It is important to note that though the economic development department's budget is well funded, the majority of funds are allocated to tourism and destination marketing. Only \$360,000 is dedicated strictly to economic development activities. For a community the size of Nanaimo this is a relatively low contribution towards growing the local economy when compared to other communities of similar size.

The section below outlines activities specific to Nanaimo's economic development program. Some of the goals and objectives are longer term in nature or are ongoing activities. Other goals need to be completed much quicker.

1. Strengthen the Economic Development Function for the City of Nanaimo

Economic development needs to be a part of the community. Currently Nanaimo is without a full-time Economic Development Officer which is a critical component of successful economic development. It cannot be measured what opportunities may be missed without a strong lead and focus. Before anything else happens Nanaimo needs to ensure a full-time, senior level economic development officer is hired.

The hiring of a full-time, senior level economic development officer will only be the start of re-building economic development within Nanaimo. It will provide a doorway into reviewing how economic development can be improved within the City and may lead to changing the actual structure of how economic development is delivered. It will also be the start of ensuring everything is in place to develop specific policies and procedure for economic development activities and daily responsibilities. Within the commitment to economic development it will be important to ensure the EDO and staff are well informed of current economic development best practices and new trends.

Action 1

Hire a full-time, senior level Economic Development Officer

Action 2

Best practices review

Complete a best practices review of economic development agencies of similar sized communities (i.e. Kamloops, Chilliwack)

Action 3

Review current economic development structure

Is the current structure the best structure for economic development in Nanaimo

Action 4

Policies and Procedures manual (visits, inquiries, reporting, etc.)

Develop manual for staff and board members

Action 5

Professional Development

Ensure all staff have opportunities for further education

2. Support NEDC roles and responsibilities

In February 2010, an economic development commission board was created – Nanaimo Economic Development Commission (NEDC). The Commission is made up of community stakeholders to provide advice and feedback on economic development within the City. The Board has shown a significant commitment to economic development, particularly in the absence of a full-time economic development officer. However, there is concern the Commission is unclear as to its current and future role. For the board to be effective they must be clear on what their expectations and responsibilities are as members.

Further hampering board members' understanding is a lack of communication of what happens within the economic development department on a daily, weekly or monthly basis. Communication is key to helping understand the role economic development plays within a community.

As well, a successful economic development board must consist of all stakeholders within the community including key sectors. The current Commission is missing sector and stakeholder representation at the table. There is excellent involvement from Council and other community groups including Community Futures, Chamber of Commerce, MISTIC, etc., however, economic development needs to actively have those working in industry sitting at the table – their voice is critical to success. For example, there is no representation from the commercial/industrial real estate industry, as well,

being on an Island, community transportation issues are heightened and there may be benefits to having BC Ferries at the table to help them understand their importance and the role they play in economic development.

The Commission should raise its visibility to and communicate its interest and appreciation of local businesses. One easy way to accomplish this is to host their meetings at a local business. This provides an opportunity for a business to inform the Commission on its success and challenges and in return the Commission has the opportunity to show its support and raise awareness of economic development.

Action 6

Create a Board Manual

Create a detailed board manual to provide guidance for existing and new board members

Action 7

Monthly Activity Reports

Submit monthly activity reports to all board members respecting the confidentiality of clients

Action 8

Island-wide economic development training/education program

In partnership with VIU, VICEDA and EDABC, develop island-wide program to train board members, city staff, and other government on economic development

Action 9

Review current Board for 2012

Ensure appropriate representation is on the Board

Action 10

Assess Board appointee process to include industry/sectors

Consider sector based representation on the Board

Action 11

Host Board meetings at local businesses

Every quarter host a board meeting at a local business to provide opportunity for company to give presentation and to raise awareness of economic development

3. Position economic development program as high level, visible activity in community

Economic development is difficult to communicate out since there is no real “hold in your hand” product. This makes it more important than ever to effectively communicate out to stakeholders what economic development is and why it’s important in Nanaimo. Once a full-time economic development officer is in place one of their primary roles will be to get out into the community to introduce not only themselves but also to re-introduce economic development back into the community. This can be accomplished in a number of ways including establishing regular meetings with key agencies and organizations, developing an electronic newsletter to advise what is happening in economic development and ensuring they are the key point of contact to speak about economic development.

In order for the EDO to properly communicate out a strong economic development message to the community there must be strong economic development support at the local political level. This can

only be done by ensuring the Council is well aware of what economic development is doing in the community and for the community. There has been a previous lack of communication between Council and economic development and this must be addressed as a priority.

Action 12

Meet with representatives from other local key agencies on a quarterly basis

Action 13

Electronic newsletter

Develop information newsletter to be distributed to businesses, government, industry, etc.

Action 14

Quarterly economic development report to Council

Develop a quarterly reporting system to inform Council of department's activities and initiatives in an effort to ensure long-term buy-in and support for economic development

Action 15

Senior staff in economic development

Involve senior staff from other departments in economic development initiatives

Action 16

Participate in senior level management meetings

EDO to participate in senior level management meetings

Action 17

Promote economic development

Identify ways to promote economic development

Action 18

Welcome letter to new business

Create welcome letter for all new businesses providing information on economic development and other services

4. Educate community on importance of economic development

The community is not involved at a level that creates awareness and support for economic development efforts. One of the challenges has been a lack of an EDO since March 2010; however, there is a clear community message that economic development is not understood. When a community does not understand *what* economic development does it cannot understand its value.

Today there are a number of ways that a message can be communicated out using both new and traditional methods. Social media has been used effectively by many communities; however, it will be important to understand how these newer tools should be used. The more traditional media will be important as well and Nanaimo's economic development department needs to ensure they are the first point of contact for local media.

Action 19

Utilize social media to highlight importance of economic development in community

Develop Twitter, Facebook, LinkedIn, and other social media methods of communication

Action 20

Contact local and regional media to become a regular contributor

Action 21

Utilize BR&E results and Business Visitation program to submit business success stories and increase public awareness

Performance Indicators

Strengthen an Effective and Sustainable Economic Development Program

- Full-time Economic Development Officer in place
- Best practices review complete
- Economic development structure review
- Policies and procedure manual developed
- Professional development courses completed

Support NEDC Roles and Responsibilities

- Board members understand roles
- Support from Board members is increased
- Board will have sector representation
- Local business support increased

Position Economic Development Program as High Level, Visible Activity in Community

- Increased support from local agencies and organizations
- Number of subscribers to electronic newsletter
- Increased support from Council
- Increased awareness in community among residents and businesses on economic development activities

Educate Community of Importance of Economic Development

- Increased social media presence
- Increased media (traditional) presence
- Increase community support

Objective Two: Re-Establish a Business Retention and Expansion (BR&E) Program

A business climate can be defined as the capacity of the community to support business expansion and development opportunities. In today's competitive environment providing a good business climate is crucial. Communities must promote business friendly regulations, and be flexible and quick to respond to business needs. Modern trends dictate that businesses are driven by their bottom line, so costs are a significant consideration in any expansion or relocation decision. In order to be competitive a community must provide a structure in which businesses can be profitable and have future growth opportunities.

In general, the City of Nanaimo has a business climate that is relatively competitive. However, the City can improve communication with existing businesses in order to ensure that they understand the needs and challenges faced by the local business community. Stronger entrepreneurial and capital networks should emerge as they are essential for healthy job growth, diversity, and sustainable economic competitiveness.

As stated earlier in the plan, economic development is more readily known for its business attraction efforts. It should however be noted that in spite of this assumption retaining and enhancing local business is actually more important than ever. Business retention and expansion (BR&E) is a phrase that encompasses anything and everything a local economic development organization does to ensure local businesses stay in the community (retention) and grow over time (expansion). This encompasses everything from working with the City to ensure that policies are in place to enhance and encourage business growth. It also includes working with the educational institutions to make sure the labour force is trained for what businesses require.

The purpose of business retention and expansion is to maintain an environment that is conducive to the long-term success of local businesses. Specific purposes of BR&E include:

- Retaining and expanding the local employment base
- Maintaining a stable local tax base
- Maintaining a stable local economy
- Continually improving the local business environment
- Contributing to the success of the business attraction activities

In addition to retaining and growing the existing business base, economic development efforts should include the promotion of entrepreneurship in the community. The economic development organization can facilitate entrepreneurship and the resulting business start-ups by:

- Connecting entrepreneurs with the technical assistance they need to transform ideas into a business
- Connecting entrepreneurs with lending institutions and venture capital firms that are open to providing financing for business start ups
- Creating opportunities for entrepreneurs to interact with other entrepreneurs, professionals who provide business start-up assistance and other potential partners

Workforce development and education are both areas for the economic development organization to become involved with. From an economic development perspective there are three important factors relating to a community's labour force:

- Availability
- Quality
- Affordability

Economic development needs to establish and maintain positive relationships with educational institutions and other community-based organizations that provide labour force training.

5. Re-establish a Business Retention and Expansion (BR&E) Program

Often the best chance of creating new jobs for a community comes from existing businesses. That is why economic development organizations should keep track of who's hiring, who cutting back, who's looking for more space, and what's standing in the way of growth. A BR&E program can help identify problems facing existing businesses and determine opportunities for growth. A BR&E program is a multiple-step process that includes surveying local businesses to better understand employment history, expansion needs and barriers to growth. The results are put into a database and summarized. With that information, economic development staff can work with community officials to develop a plan to address problems and opportunities identified.

Nanaimo was one of the first communities in BC to implement a BR&E program when BC Hydro started the initiative many years ago. Since then Nanaimo has purchased a program called Synchronist Business Information System. This system is somewhat inflexible and does not allow a community to develop customized surveys based on specific needs. The system reporting function is also quite difficult to produce results in a meaningful manner. We are suggesting that other systems be reviewed to provide Nanaimo with a program that best suits the needs.

Nanaimo has not utilized their BR&E program to its full advantage in part due to staff resources. It will be important for the department to re-establish the BR&E program out in the community by first surveying all businesses to provide a benchmark and then to develop a Business Visitation Program. The visitation program is an ongoing communication between economic development and local business. Long term success would include dedicating a staff member to focus on BR&E.

Action 22

Evaluate technology designed specifically for BR&E

There are other systems that would provide better service to Nanaimo's BR&E program.

Action 23

Benchmark Business Survey

A survey of all local businesses would provide a needed benchmark to proceed with a Business Visitation Program and assist in developing specific economic development programs in the future.

Action 24

Business Visitation Program

A program that would visit up to 100 companies annually.

6. Ensure a favourable policy and environment to business development exists

Providing a regulatory environment that eases the burden on businesses can have just as much impact as providing financial incentives to companies. Time is money and businesses appreciate locating or expanding in communities with minimal government delays and bureaucracy. The City of Nanaimo has some degree of support from the business community but there are improvements to be made to be seen as being supportive and accommodating. The City can implement a few initiatives that would increase or improve on their current image.

Action 25

Internal review

Complete a regular review of internal processes and costs (planning and building approvals). Review should include comparisons to other communities of similar sizes.

Action 26

"Fast Track" process

Develop a "fast track" development process to expedite development process when appropriate.

Action 27

Best practice review

Complete a regular review of best practices in other jurisdictions.

7. Encourage entrepreneurship and business start-up

Entrepreneurship is a vital economic development strategy. Entrepreneurs and small businesses play a large role in driving the local economy, driving much of the job growth of the city. Economic development can play an important role in promoting entrepreneurship in Nanaimo. It can also facilitate entrepreneurship and the resulting business start-ups by:

1. Connecting entrepreneurs with the technical assistance they need to transform an idea into a business
2. Connecting entrepreneurs with lending institutions and venture capital firms that are open to providing financing for business start-ups
3. Creating opportunities for entrepreneurs to interact with other entrepreneurs, professionals who provide business start-up assistance, financiers, and other potential partners that can help.

A trend re-emerging in many US States and in Canada is the creation of Business Incubators. Business Incubators are programs designed to accelerate the successful development of entrepreneurial companies through an array of business support resources and services, developed and orchestrated by incubator management and offered both in the incubator and through its network of contacts. Typically an incubator will be a physical building housing several start up or emerging companies sharing services and being provided assistance in order to grow. Companies will usually stay within an incubator for a maximum of two years when they will then be strong enough to expand in their own facilities.

Two principles characterize effective business incubation:

- The incubator aspires to have a positive impact on its community's economic health by maximizing the success of emerging companies.
- The incubator itself is a dynamic model of sustainable, efficient business operation.

In Nanaimo, a successful incubator would best be done by partnering with the Vancouver Island University. You would also bring in support agencies or business assistance organizations like Community Futures, etc. Consideration may want to be given to housing NEDC within the new Incubator as it can be used as a demonstration of support to business growth.

Model Business Incubation programs are distinguished by a commitment to incorporate industry best practices. Management and boards of incubators should strive to:

- Commit to the two core principles of Business Incubation
- Obtain consensus on a mission that defines the incubator's role in the community and develop a strategic plan containing quantifiable objectives to achieve the program mission
- Structure for financial sustainability by developing and implementing a realistic business plan
- Recruit and appropriately compensate management capable of achieving the mission of the incubator and having the ability to help companies grow
- Build an effective board of directors committed to the incubator's mission and to maximizing management's role in developing successful companies
- Develop an incubator facility, resources, methods, and tools that contribute to the effective delivery of business assistance to client firms and that address the developmental needs of each company
- Seek to integrate the incubator program and activities into the fabric of the community and its broader economic development goals and strategies
- Develop stakeholder support, including a resource network, that helps the incubation program's client companies and supports the incubator's mission and operations
- Maintain a management information system and collect statistics and other information necessary for ongoing program evaluation, thus improving a program's effectiveness and allowing it to evolve with the needs of the clients

Action 28

Business Incubator

Review best practices on Business Incubation and draft business plan

Action 29

Develop a how-to start-up guide for businesses and entrepreneurs

Develop create a step-by-step guide for local residents on starting their own business.

Action 30

Develop an informative series about how to start a business

Either in partnership or solo, write a series to be included in local media.

Action 31

Entrepreneurial education programs

Research other communities' programs to adopt a entrepreneurial program that will work for Nanaimo.

Action 32

Include entrepreneurial information and links on website

Have a specific section on entrepreneurship including relevant links on economic development website and in electronic newsletter (Action 13).

8. Support VIU and other employment/training providers to prepare labour force

A community's labour force can be its best economic development asset or its worst liability. From an economic development perspective, there are four important factors relating to Nanaimo's labour force:

- Availability
- Quality
- Affordability
- Union or non-union

Each of these factors will be important to the target industries but also important to existing businesses. Because the labour force is so important to economic development, partnerships with educational institutions are natural. Partnerships in Nanaimo can extend beyond the school district and Vancouver Island University and should include business, industry and trade associations.

The NEDC does include representation from VIU and it is important for this relationship to be maintained and built upon to develop future opportunities.

Action 33

Recruitment Package

Develop a recruitment package designed specifically for high level, professional relocations.

Action 34

Student survey of living in Nanaimo

Involve VIU in creating and administrating a student survey of attitudes about living in Nanaimo with a goal of retaining youth in the community.

Action 35

Workforce questions for BR&E

Develop specific workforce questions to include in BR&E

Action 36

Promote skill set demanded by target industries

Work with partners to ensure labour force has skills specific to the target industries' requirements.

Action 37

Distribute positive information about Nanaimo as a good place to live and work to VIU students

Action 38

Organize meetings between VIU and employment/training providers with local employers to discuss future needs of labour force

Action 39

Include information about VIU research and training programs in industry-specific marketing materials

Action 40

Include VIU and school district representation in economic development board and initiatives (i.e. BRE)

9. Continue to support and expand the tourism industry

In some ways, tourism is an intangible industry; it is not as easy to quantify or track as other industries are, such as manufacturing or education. Yet travel and tourism is considered to be one of the largest industries in terms of employment for the Province of BC.

Tourism can bring substantial benefits to a community and its residents. It is one of the few industries that bring new money into a community. Tourist spending creates a chain reaction flowing through a local economy. The importance of tourism to economic development is clear:

- Tourism diversifies the economy by helping communities be less reliant on one or two industries
- All businesses can benefit as tourists visit hotel, resorts, campgrounds, and restaurants. Visitors purchase from gas stations, grocery stores, pet shops, hardware stores, drugstores, gift shops, etc.
- New money is brought into the community because when a visitor spends money in your community, most of it stays and re-circulates among local residents
- Those who visit you today may invest in your community tomorrow

- Tourism creates jobs and assists in business attraction as industries prefer to locate in communities with tourist amenities

Nanaimo has a strong tourism presence; however, it is seen to be a day stop between Victoria and the north Island. Challenges also exist with the lack of a high-end hotel (suggested location is at the conference centre), and a vibrant downtown to keep people occupied. There is expectation that things are moving in the right direction with the development of the cruise ship terminal and keen interest and support for a downtown revitalization project.

With the new cruise ship terminal and other tourism infrastructure being considered, Nanaimo needs to look at what successful tourism organizations are doing and how they are structured. Several successful examples exist of how City owned Tourism organizations are managed including Tourism Chilliwack, Destination Osoyoos and others. These typically are owned or managed by the community and carry out the responsibility of Destination Marketing as well as visitor services. While the model may be different for Nanaimo, some work must be done to ensure that those involved in Tourism and the City of Nanaimo itself feel that they are achieving value for money

Action 41

Hotel Attraction

Complete a feasibility study for the attraction of a hotel at the conference centre.

Action 42

Cruise ship Marketing Strategy

Contract with consulting agency to develop long-term strategy.

Action 43

Cruise ship Welcome Centre Strategy

Develop strategy to develop open-air-welcome centre

Action 44

Service review of existing tourism agencies and functions

Prepare a review of all existing tourism agencies and their specific functions to understand duplication and if tourism is being delivered effectively.

Action 45

Support existing and encourage development of new and/or unique tourism businesses

10. Support the growth of the Arts and Culture sector

Arts and culture are important in community economies. Arts and culture-related industries, also known as “creative industries” provide direct economic benefits to communities. They create jobs, attract investments, generate tax revenues, and stimulate local economies through tourism and consumer purchases. These industries also provide an array of other benefits, such as infusing other industries with creative insight for their products and services and preparing workers to participate in the contemporary labour force. In addition, because they enhance quality of life, the arts and culture sector is an important complement to community development, enriching local amenities and attracting young professionals to an area.

Nanaimo has a growing arts and culture sector and desire has been expressed to expand the sector. Before the sector can be expanded there needs to be an understanding of what is currently happening within the arts and culture industry.

Action 46

Arts and culture

Establish an arts & culture working committee and complete an inventory of existing businesses

Performance Indicators

Re-establish a Business Retention and Expansion (BR&E) program

- Development of Business Retention and Expansion Program including:
 - Database of Businesses
 - Benchmark Survey
 - Business Visitation Program
- Business Survey Results Distributed
- Number of Businesses Visited
- Number of Businesses Assisted
- Number of Businesses receiving electronic newsletter

Ensure a favourable policy and environment to business development exists

- Internal review completed
- “Fast track” process in place
- NAIOP ranking
- Increase in business perception of City’s pro-business attitude (can be measured through BR&E program)

Encourage entrepreneurship and business start-up

- Business plan for business incubator
- Business incubator established
- Increased inquiries
- Increase in business licensing
- Increased media presence
- Specific initiative in partnership with School District #42
- Starting a Business Guide – number of guides distributed
- **Increase in newsletter subscription**
- **Increased “how to” articles in local media**

Support VIU and other employment/training providers to prepare labour force

- Education representative(s) on Board – (current exists)
- Increased youth attainment
- Increased business support and participation
- VIU and other education providers in research and training programs

Continue to support and expand the tourism industry

- Hotel feasibility study
- Hotel successfully attracted
- Commitment from cruise ship companies to make Nanaimo a port of call
- Services and programs established to welcome cruise ship passengers
- Tourism service review completed
- Expansion of tourism businesses
- Increased tourism visitors

Support the growth of the Arts and Culture sector

- Arts & culture feasibility study
- Benchmark of arts & culture businesses

Objective Three: Establish Nanaimo as a Leading Investment Destination

Communities are faced with many challenges – current economic downturn, aging demographics, increased global competition, government policies and resource depletion. Many communities across Canada are looking to rebound from the economic and social issues and transition into communities based on a diverse and robust economy. These communities are looking for ways to capitalize on their advantages, maintain their quality of life and strengthen their communities in a rapidly changing and competitive environment.

Being a leading investment destination is something that Nanaimo needs to work towards. Earlier this year Nanaimo participated in an Investment Readiness Assessment. Nanaimo has many of the basics in place for investment readiness but there is further work to be done for Nanaimo to be ranked as “Investment Ready”.

11. Ensure Nanaimo is seen as the most business friendly place to do business

Economic Development Agencies face heavy competition to attract investment. In North America alone there are 7500 Economic Development Agencies marketing for that same company that you may target - and worse, some of those competitors may be targeting companies already located in your community. One of the biggest competitive advantages you can have is to ensure that your community is seen as the most business friendly, not only in establishing a new business but also in the care and attention shown once they are officially established.

After Care programs, while similar in nature to a BR&E program, are primarily focused on recently and newly established companies. Meet and greets to ensure corporate executives are fully integrated into the business community, can play a critical role in making sure the company feels that they have made the right decision.

Using the existing developers, real estate agencies and others can play a crucial role in marketing the community for future projects. To do that though they need to feel that they are part of that success and that the City is listening to them as they identify issues and challenges. Regular meetings, followed by a tour of the community targeting real estate agents from other parts of Vancouver Island and Metro Vancouver will help to ensure that a broader audience is aware of what is happening in Nanaimo and that it is the place to establish new facilities.

Nanaimo may be just one of many communities targeting investment opportunities but the City of Nanaimo can truly become a leader in developing a true competitive advantage. The current economic development function is open to developing new programs and initiatives that can help them to stand out. Growing rapidly in the US and in Eastern Canada as an effective tool to attract investment is the creation of making the community's development lands "Shovel-Ready." Nanaimo could become the first community within British Columbia to be “Shovel-Ready”. This would provide an advantage to Nanaimo as companies looking to relocate, want communities that can get them up and running as quickly as possible. Companies are not willing to wait for a community to find an appropriate site and determine its suitability for development. There are a few definitions as to what qualifies a Shovel-Ready site; however, the site should have the following characteristics:

- The site is available
- The site is fully serviced
- The site is developable

Action 47

After-care program

Develop an “after-care” program for new companies being established in Nanaimo.

Action 48

Meetings between local developers, economic development and others

Establish regular meetings between local developers, economic development and appropriate senior level city departments.

Action 49

Bi-annual tour for real estate agencies

Organize bi-annual tours for real estate agencies to promote opportunities

Action 50

Pro-business and business friendly attributes in marketing materials

Include information about Nanaimo’s pro-business and development friendly attributes in industry specific marketing materials.

Action 51

Shovel-ready certification process

Investigate shovel-ready certification process for Nanaimo

12. Establish revitalization zones to provide tax incentives to new or redeveloped facilities

The Provincial Government has developed a process under the community charter to allow communities to create revitalization tax zones. Several areas in Nanaimo could use this zone to see redevelopment that enhances the area to attract new investments. The cost to the community for these types of programs is you would continue to collect existing taxes while forgoing the increased revenue you would get from new development. However without the designation many of these redevelopments would not occur which could eventually result in less tax revenues as property values on older facilities are decreased. It is believed that Nanaimo should seriously consider these types of designations in Downtown Nanaimo, along the waterfront where the Cruise Ship terminal will be and as well in some of the older industrial areas.

Action 52

Redevelopment Zone designation

Identify core area(s) to be considered for designation

Action 53

Market to commercial property owners

Prepare a marketing sheet for property owners to promote the availability of redevelopment zone program and host reception to show plans to talk about the opportunity

13. Develop downtown as an important catalyst for economic development in Nanaimo

Downtowns are often areas that have been overlooked by communities. The City of Nanaimo however has taken an active role in encouraging new growth to occur in the downtown area with the development of the Convention Centre. More can be done though to ensure that new development continues to happen that creates new economic opportunities. Planning Charrettes are proving to be an effective process in the re-creation of many areas. They can help to identify ways, by engaging stakeholders in the process, of how the area can be enhanced.

Marketing the future plans of the area to developers and businesses will be critical though to ensure that the work of the Charrette was a useful exercise.

Action 54

Charrette planning session

Host a charrette planning session for downtown

Action 55

Establish downtown area as a strength for tourism

Prepare marketing material highlighting activities and events in downtown Nanaimo

Action 56

Develop appropriate business mix in downtown core

Prepare marketing materials highlighting opportunities for development in downtown

14. Establish a new green industry park

It has been shown that communities and businesses that create green industrial parks will have a foundation for industrial development that is more competitive, more efficient and cleaner than traditional industrial parks. New niches can be opened to recruit new business to the community and will make Nanaimo a leader in the attraction of this emerging industry. While many BC communities wish to target the "green industry" very few have taken all of the steps necessary to demonstrate commitment.

Communities embracing the Green economy concept are seeking benefits for all public and private stakeholders. Benefits of green industrial parks include:

- The community enjoys a cleaner, healthier environment, business and job development, an attraction for recruitment and an end to conflict between the economy and the environment.
- Government receives increased tax revenues, reduced enforcement burden, reduced costs of environmental and health damage and reduced demand on municipal infrastructure.
- For the environment, there is reduced demand on finite resources, decreased local and global pollution, increased use of renewable energy and materials and an overall renewal of natural systems.
- The community creates a unique advantage by designating an area to the emerging industry.

Action 57

New green industrial zone

Create a new green industrial zone

15. Elevate Nanaimo's competitive advantage by improving investment readiness

Earlier this year, Nanaimo underwent an investment readiness assessment and was found to be *not ready* for investment. There were a number of factors that contributed significantly to this ranking including no full-time economic development officer, lack of an economic development strategy and no land inventory. Through this strategy a number of those factors will be addressed and will provide a more positive ranking.

The importance of a community being investment ready cannot be underestimated. Investors want to talk to communities who are knowledgeable, accessible and have current information available at their fingertips. Investment readiness means making the most of your community's resources – its land, people, unique characteristics and planning system. It also means being able to communicate your strengths effectively.

Action 58

Implement Investment Readiness Assessment Report recommendations

Determine the priorities from the report and implement recommendations

Action 59

Ongoing updates

Ensure ongoing updates, reviews and evaluation of investment readiness is completed

Action 60

Re-evaluate Nanaimo's investment readiness

Performance Indicators
Ensure that Nanaimo is seen as the most business friendly place to do business
<ul style="list-style-type: none"> • Number of leads for new business development • Increased support from business community • Number of jobs created
Establish revitalization zones to provide tax incentives to new or redeveloped facilities
<ul style="list-style-type: none"> • New revitalization zones established • New “redevelopment” permits issued and work completed • Support from non-resident building and property owners to improve appearance of under-utilized facilities • New business in redevelopment areas
Develop Downtown as an important catalyst for economic development in Nanaimo
<ul style="list-style-type: none"> • Support from downtown merchants and property owners • New tourism activities/businesses in downtown core
Establish a new green industry park
<ul style="list-style-type: none"> • New by-laws to create green industrial zone • New Business Park targeting green industry • Certification for business park and new companies LEED
Elevate Nanaimo’s competitive advantages by improving investment readiness
<ul style="list-style-type: none"> • Number of recommendations from investment readiness report implemented • Number of leads for investment

Objective Four: Nanaimo's Image as a Destination for Opportunities

The efforts of economic development organizations and local governments, combined with effective marketing programs, position communities for economic success. Marketing improves awareness, creates demand, and drives growth. As economic competition continues to intensify, efforts at creating coordinated regional economic development and marketing messages are increasingly important.

While Nanaimo has experienced success in its economic development efforts, it could be far more effective by developing key messages for its targeted audiences, including tourism, while promoting activities, events, programs and initiatives from throughout the region.

As mentioned in this report, the City needs to address internal communication with the business community. This needs to be done before an effective economic development campaign can be launched. Understanding the local business community and having their support is an important step in successful external marketing. Local businesses can provide testimonials, promote the City's business-friendly attitude, and can become external ambassadors for the City. Internal marketing builds local awareness and buy-in so that when Nanaimo markets outside of its region, it has a strong business community in place to augment its message. Some of the most effective communities not only have a well-integrated economic development organization leading the marketing efforts but they also have hundreds of community ambassadors as part of the team.

Once Nanaimo succeeds in its internal marketing efforts, i.e. Business Retention & Expansion program, it should incorporate external marketing activities aimed at growing targeted businesses and entrepreneurial activity. External marketing, for most communities should begin one to two years after internal efforts have begun. It will be important to balance both internal and external activities to get the most return – awareness and business.

External marketing is vital to diversifying an economy. It can significantly improve a community's economic health by creating new higher paying jobs and increasing the tax base. For communities today it is important to have a web site as primary collateral and to also have material to distribute at conferences, meetings, etc. An integrated approach to external marketing includes a combination of word-of-mouth, publicity and personal meetings.

Strong marketing activities will help accomplish the following economic development goals:

- Improve internal knowledge of the resources that are currently available in the City for residents seeking to expand businesses and for potential entrepreneurs
- Increase the number of businesses approaching the City for information about expanding their business
- Cultivate an environment to attract new businesses and new job creation at all skill levels
- Increase the amount of positive, national and international publicity that the City of Nanaimo receives

16. Ensure a dynamic web presence focused on both attraction and retention separate from the City site

Surveys of businesses and site selectors indicate that the number one source of information is the internet. Area Magazine's recent corporate survey shows that 88 percent of their respondents said they use the internet for obtaining community information. The internet is their primary information source for site and facility planning.

Most economic development organizations have a website providing at least basic information. As the survey result above indicates, the website is the first place that will be sourced for information on a community. Nanaimo currently has a webpage within the City's website. For economic development purposes, this is not adequate. There are many reasons for an economic development organization to have its own separate website but the primary reason is to be easily found. Your website is like your calling card and should have all relevant information from a site selector or investor point of view because:

- Competition for FDI has increased, making it imperative that a website provides a specific location image that is in line with your community's investment targets
- Foreign investors have specific information needs (i.e. labour, infrastructure or water supply) and your website should be designed to provide the information in a user-friendly manner
- A website increases and complements the effectiveness of your community's investment strategy

Action 61

Create a dynamic web presence

Create a website committee to receive input and direction on a new website

Action 62

Website design

Hire a website designer and evaluate other communities' websites

Action 63

Expand and increase website content

Action 64

Maintain and regularly update website information

17. Direct marketing efforts at desirable industries/businesses that fit Nanaimo's competitive advantages

One of the reasons that Nanaimo has not been hit as hard as other communities with the recent global recession is its diverse economy. While Nanaimo needs to continue to work with the existing companies through a retention and expansion program, it must also market to attract new companies to allow for the continued ongoing diversification.

The attraction of new investment can provide a significant boost to the local economy and help to supplement the growth generated by existing companies. The ability though to attract new investment and jobs from elsewhere depends on how the market views the community as a location to do business. Much of this can be influenced by local government policies and initiatives. The key is to identify the true competitive advantages that your community has over other areas and then market these to your targets.

While it is common to pick just one or two sectors to target it is the feeling that perhaps some efforts need to be made to identify specific companies that would benefit from being located in the community.

The Nanaimo Airport is another excellent opportunity for the City of Nanaimo to work on identifying potential complimentary industries that could locate on Airport lands. The managing of airports is a huge task and generally the efforts are primarily put towards the attraction of another airline or new services inside the terminal. Some efforts though need to be made to market under-utilized lands for complimentary industries and this should be done in partnership with the Economic Development office and the Commercial Real Estate Industry.

Nanaimo needs to expand its reach and partner with other communities and agencies to market the City for investment. By doing this, the City can actually reach more people with less resources.

Action 65

Expand investment attraction reach

Partner with other organizations (i.e. Linx BC) to expand reach

Action 66

Direct targeting marketing

Direct targeting marketing efforts at desirable businesses that fit within Nanaimo's competitive strengths

Action 67

Airport lands

Work with airport to market available lands and leasing opportunities

Action 68

Marketing collateral

Design and create marketing materials specific to target industries

Action 69

Marketing missions

Identify appropriate marketing missions and participate in them

18. Support the expansion of the community's transportation infrastructure

The fact that Nanaimo is an island community is something that will never change. The possibility of a bridge connecting Vancouver to Nanaimo is slim and as such leaves the main transportation to the mainland to be BC Ferries. This however, can also be an advantage for Nanaimo due to its Central location to the rest of the island making it an ideal location for distribution. The movement of goods and people is critical for all of Vancouver Island and as such, Nanaimo needs to work closely with BC Ferries to ensure an adequate level of service.

Nanaimo has been pursuing a foot ferry service between downtown Nanaimo and Vancouver. Companies have tried this service and failed however the City would still like to see this considered once again. In order to demonstrate this as a need the City should complete a feasibility study that shows how this can work for the private sector and also may want to consider what partnership opportunities the City may take.

Transportation, including public transportation, is one the primary issues facing the growth of many companies. The issue of public transportation to industrial and commercial areas can help determine whether a company will establish in a community or not. Efforts must be taken when working with new and existing developments that public transportation needs are taken into consideration.

Action 70

Fast ferry

Complete a feasibility study for a foot passenger ferry

Action 71

Current and future transportation involvement

Continue to be involved and work with city departments and outside agencies regarding current and future transportation needs

Action 72

Transportation advocacy

Advocate provincially and regionally for improvements to the transportation network to enhance the economic prosperity of Nanaimo

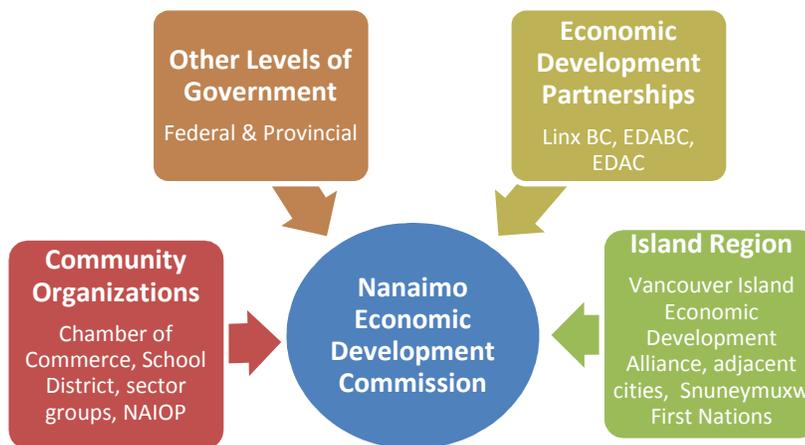
19. Enhance partnerships and relationships with regional, provincial and national partners

The success of this strategy and future strategies will depend on Nanaimo's willingness to develop strategic partnerships to help achieve positive results. It is imperative that the new economic development officer maintain existing partnerships as well as work to align new, broad-based partnerships that increase the City's identity, build on strengths, and address barriers to growth and the mobilization of resources.

While the City has committed to providing a mandate to a new Economic Development Commission it must also recognize that economic development is a shared responsibility. Sharing of best practices, building networks of support and open cooperation with numerous cities, regions and agencies will help lead the community success.

At one time, people had boundaries where the city limits stopped and where the outlying region lines were drawn but today those boundaries have much less significance when it comes to economic development. A key to economic development now is new partnerships and regionalism, and there are many opportunities for Nanaimo to strengthen or create new partnerships and adopt a more regionalized approach to economic development.

A partnership with Snuneymuxw First Nation is a critical step that must be taken to ensure that new development can proceed with their full support and assistance. First Nation communities can provide employees for new business and as well potential land for development. Communities like Osoyoos and Kelowna have developed strong working relationships with neighbouring First Nation communities. Both the First Nations and local governments receive mutually beneficial outcomes as a result of these relationships.



Nanaimo clearly has a number of unique characteristics that can make it the number one place in the immediate region as a place to live, work and invest. These characteristics need to be marketed and at the same time need to be shared amongst partners in order to help alleviate some of the hurdles that can lead to the City not achieving its goals and objectives.

Action 73

Introduce EDO to Provincial Ministry(s)

Arrange meetings to introduce the new EDO to the Ministry of Tourism, Trade & Investment

Action 74

Develop other partnerships

Identify other key ministries and staff and arrange meetings to discuss initiatives and potential opportunities

Action 75

Economic development memberships

Maintain or acquire membership in economic development associations

Action 76

Economic development conferences

Attend annual national and provincial conferences to build and maintain relationships and networks

Action 77

Regular meetings with Snunuymuxw First Nation

Maintain regular meetings with Snunuymuxw First Nation Chief and Administration to identify potential joint projects

Action 78

Electronic newsletter

Distribute regular newsletter/community to local business sharing information gathered from government agencies on programs that will assist them in meeting goals (Action 13)

20. Strengthen communications between Mayor and Council and the business community

The Mayor of any community can be seen as the one person who has the ability to influence positive change. The business community looks upon the Mayor as someone who should be listening to their concerns and where possible, address them. They also want to feel that the Mayor and Council value the economic impact that they are making in the community. Bringing businesses in on a regular basis in a casual setting to allow for the sharing of information and to gather input is an excellent tool in relationship building between the Council and the companies that employ local residents.

Action 79

Breakfast with the Mayor

Invite local businesses, real estate & development community to a quarterly Mayor's breakfast

Action 80

Mayor's Economic Development Summit

Host an annual Mayor's economic development summit for the community at large. The first meeting could focus on releasing BR&E survey results (Action 20)

Performance Indicators
Ensure a dynamic web presence focused on both attraction and retention separate from the City site
<ul style="list-style-type: none"> • New website develop • Number of hits to website • Increased leads
Direct marketing efforts at desirable industries/businesses that fit Nanaimo's competitive advantages
<ul style="list-style-type: none"> • Increased involvement in the marketing of airport lands • Number of leads for new business development • Identification of new lands for development • New commercial and industrial development • Number of activities participated in, with Linx BC
Support the expansion of the community's transportation infrastructure
<ul style="list-style-type: none"> • Feasibility study of fast ferry • Marketing plan to attract private sector to establish fast ferry service • Fast ferry service to Vancouver (if feasible)
Enhance partnerships and relationships with regional, provincial and national partners
<ul style="list-style-type: none"> • Membership in economic development associations • Participation in annual conferences for educational and networking activities • Number of projects partnered on • Number of meetings with provincial and federal agencies involved in investment promotion • Number of inquiries sent to Nanaimo by federal and provincial agencies • Number of programs shared with local businesses • Number of federal and provincial programs pursued by local businesses • Partnerships pursued in conjunction with neighbouring communities • Number of leads shared by neighbouring communities
Strengthen communications between Mayor and Council and the business community
<ul style="list-style-type: none"> • Increased support for Council

Summary of Actions

<p>Establish an Effective and Sustainable Economic Development Program</p>	<p>Hire a full-time, senior level EDO</p> <p>Complete a best practices review of economic development agencies of similar sized communities</p> <p>Review current economic development structure</p> <p>Policies and Procedures Manual</p> <p>Professional Development</p> <p>Create Board Manual</p> <p>Monthly activity reports</p> <p>Island-wide economic development training/education program</p> <p>Review current board for 2012</p> <p>Assess Board appointee process to include industry/sectors</p> <p>Host Board meetings at local businesses</p> <p>Meet with representatives from other key agencies on a quarterly basis</p> <p>Electronic newsletter</p> <p>Quarterly economic development reports to Council</p> <p>Involve senior staff in specific economic development initiatives</p> <p>Participate in senior level management meetings</p> <p>Identify ways to promote economic development</p> <p>Welcome letter to new businesses</p> <p>Utilize social media to focus on economic development</p> <p>Contact local and regional media to become a regular contributor</p> <p>Utilize BR&E results and Business Visitation program to submit business success stories and increase public awareness</p>
<p>Expand and Diversify Employment Opportunities</p>	<p>Evaluate technology designed specifically for BR&E</p> <p>Benchmark business survey</p> <p>Business Visitation Program</p>

Internal review

“Fast Track” process

Best practice review

Innovation Business Incubator

Develop a How-To start up guide for business and entrepreneurs

Develop an informative series about how to start a business

Entrepreneurial education program

Include entrepreneurial information and links to economic development website and newsletter

Recruitment package to assist companies in attracting high level staff

Involve VIU in creating and administrating a student survey of attitudes about living in Nanaimo

Develop specific workforce questions in BR&E

Promote skill set demanded by target industries to unemployed and underemployed individuals

Distribute positive information about Nanaimo as a good place to live and work to VIU students

Organize meetings between VIU and employment/ training providers with local employers to discuss future needs of labour force

Include information about VIU research and training programs in industry-specific marketing materials

Include VIU and school district representatives in economic development board and initiatives

Hotel attraction

Cruise ship marketing strategy

Cruise ship terminal welcome centre strategy

Service review of existing tourism agencies and functions

Support existing and encourage development of new and/or unique tourism businesses

Arts and culture facilities in community

<p>Ensure that Nanaimo is seen as the most friendly place to do business</p>	<ul style="list-style-type: none"> Develop an “after care” program for new companies Organize meetings between local developers, economic development and appropriate senior level City departments Organize bi-annual tour for real estate agencies to promote opportunities Include information about Nanaimo pro-business and development friendly attributes Investigate shovel-ready certification process Redevelopment zone designation Market to commercial property owners Develop a Charrette planning session for downtown Establish downtown area as a strength for tourism Proactively develop an appropriate business mix in the downtown core Create a new green industrial zone Implement recommendations from the Investment Readiness Assessment Report Ensure ongoing updates, reviews and evaluation of investment readiness is completed Re-assess investment readiness
<p>Increase Nanaimo’s Image as a Destination for Opportunities</p>	<ul style="list-style-type: none"> Start the process to create a dynamic web presence Website design and site map Expand and increase web content Maintain and update website information Partner with other organizations and agencies to expand investment attraction reach Direct target marketing efforts at desirable businesses that fit Nanaimo’s competitive strengths Work with Airport to market available lands and leasing opportunities Marketing collateral Participate in marketing missions

Fast ferry

Transportation infrastructure involvement

Transportation advocate

Introduction of EDO to Ministry of Tourism, Trade & Investment

Identify other key ministries

Economic development associations

Attend annual national and provincial conferences

Maintain regular meetings with First Nations

Distribute regular newsletters/communications

Breakfast with the Mayor

Annual Mayor's Economic Development Forum

Implementation Plan

This Implementation Plan is based around four broad objectives, all aimed at cultivating sustained economic prosperity for the City of Nanaimo. Objective One includes strategies designed to highlight and enhance the current economic development function within Nanaimo. Objective Two includes strategies designed to better understand and work with existing businesses to prepare for future opportunities. Objective Three includes strategies focused on improving Nanaimo's competitiveness and investment readiness. Objective Four includes strategies to increase opportunities within the City of Nanaimo. All four objectives are driven by two economic development goals:

1. Continued improvement of Nanaimo as a place to live, work and invest
2. Creation of a desirable business environment for entrepreneurs and high growth companies

This Implementation Plan is structured in the following way. The first section contains a summary table of actions organized by short-term, medium-term and long-term timelines. The section following provides details of the implementation plan including specific actions, responsibilities, funding sources, timelines, budget and performance measures.

Responsibility for implementing the actions in this report will depend on the hiring of a new full time, senior level Economic Development Officer. Without this leadership and a long-term commitment to economic development, success is not a guarantee.

Summary of Objectives and Actions

The Economic Development Strategy is composed of four key objectives:

1. Establish an Effective and Sustainable Economic Development Program
2. Expand and Diversify Employment Opportunities
3. Increase Nanaimo's Image as a Destination for Opportunities
4. Establish Nanaimo as a Leading Investment Destination

From these four objectives 20 strategies have been identified. Each strategy contains actions intended to maximize attainment of the overall objectives for the City of Nanaimo. The actions are not necessarily sector specific but instead comprised of work that will create and enhance business retention and business attraction efforts and will contribute to an increased investment and competitive environment for Nanaimo.

It is important for the City of Nanaimo to act upon a number of the activities immediately while others can be implemented at a slower pace. Therefore, each action is assigned a priority ranking.

- Level One: High priority and should be completed within six to twelve months
- Level Two: Medium priority and should be completed within twelve to eighteen months
- Level Three: Lower priority that focus on long-term goals and ongoing economic development commitments

The following are the actions that have the highest ranking and should be immediately acted upon once approval of the strategy document is received.

Level One – Summary of High Priority Action Items

1. Strengthen the Economic Development function for the City of Nanaimo	<ul style="list-style-type: none"> Hire a full time, senior level Economic Development Officer Complete a best practices review of economic development agencies of similar sized communities Review current economic development structure
2. Support NEDC roles and responsibilities	<ul style="list-style-type: none"> Create Board Manual
3. Position economic development program as high level visible activity in community	<ul style="list-style-type: none"> Meet with representatives from other local key agencies on a quarterly basis
5. Re-establish a Business Retention and Expansion (BR&E) program	<ul style="list-style-type: none"> Evaluate technology designed specifically for BR&E
6. Ensure a favourable policy and environment to business development exists	<ul style="list-style-type: none"> Internal Review
7. Encourage entrepreneurship and business start-up	<ul style="list-style-type: none"> Business incubator
15. Elevate Nanaimo's competitive advantage by improving investment readiness	<ul style="list-style-type: none"> Implement recommendations from the Investment Readiness Assessment Report
16. Ensure a dynamic web presence focused on both attraction and retention separate from the City site	<ul style="list-style-type: none"> Start the process to create a dynamic web presence
17. Direct marketing efforts at desirable industries/businesses that fit Nanaimo's competitive advantages	<ul style="list-style-type: none"> Partner with other organizations or agencies to expand investment attraction reach Direct target marketing efforts at desirable businesses that fit Nanaimo's competitive strengths

Objective One

Establish an Effective and Sustainable Economic Development Program

For economic development to be successful, the City of Nanaimo needs to take some clear steps to ensure the program is effective and sustainable. The economic development program must build awareness to promote their initiatives out to the community and build support to further achievement of the goals and objectives.

1. Strengthen the Economic Development function for the City of Nanaimo

Action – Level One	Timelines	Budget	Partner	Responsibility
Hire a full-time, senior level EDO <ul style="list-style-type: none"> • Complete salary review based on similar sized communities • Prepare job description • Advertise position and interview • Hire candidate 	January	\$20,000		City staff
Complete a best practices review of economic development agencies of similar sized communities <ul style="list-style-type: none"> • Identify communities • Research best practices using specific community websites, provincial associations, national agencies (EDAC, IEDC) • Identify practices for Nanaimo to adopt 	March	Minimal if prepared by staff – \$10,000 if prepared by consultant		EDO
Review current economic development structure <ul style="list-style-type: none"> • Hire consultant to review current structure, identify optional structures including costs and make recommendations 	March	\$6,000		EDO
Action – Level Two				
Policies and Procedures manual (visits, inquiries, reporting, etc.) <ul style="list-style-type: none"> • Using best practices (above) to adopt policies and procedures • Develop a manual for staff 	June	Minimal if prepared by staff		EDO
Action – Level Three				
Professional Development <ul style="list-style-type: none"> • Identify seminars, workshops, conferences to attend: <ul style="list-style-type: none"> ○ Provincial Association (EDABC) ○ National and International (EDAC, IEDC) ○ Other (C2ER, SFU) 	Ongoing	\$10,000 (based on 3 staff)		EDO

2. Support NEDC roles and responsibilities

Action – Level One	Timelines	Budget	Partner	Responsibility
Create Board Manual <ul style="list-style-type: none"> • Establish annual meeting schedule • Create appropriate bylaws • Establish Code of Ethics • List of Board Members and their role 	January			EDO/staff
Action – Level Two				
Monthly Activity Reports <ul style="list-style-type: none"> • Develop a monthly template for updating Board members on current activities of the economic development office 	Monthly – Ongoing			EDO/staff
Island-wide economic development training/ education program: <ul style="list-style-type: none"> • Review current status of initiative • Establish (or re-establish) a working committee comprised of economic development, education and government • Develop course outline (may require outside consultant) • Determine next steps 	March March September September	TBD	VIU	EDO
Action – Level Three				
Review current board for 2012 <ul style="list-style-type: none"> • Assess current board members (who's staying, who's going) and the need to attract new members • Assess board appointee process <ul style="list-style-type: none"> ○ Include sector specific representation 	November			EDO/staff
Host Board meetings at local businesses – every quarter host the monthly meeting at a local company's boardroom – provide opportunity for company to give presentation to the board on their operations, including a tour of the facilities	Quarterly			EDO

3. Position economic development program as high level, visible activity in community

Action – Level One	Timelines	Budget	Partner	Responsibility
Meet with representatives from other local key agencies on a quarterly basis: <ul style="list-style-type: none"> • Nanaimo Airport • Port Authority • Snuneymuxw First Nation • Downtown association • Tourism • Chamber of Commerce • Community Futures • MISTIC • VIU 	Quarterly			EDO

Action – Level Two				
Electronic newsletter:		\$2,000		EDO/staff
<ul style="list-style-type: none"> Determine if newsletter will be done in-house or contracted out 	February			
<ul style="list-style-type: none"> Define objectives, timing and distribution of newsletter 	February			
<ul style="list-style-type: none"> Utilize existing database(s) to send out newsletter as you expand list 	March			
<ul style="list-style-type: none"> Design newsletter 	March			
<ul style="list-style-type: none"> Utilize media sources to publicize 	March			
<ul style="list-style-type: none"> Distribute newsletter 	Ongoing			
Quarterly economic development report to Council:				EDO/staff
<ul style="list-style-type: none"> Design a template for reporting activities 	March			
<ul style="list-style-type: none"> Prepare quarterly and include in council packages 	Quarterly			
Involve Senior staff in specific economic development initiatives (i.e. BR&E)	Ongoing			EDO
Participate in Senior Level Management meetings	Ongoing			
Action – Level Three				
Identify ways to promote economic development:	Ongoing			EDO
<ul style="list-style-type: none"> Identify agencies and organizations for speaking engagements 				
<ul style="list-style-type: none"> Establish a speaking schedule 				
Welcome letter to new business	Ongoing			
<ul style="list-style-type: none"> Create welcome letter for all new businesses providing information on services 				
<ul style="list-style-type: none"> Distribute to new businesses as required 				

4. Educate community on importance of economic development

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Utilize social media to focus on economic development: <ul style="list-style-type: none"> • Establish an account on Twitter, specific to economic development • Expand awareness of economic development initiatives through Facebook • Post videos of community activities with a focus on business/economic development on YouTube • Assign staff or volunteer program to ensure accounts/posts are updated regularly 	3 rd or 4 th quarter activity	Minimal		EDO/staff
Contact local and regional media to become a regular contributor (i.e. monthly column)	3 rd or 4 th quarter	N/A		EDO
Action – Level Three				
Utilize BR&E results and Business Visitation program to submit business success stories and increase public awareness	Ongoing	N/A		EDO

Objective Two

Expand and Diversify Employment Opportunities

A community's lack of understanding of the struggles and needs of their existing business base can have a negative effect on the local economy and can be detrimental to the community's ability to attract investment. To help the City of Nanaimo and its existing businesses understand one another, re-establishment of the Business Retention and Expansion (BR&E) program is considered to be a cornerstone. An improved and ongoing working relationship between local leaders and the business community will facilitate the retention and expansion of businesses and create a more positive business environment overall.

5. Re-establish a Business Retention and Expansion (BR&E) program

Action – Level One	Timelines	Budget	Partner	Responsibility
Evaluate technology designed specifically for BR&E: <ul style="list-style-type: none"> • Research available programs and compare to existing Synchronist program • Seek out provincial partnership in funding (EDABC) • Purchase new program if applicable 	January	\$5,000		EDO/staff
Action – Level Two				
Benchmark Business Survey: <ul style="list-style-type: none"> • Determine if survey will be done in-house or contracted • Define survey method – telephone, online, mail • Define how to deliver results to community – media release, host public forum, newsletter • Draft survey questions • Inform public and business community of survey purpose, distribution and timing • Distribute survey • Collate survey results • Survey findings report • Dissemination of findings through chosen methods(s) 	June June June July/August September October October/November November	\$15,000		EDO/staff
Action – Level Three				
Business Visitation Program – utilize the benchmark survey findings to develop a visitation program to be started in 2012: <ul style="list-style-type: none"> • Assess value of dedicating one staff member to visit 100 businesses annually 	2012	TBD		EDO

6. Ensure a favourable policy and environment to business development exists

Action – Level One	Timelines	Budget	Partner	Responsibility
Internal review: <ul style="list-style-type: none"> • Complete a review of internal processes and costs • Complete comparisons to communities of similar sizes • Define how information will be disseminated • Communicate information to community • Conduct review on an annual basis 	January/February January/February March March Annual	Staff time		EDO/staff
Action – Level Two				
“Fast Track” process: <ul style="list-style-type: none"> • Meet with City department(s) to review current process • Together with City department(s), define a realistic and achievable process • Release information to public 	March March/April April	Staff time		EDO/staff
Action – Level Three				
Best practice review: <ul style="list-style-type: none"> • Utilize NAIOP annual survey to determine best practices. 	Annual	Staff time		Edo/staff

7. Encourage entrepreneurship and business start-up

Action – Level One	Timelines	Budget	Partner	Responsibility
Innovation Business Incubator <ul style="list-style-type: none"> Review best practices on Business Incubation Develop a "draft" business plan Survey potential clients Develop partnerships with VIU, Government of BC (Rural BC Secretariat), Government of Canada Identify location of facility (VIU) Identify programs to offer Develop criteria for qualifying companies Develop a Venture Capital Network (VCN) 	March March June June June September September December		VIU MISTIC Community Futures Ministry(s) Private industry	EDO
Action – Level Two				
Develop a how-to start up guide for businesses and entrepreneurs: <ul style="list-style-type: none"> Research other start up guides Design and develop a guide (in-house) Promote through media and website 	June June June	N/A	Community Futures	EDO/staff
Develop an informative series about how to start a business: <ul style="list-style-type: none"> Look for partnerships (i.e. Community Futures) Work with local media/newspaper to run series of articles 	September	N/A	Community Futures	EDO
Action – Level Three				
Entrepreneurial education programs: <ul style="list-style-type: none"> Meet with School District and VIU to develop program Research other communities and what is being done (i.e. Kelowna's Young Entrepreneur Program and Dragon's Den) 	4 th quarter/ 2012	TBD	School District VIU	EDO
Include entrepreneurship information and links to economic development website and include relevant information in electronic newsletter	Ongoing	N/A		EDO/Staff

8. Support VIU and other employment/training providers to prepare labour force

Action – Level One	Timelines	Budget	Partner	Responsibility
Recruitment Package to assist companies to attract high level staff: <ul style="list-style-type: none"> Identify information to include in recruitment/relocation package (i.e. education, health, social, recreation, economic, etc.) Identify partners to participate and provide information Develop recruitment package Communicate package to business community 	March March April May	TBD depends on if done in-house or contracted out	Hospital School District VIU Real Estate	EDO/Staff
Action – Level Two				
Involve VIU in creating and administrating a student survey of attitudes about living in Nanaimo: <ul style="list-style-type: none"> Approach VIU Approach Nanaimo's Youth Services Association 	September September	Staff time	VIU	EDO/staff
Develop specific workforce questions in BR&E survey	December			
Promote skill set demanded by target industries to unemployed and underemployed individuals	Ongoing			
Action – Level Three				
Distribute positive information about Nanaimo as a good place to live and work to VIU students	2012	TBD		EDO
Organize meetings between VIU and employment/ training providers with local employers to discuss future needs of labour force	4th quarter/2012	N/A		EDO/staff
Include information about VIU research and training programs in industry-specific marketing materials	4 th quarter/2012	N/A		EDO/staff
Include VIU and school district representatives in economic development board and initiatives (i.e. BR&E)	Ongoing	N/A		EDO

9. Continue to support and expand the tourism industry

Action – Level One	Timelines	Budget	Partner	Responsibility
Hotel Attraction: <ul style="list-style-type: none"> • Complete and update feasibility study for hotel • Review options to create a larger development site than what is currently proposed • Market to hotel development companies 	April April Ongoing			
Action – Level Two				
Cruise Ship Marketing Strategy <ul style="list-style-type: none"> • Contract with a consulting agency to develop a long term strategy to attract Cruise Ships to new terminal 	June	\$20,000	Tourism Nanaimo, Nanaimo Port Authority, Snuneymuxw First Nations	EDO/staff
Cruise Ship Terminal Welcome Centre Strategy <ul style="list-style-type: none"> • Designate land as redevelopment zone • Establish Private Sector and other partnerships • Contract with a consulting firm to develop conceptual plans for an open-air welcome centre to be utilized when cruise ships arrive. • Identify "activity" options for guests arriving on Cruise Ships 	June	\$15,000	Tourism Nanaimo, Nanaimo Port Authority, Snuneymuxw First Nations, Nanaimo RD, Cowichan RD	EDO/staff
Action – Level Three				
Service review of existing tourism agencies and functions	2012	TBD		EDO
Support existing and encourage development of new and/or unique tourism businesses	Ongoing	N/A		EDO/staff

10. Support the growth of the Arts and Culture sector

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Action – Level Three				
Arts and culture facilities in the community: <ul style="list-style-type: none"> • Establish an Arts & Culture working committee • Establish list of existing facilities/businesses • Complete Arts & Culture feasibility study 	2012	TBD		EDO

Objective Three

Establish Nanaimo as a Leading Investment Destination

Communities need to be ready for investment when the opportunity arises. In order for Nanaimo to be seen as a leading investment destination, improvements to its investment readiness must be made. It is also important for Nanaimo to ensure it has a pro-business environment and is seen as a business and development friendly community.

11. Ensure that Nanaimo is seen as the most business friendly place to do business

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Develop an "Aftercare" program for new companies establishing in Nanaimo <ul style="list-style-type: none"> • Establish an "Aftercare" team consisting of EDO, staff and other senior managers within City • Host a meet and greet at company offices for Mayor and Council • Establish regular discussions with company for first year to determine that they are adjusting to new location 	September Ongoing Ongoing	Staff time		EDO/Staff
Action – Level Three				
Organize meetings between local developers, economic development and appropriate senior level City departments (i.e. planning) to understand needs, frustrations and successes	3 rd quarter/ Ongoing	N/A		EDO
Organize bi-annual tour for real estate agencies (local, Island and Vancouver) to promote opportunities <ul style="list-style-type: none"> • Identify participants and partners • Define objectives • Schedule tour locations and dates 	4 th quarter	TBD		EDO
Include information about Nanaimo pro-business and development friendly attributes in industry-specific marketing materials				
Investigate shovel-ready certification process	2012	N/A		EDO/Staff

12. Establish revitalization zones to provide tax incentives to new or redeveloped facilities

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Redevelopment Zone designation: <ul style="list-style-type: none"> Identify “core” area to be considered for designation (i.e. downtown) Review examples from other communities who have implemented program Prepare report for consideration by Council Apply to Province of BC for approval 	April April May May	N/A		EDO
Action – Level Three				
Market to commercial property owners: <ul style="list-style-type: none"> Prepare a marketing sheet for distribution to property owners to promote the availability of the program Host a reception of property owners to show plans and to talk about the opportunity 	September September	\$1,000 \$1,000		EDO

13. Develop Downtown as an important catalyst for economic development in Nanaimo

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Develop a Charrette planning session for downtown Nanaimo: <ul style="list-style-type: none"> • Host a Charrette exercise for downtown • Identify partners • Identify all downtown stakeholders • Determine if in-house or contract • Determine meeting date(s) and place • Create invitation and distribute • Communicate through media • Host vision exercise • Send thank you letters to participants • Write or receive report • Adopt vision • Communicate through media 	April/May April April April/May May May May/June June June July/August September September	\$10,000 Vancouver Island Trust may fund		EDO
Action – Level Three				
Establish downtown area as a strength for tourism: <ul style="list-style-type: none"> • Prepare marketing material highlighting activities and events in downtown Nanaimo 	4 th quarter/2012	TBD		EDO
Proactively develop an appropriate business mix in the downtown core: <ul style="list-style-type: none"> • Prepare marketing materials highlighting opportunities for development in downtown, including: <ul style="list-style-type: none"> ○ Information on tax incentives ○ Available space ○ Listing of existing businesses 	4 th quarter/2012	TBD		EDO

14. Establish a new green industry park

Action – Level One	Timelines	Budget	Partner	Responsibility
Create a new Green Industrial Zone <ul style="list-style-type: none"> • Identify Land for designation • Consult with the Canada Green Building Council to identify components of Green Certification for the new Industrial Park • Develop new "Green Industrial Zone" • Determine suitable uses • Establish an incentive program that will be used to encourage companies to establish in the zone (DCC's, taxation, etc) • Develop partnerships with others to promote the use (BC Hydro Economic Development Division) 	June			EDO
Action – Level Two				
Action – Level Three				

15. Elevate Nanaimo's competitive advantage by improving investment readiness

Action – Level One	Timelines	Budget	Partner	Responsibility
Implement recommendations from the Investment Readiness Assessment Report: <ul style="list-style-type: none"> • Determine priorities from report and link to actions in economic development strategy implementation plan • Expand economic development capacity • Update and provide additions to community profile • Implement specific site selector, inquiry and follow up procedures 	January January March June	TBD		EDO/Staff
Action – Level Two				
Ensure ongoing updates, review and evaluation of investment readiness is completed	Ongoing			
Action – Level Three				
Re-assess Investment Readiness for the City of Nanaimo	2012	\$3,500		EDO

Objective Four

Increase Nanaimo's Image as a Destination for Opportunities

The efforts of economic development organizations and local governments, combined with effective marketing programs, position communities for economic success. Marketing improves awareness, creates demand and drives growth. As economic competition continues to intensify, efforts of creating coordinated economic development and marketing messages on the opportunities that exist in your community are increasingly important.

16. Ensure a dynamic web presence focused on both attraction and retention is separate from the City site

Action – Level One	Timelines	Budget	Partner	Responsibility
Start the process to create a dynamic web presence: <ul style="list-style-type: none"> • Create a website committee to receive input and direction on a new website focused entirely on economic development – not just a sub-page off the City's website • Establish own website domain name – register name 	January January/February	minimal		EDO/Staff
Action – Level Two				
Website design and site map: <ul style="list-style-type: none"> • Hire a website designer • Review other economic development websites for ideas and best practices • Work with website designer and website committee to determine design 	February/March February/March March/April	\$15,000		EDO/Staff
Expand and increase website content: <ul style="list-style-type: none"> • Determine if content will be created/ written in house or contracted out • Work with website committee to define content • Collect data for content • Submit content and review draft(s) of website • Finalize website design and content • Communicate new website to media and community 	February/March March/April April/May May/June June June	above		EDO/Staff
Action – Level Three				
Maintain and update website information	Ongoing	N/A		EDO/Staff

17. Direct marketing efforts at desirable industries/businesses that fit Nanaimo's competitive advantages

Action – Level One	Timelines	Budget	Partner	Responsibility
Partner with other organizations or agencies to expand investment attraction reach: <ul style="list-style-type: none"> Continue membership with Linx BC Investigate regional partnerships to expand reach 		\$5,000		
Direct target marketing efforts at desirable businesses that fit Nanaimo's competitive strengths: <ul style="list-style-type: none"> Develop a "prospect list" of companies that appears to be potential investment attraction targets Make personal contact with prospective companies 	June	Minimal		EDO/Staff
Action – Level Two				
Work with Airport to market available lands and leasing opportunities: <ul style="list-style-type: none"> Create partnership with Nanaimo Airport Authority Establish contract with commercial real estate firm 	May June	Minimal	Airport	EDO
Marketing collateral: <ul style="list-style-type: none"> Identify specific requirements for targets Design and create marketing materials as required Ensure tie-in with web site 	September October Ongoing	Minimal if done in-house		EDO/Staff
Action – Level Three				
Participate in marketing missions	2012	TBD		EDO

18. Support the expansion of the community's transportation infrastructure

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Fast Ferry: <ul style="list-style-type: none"> • Complete a fast ferry feasibility study • Create a plan determined by the study findings • Communicate and disseminate information 	April April April/May	TBD		EDO/Staff
Action – Level Three				
Continue to be involved and work with City departments and outside agencies regarding current and future transportation needs (i.e. BC Ferries, Nanaimo Transit, etc.)	Ongoing	N/A		EDO
Advocate provincially and regionally for improvements to the transportations network to enhance the economic prosperity of Nanaimo	Ongoing	N/A		EDO/staff

19. Enhance partnerships and relationships with regional, provincial and national partners

Action – Level One	Timelines	Budget	Partner	Responsibility
Action – Level Two				
Arrange meetings to introduce new EDO to the Ministry of Tourism, Trade & Investment: <ul style="list-style-type: none"> • Staff in the Investment Division • BC In Market Representatives (International Markets) • Staff in Provincial Nominee Program 	June	N/A		EDO
Identify other key ministries and staff and arrange meetings to discuss initiatives and potential opportunities for relationships and partnerships	June	N/A		EDO
Action – Level Three				
Maintain or acquire memberships in economic development associations: <ul style="list-style-type: none"> • Linx BC • EDAC • EDABC • IEDC • C2ER 	Ongoing	TBD		EDO
Attend annual national & provincial conferences	Ongoing	N/A		EDO/staff
Maintain regular meetings with Snuneymuxw First Nation Chief and Administration to identify potential joint projects	Ongoing	N/A		EDO
Distribute regular newsletter/communication to local business sharing information gathered from government agencies on programs that will assist them in meeting goals	Ongoing	N/A		EDO

20. Strengthen communications between Mayor and Council and the business community

Action – Level One	Timelines	Budget	Partner	Responsibility
Breakfast with the Mayor at City Hall <ul style="list-style-type: none"> • Invite local business, real estate & development community 	Quarterly			
Action – Level Two				
Action – Level Three				
Annual Mayor's Economic Development Forum: <ul style="list-style-type: none"> • Define what the forum will do - for example, use first forum to release the BR&E survey results 	2012	TBD		EDO

Appendix A: INDUSTRY DEFINITIONS

This appendix shows the definitions for each of the sectors' profiles in the Economic Base Analysis Section of the report. The definitions are based on the North American Industry Classification System (NAICS) and were used to calculate the census employment data.

Sector	NAICS Code and Description	Percentage Included
1. Forest Sector	113 Forestry and logging	100%
	1153 Support activities for forestry	100%
	321 Wood product manufacturing	100%
	322 Paper manufacturing	100%
	337 Furniture and related product manufacturing	100%
2. Mining Sector (including Oil and Gas)	211 Oil and gas extraction	100%
	212 Mining (except oil and gas)	100%
	213 Support activities for mining and oil and gas extraction	100%
	219 Mining – Unspecified	100%
	324 Petroleum and coal products manufacturing	100%
	327 Non-metallic mineral product manufacturing	100%
	331 Primary metal manufacturing	100%
3. Fishing Sector	114 Fishing, hunting and trapping	100%
	3117 Seafood product preparation and packaging	100%
4. Agriculture and Food	111-112 Farms	100%
	1150 Support activities for farms (1151 to 1152)	100%
	3111 Animal food manufacturing	100%
	3112 Grain and oilseed milling	100%
	3113 Sugar and confectionery product manufacturing	100%
	3114 Dairy product manufacturing	100%
	3115 Dairy product manufacturing	100%
	3116 Meat production manufacturing	100%
	3118 Bakeries and tortilla manufacturing	100%
	3119 Other food manufacturing	100%
	312 Beverage and tobacco product manufacturing	100%
5. Construction	23 Construction	100%
6. Non-resource Manufacturing	313 Textile mills	100%
	314 Textile product mills	100%
	315 Clothing manufacturing	100%
	316 Leather and allied product manufacturing	100%
	323 Printing and related support activities	100%
	325 Chemical manufacturing	100%
	326 Plastics and rubber products manufacturing	100%

Nanaimo 2011

Economic Development Strategy Report

	332 Fabricated metal product manufacturing	100%
	333 Machinery manufacturing	100%
	334 Computer and electronic product manufacturing	100%
	335 Electrical equipment, appliance and component manufacturing	100%
	336 Transportation equipment manufacturing	100%
	339 Miscellaneous manufacturing	100%
7. Utilities (including Energy)	22 Utilities	100%
8. Tourism (estimate, based on BC Stats definition)	41 Wholesale trade	5.0%
	4412 Other motor vehicle dealers	57.6%
	4421 Furniture stores	0.5%
	4422 Home furnishings stores	0.5%
	4431 Electronics and appliance stores	0.6%
	4451 Grocery stores	7.5%
	4452 Specialty food stores	7.5%
	4453 Beer, wine and liquor stores	5.0%
	4461 Health and personal care stores	6.2%
	447 Gasoline stations	15.2%
	4481 Clothing stores	7.0%
	4482 Shoe stores	10.0%
	4483 Jewellery, luggage and leather goods stores	22.5%
	4511 Sporting goods, hobby and musical instrument stores	4.4%
	4512 Book, periodical and music stores	5.0%
	4521 Department stores	10.0%
	4529 Other general merchandise stores	7.5%
	4532 Office supplies, stationery and gift stores	22.8%
	4533 Used merchandise stores	5.0%
	4539 Other miscellaneous store retailers	12.8%
	4542 Vending machine operators	5.0%
	481 Air transportation	82.2%
	482 Rail transportation	2.5%
	483 Water transportation	6.8%
	4851 Urban transit systems	3.5%
	4852 Interurban and rural bus transportation	100.0%
	4853 Taxi and limousine service	34.3%
	4855 Charter bus industry	100.0%
	4859 Other transit and ground passenger transportation	50.0%
	4871 Scenic and sightseeing transportation, land	80.0%
	4872 Scenic and sightseeing transportation, water	80.0%
	4879 Scenic and sightseeing transportation, other	80.0%
	491 Postal service	5.0%
	4921 Couriers	5.0%

Nanaimo 2011

Economic Development Strategy Report

	5121 Motion picture and video industries	1.3%
	5171 Wired telecommunications carriers	2.1%
	5172 Wireless telecommunications carriers (except satellite)	2.1%
	5173 Telecommunications resellers	2.1%
	5174 Satellite telecommunications	2.1%
	5221 Depository credit intermediation	0.5%
	5222 Non-depository credit intermediation	0.1%
	524 Insurance carriers and related activities	2.0%
	5311 Lessors of real estate	0.5%
	5321 Automotive equipment rental and leasing	56.0%
	5322 Consumer goods rental	3.1%
	5615 Travel arrangement and reservation services	99.0%
	5619 Other support services	9.0%
	6112 Community colleges and CEGEPs	0.4%
	6113 Universities	0.4%
	6114 Business schools and computer and management training	0.4%
	6115 Technical and trade schools	0.4%
	6116 Other schools and instruction	2.2%
	622 Hospitals	1.7%
	7111 Performing arts companies	19.0%
	7112 Spectator sports	8.1%
	7113 Promoters (presenters) of performing arts, sports and similar events	8.1%
	7115 Independent artists, writers and performers	20.0%
	7121 Heritage institutions	33.0%
	7131 Amusement parks and arcades	13.7%
	7132 Gambling industries	7.5%
	7139 Other amusement and recreation industries	31.6%
	7211 Traveller accommodation	95.0%
	7212 RV (recreational vehicle) parks and recreational camps	97.5%
	7221 Full-service restaurants	22.5%
	7222 Limited-service eating places	22.5%
	7223 Special food services	10.0%
	7224 Drinking places (alcoholic beverages)	22.5%
	8111 Automotive repair and maintenance	0.3%
	8114 Personal and household goods repair and maintenance	0.2%
	8121 Personal care services	1.5%
	8129 Other personal services	0.7%
	814 Private households	0.9%
	912 Provincial and territorial public administration	0.1%
9. High Technology (estimate, based on BC	3251 Basic chemical manufacturing	16.7%

Nanaimo 2011

Economic Development Strategy Report

Stats definition)		
	3254 Pharmaceutical and medicine manufacturing	100.0%
	3333 Commercial and service industry machinery manufacturing	100.0%
	334 Computer and electronic product manufacturing	100.0%
	3353 Electrical equipment manufacturing	33.3%
	3359 Other electrical equipment and component manufacturing	50.0%
	3364 Aerospace product and parts manufacturing	100.0%
	3391 Medical equipment and supplies manufacturing	100.0%
	5112 Software publishers	100.0%
	5121 Motion picture and video industries	50.0%
	5152 Pay and specialty television	100.0%
	5161 Internet publishing and broadcasting	100.0%
	5171 Wired telecommunications carriers	100.0%
	5172 Wireless telecommunication carriers (except satellite)	100.0%
	5173 Telecommunications resellers	100.0%
	5174 Satellite telecommunications	100.0%
	5175 Cable and other program distribution	100.0%
	5179 Other telecommunications	100.0%
	5181 Internet service providers, web search portals	100.0%
	5182 Data processing, hosting and related services	100.0%
	5413 Architectural, engineering and related services	50.0%
	5415 Computer systems design and related services	100.0%
	5416 Management, scientific and technical consulting services	20.0%
	5417 Scientific research and development services	100.0%
10. Transportation and Warehousing	48-49 Transportation and warehousing	100%
11. Retail and Wholesale Trade	41 Wholesale trade	100%
	44-45 Retail trade	100%
12. Finance, Insurance, Real Estate, Management and Administration	52 Finance and Insurance	100%
	53 Real estate and rental and leasing	100%
	55 Management of companies and enterprises	100%
	56 Administrative and support, waste management and remediation	100%
13. Professional, Scientific and Technical Services	54 Professional, scientific and technical services	100%
14. Retirement Living	No associated employment	100%
15. Health Care and Social Assistance	62 Health care and social assistance	100%

Nanaimo 2011

Economic Development Strategy Report

16. Education	61 Educational services	100%
17. Public Administration	91 Public administration	100%
18. Arts and Culture (estimate, based on Statistics Canada definition)	3231 Printing and related support activities	90%
	3271 Clay product and refractory manufacturing	25%
	3346 Manufacturing and reproducing magnetic and optical media	100%
	4144 Personal goods wholesaler-distributors	43%
	4511 Sporting goods, hobby and musical instrument stores	10%
	4512 Book, periodical and music stores	100%
	4539 Other miscellaneous store retailers	10%
	5111 Newspaper, periodical, book and directory publishers	80%
	5121 Motion picture and video industries	100%
	5122 Sound recording industries	80%
	5151 Radio and television broadcasting	100%
	5152 Bay and specialty television	100%
	5161 Internet publishing and broadcasting	100%
	5175 Cable and other program distribution	100%
	5191 Other information services	67%
	5322 Consumer goods rental	25%
	5413 Architectural, engineering and related services	25%
	5414 Specialized design services	100%
	5418 Advertising and related services	80%
	5419 Other professional, scientific and technical services	10%
	6116 Other schools and instruction	25%
	7111 Performing arts companies	100%
	7113 Promoters (presenters) of performing arts, sports and similar events	100%
	7114 Agents and managers for artists, athletes, entertainers and other public figures	100%
	7115 Independent artists, writers and performers	100%
	7121 Heritage institutions	100%
	8129 Other personal services	5%
	8132 Grant-making and giving services	20%
	8133 Social advocacy organizations	10%
	8139 Business, professional, labour and other membership organizations	5%
Excluded Industries (not included in any of the sectors profiled in the report)	5111 Newspaper, periodical, book and directory publishers	20%
	5122 Sound recording industries	20%

Nanaimo 2011

Economic Development Strategy Report

5191 Other information services	33%
7112 Spectator sports	92%
7131 Amusement parks and arcades	86%
7132 Gambling industries	93%
7139 Other amusement and recreation industries	68%
7211 Traveller accommodation	5%
7212 RV (recreational vehicle) parks and recreational camps	3%
7213 Rooming and boarding houses	100%
7221 Full-service restaurants	78%
7222 Limited-service eating places	78%
7223 Special food services	90%
7224 Drinking places (alcoholic beverages)	78%
811 Repair and maintenance	100%
8121 Personal care services	99%
8122 Funeral services	100%
8123 Dry-cleaning and laundry services	100%
8129 Other personal services	95%
8131 Religious organizations	100%
8132 Grant-making and giving services	80%
8133 Social advocacy organizations	90%
8134 Civic and social organizations	100%
8139 Business, professional, labour and other membership organizations	95%
814 Private households	99%

Source: Statistics Canada Census



For more information please visit
www.nanaimo.ca