

# A Sense of Place

## REPORT APPENDIX

*This appendix is a more detailed point-form summary of details of specific enterprises we visited on our tour. It is not meant to be a comprehensive summation of these enterprises, but rather a background summary of some of the more cogent points and ideas expressed.*

### THUNDER BAY

#### UNIVERSITY OF GUELPH INDUSTRIAL HEMP PROJECT

*Gordon Schiefele*

- studying potential for growing hemp in Northern Ontario where there is a significant amount of productive but abandoned farm land.
- Hemp shows promise as a fibre source and an oil seed crop, but it must be grown in rotation with other agricultural crops in fairly good soil (as a short-rotation annual, hemp is well-suited to being added to a farm's crop mix).
- Once the outer fibres are separated from the "woody" stem, these fibres are well-suited to paper making; they are stronger than wood and have a lower lignin content (4% vs. 20%) which must be removed during pulping; the plant also has a higher cellulose content than wood (60-70% vs. 50%).
- currently, costs of producing hemp are higher than wood, but better techniques, seeds, etc., could help close this gap; it could make an excellent strength-enhancer when mixed with wood pulp.
- it is a multi-use plant; fibres can be used for everything from clothing to moulded car parts (matted hemp panels are stronger and lighter than fibreglass).
- to be of real commercial value, hemp will have to be grown in much greater quantities and the agricultural and forestry sectors will have to work together; foresters are "dubious" of hemp's value and pulp mills are leary of investing in new processes needed to pulp hemp.
- many other alternative fibres also show promise; switchgrass has strong fibres and is a perennial that grows well on poor soils.

### THUNDER BAY

#### WABAKIMI ECO TOURISM

*Bruce Hyer*

- Having a large protected wilderness area a key to building a successful business; plans to invest \$1.5 million in business over next five years but would only do so with security of knowing area is protected.
- Wabakimi's status as "one of the largest wilderness reserves in the world" will make it "very famous" in the next five years.

- Markets services to Europe, Southern Ontario and the East and West coasts of the United States through the internet, trade shows, through environmental groups and magazine articles; expects to have 2,000 clients a year within five years.
- "Canada has a long history of giving resources away cheaply and this is especially true for wilderness"; price trips as premium products and people will be more interested than if trips are priced cheaply.
- unlike extractive uses, tourism generates revenue from same piece of land every year; over a 80-year rotation period, revenue from tourism could be greater than revenue from wood
- Suggests the establishment of "Green Zones" in parks such as Wabakimi; these zones would cover richest sections of park and out-of-country visitors would be required to use the services of an outfitter to access these zones; Canadian visitors would still have access to all areas including green zones while areas outside green zones would be open to all visitors.
- Let out-of-country visitors apply Crown Land permit fees to outfitter services, ie. option to pay \$10/day for permit or \$10/day to outfitter for services with permit included; permit fee should probably be higher.
- Outfitters must maximize value-added by stressing guided/interpretive trips; this requires knowledge and training.

## THUNDER BAY

### WOODCRAFT DESIGNS

*Vic Germaniuk*

- Custom woodworking; custom designs furniture and interior fittings in cooperation with interior designers and architects
- Prefers to use solid wood, particularly birch; needs large, clear pieces
- Although availability is not a problem yet, prices for such wood have climbed steeply in the past year due to the arrival of American companies exporting logs for furniture making.
- Biggest market for product is in Minneapolis; a marketing cooperative could help him access this market.
- Has some ideas for short productionrun cabinetry designs but could use some assistance with sourcing materials and marketing.

## THUNDER BAY

### SEARGEANT HOMES

*Brian Seargeant*

- Ecologically aware builder; seeing strong interest in homes that are comfortable and that have good interior air quality.
- Has been building R2000 standard homes for some years; there is now a pool of contractors he can call on who are familiar with these standards.

- Can build a house today with one-third less wood than was used 10 years ago; “I don’t want to leave the next generation bankrupt of forests; we need to look at alternatives.”
- Gets his wood locally from small mills; biggest problem is that although these mills can often provide better wood with lower moisture content, because their wood is not “stamped” its use is not approved by building inspectors/building code.
- Access to “eco-certified” wood would be great; its use would definitely be a selling point for his homes.
- Works local ideas into his buildings; on Superior has built separate sauna and garage/studio buildings alongside house so that only space actually being used is heated; used Superior granite for patio and cedar posts for verandah; natural landscaping.
- Would like to use solar panels, but needs to find a reliable local supplier who will also service systems once they are installed.

## ATIKOKAN

### XY PADDLES

*Don Meany*

- Makes hand-crafted bent shaft-and-blade paddles; designs based on his experience as a canoe racer.
- Tries to play up paddling heritage of the area, such as the nearby “Grand Portage”; “XY” refers to mark used by the Northwest Co.
- Sells about 300 paddles a year; all he can produce himself; hasn’t found anyone willing to train; does no marketing, just word-of-mouth.
- A real problem getting wood; he can’t even get poplar; must import his wood from Minnesota.
- Frustrated to see clear, 3-foot diameter logs going to OSB mill for chipping with the logger getting \$3 when he can produce \$300 worth of paddles and wood products from same log.
- Local logging practices are poor; “butchery” of the forest; he doubts big companies will be around for second harvest.
- He was drawn to the area by high-quality natural environment and waterways; sees growing interest in area from Southern Ontario; “they are finding out that there is another part of the province past Thunder Bay.”

## ATIKOKAN

### ATIKOKAN ENVIRO-HOME

*Owen Lindsay and Tony Gilles*

- Super energy- and resource-efficient house built as part of the provincial “Green Communities” project subsequently cancelled by the provincial government; Atikokan was the only “Green Community” in Northern Ontario.

- Goal was to use materials that were energy efficient and that had long lifespans; almost zero waste in construction; for example, styrofoam insulation panels were used as forms for foundation rather than plywood.

--proven that energy and resource consumption can be dramatically reduced even under tough climatic conditions.

--a number of pre-fabricated wood products were used for walls, floors and roof systems; this is the way of the future and it reduces the need for large-dimensional lumber from first-growth forests, ie. light cross-braced flooring system instead of 2 x 6 rafters.

- Introduced local contractors to new materials and methods by hiring them to work on the house; they are now using some of these ideas on their own projects.

- These efficient techniques could be very useful for building on native reserves, where there is a severe housing shortage; part of original program was to train people from reserves in things such as draftproofing existing homes and new construction techniques.

## ATIKOKAN

### ATIKOKAN ECONOMIC DEVELOPMENT CORPORATION

*Gary McKinnon*

- A “full service” economic development corporation that offers everything from business planning, consulting and mentoring to direct investment; currently has \$1.6 million outstanding in loans and investments.

- EDC investments can leverage significant private dollars from banks and other investors; credit unions and alternative lending arrangements such as credit circles playing a bigger role in driving economic development in the area.

- For the last five years, has been largely focused on helping existing businesses “survive”; town has been hit hard by mine and mill closures.

- OSB and fibre-board plants are significant employers, but are prone to resource price cycles/product gluts.

- Diversification is a priority; would rather see 10 businesses employing 10 people each than one business employing 200.

- For smaller businesses, access to wood is a problem; “big companies are paying lip service to need to make wood available”; also concerned about impact of MNR cutbacks (Atikokan recently lost 50 MNR jobs) on treatment of forests; “the government has abandoned its responsibility for ensuring that forestry is sustainable.”

- Looking at developing a greenhouse operation to take advantage of waste heat from thermal generating station.

- Businesses are changing focus to North-South (U.S.) trade links rather than Southern Ontario; 25 million Americans live within a day's drive of Atikokan.

- Former mill and mine workers are not natural entrepreneurs; more comfortable with wage employment; need drive and passion to be successful in starting a business.
- Town needs better telecom systems and cellular coverage if it wants to attract high-tech businesses; cellular coverage is also increasingly important for attracting tourists.
- Need to find ways of getting people going to Quetico to come through Atikokan, especially Americans coming up from Boundary Waters; park staff, outfitters and the Chamber of Commerce are working on pooling resources to do more focused and more professional marketing for Quetico; also cooperating with Wisconsin and Minnesota on regional tourism marketing initiatives.
- Information kiosk on highway has worked well in drawing attention to Atikokan and its services.
- Natural surroundings do add to the attractiveness of living in Atikokan; “I can go fishing after work and be home with fresh fish for dinner”; residents are loyal and hardworking.

## ATIKOKAN

### SOURIS RIVER CANOES

*Keith Robinson*

- Company produces an innovative kevlar canoe with a “flexible rib system” that allows its canoes “to take a lot of punishment”; product is in the mid to high price range.
- Located in Atikokan in 1992; produced 40 canoes a year then, 250 a year now; predicts they will produce 350-400 a year within three to five years.
- Currently has three full time employees.
- Quetico “incredibly important” as a testing, exposure and operations base; “we wouldn’t be here without Quetico.”
- Sells about 1/3 of annual production to outfitters who use them in the park, giving Souris River “free advertising”; took three-to-four years to convince outfitters to order their canoes; they put a lot of money and effort into R&D on designs and get important feedback from outfitters on what works, what doesn’t.
- Now turning attention to retailers, especially in U.S. (they already sell through a retailer in Ely, Minn.). If retailers get interested “this could take our production up to 1,000 canoes a year.”

## ATIKOKAN

### QUETICO CENTRE

*Linda Wiens*

- The Centre, located on the site of an old park ranger station, was established in the 1960s to “work with companies and groups on solving problems, addressing situations and taking advantage of new opportunities.”
- They do this “in a setting where they can get away from their every day worries and concerns, where they can feel refreshed and ready to expand their minds.”

- Can accommodate up to 100 people; most business is from Northwestern Ontario; winter is busier than summer, better season for companies.
- Once there, people think setting is “gorgeous, but getting them here is the trick. It’s a long drive from Thunder Bay or Duluth.”
- Do a lot of work with youth, particularly leadership courses; this is supported financially by work with companies.
- Underwent an expansion and renovation in the mid '80s, but couldn't get wood locally for construction.
- Job market is changing; automation is eliminating jobs and the skill and enjoyment involved in some jobs; but people will not go back to doing things manually; “if you put three out of 15 chainsaw loggers in the cab of a harvester, the other 12 won't say give me back my chainsaw.”
- “Decisions and power have all gone elsewhere” in resource industry — to Toronto/Montreal or U.S.; local managers have limited discretion.
- Contribution of centre of local economy “underappreciated”; it now relies more on local contractors instead of permanent staff.
- “In the long term we need a new wave of people doing their own thing and making do with much, much less personally, but more overall.”
- Important to ensure that public resources such as health care, education, libraries etc., are kept in place to counteract growing disparities in society; “people who have work [in the North] are paid very nicely, but there will continuously be fewer people working.”
- Need to get “everybody working with everybody else”; too often business people say “what's in it for me?”

ELY

### CHAMBER OF COMMERCE

*Linda Fryer*

- The chamber has worked with local businesses to refocus the town's economy on eco-tourism and destination tourism after the closing of the area's iron mines in the late 1970s; after the closures, the town population dropped 30% and property values plunged. Today, town is prosperous and population in the area is growing steadily.
- Some people never gave up on idea that the mines would reopen, but town has changed dramatically and its current prosperity comes from being the gateway to the Boundary Waters wilderness; “this would be just another community without the Boundary Waters”.
- Important to create the right esthetics and amenities; Chamber of Commerce encouraged mainstreet merchants to “spruce up” to attract visitors' business, but the idea didn't take off until one merchant renovated and others saw his success; “you can only move as fast as the community allows and you can't forget about the people who are already here.”

- Chamber has concentrated on working with “progressive” people and businesses; “others will follow.”
- “Adventure and wilderness” are the two words used most by visitors to describe why they came to Ely; many people never actually enter the park, but are attracted by the idea of being on the edge of wilderness
- Tourism visitors tend to be more self-sufficient on each return trip so it’s important to continue to diversify the economy and not rely entirely on tourism
- There are some small manufacturing operations in town and an upgraded telecom system may improve attractiveness of area for high-tech businesses
- People find natural environment very attractive; many people have given up better paying jobs to move to Ely; population in the area is growing strongly with many people buying/building vacation/retirement homes in the area.
- Word of mouth has been a powerful marketing tool for Ely; “people are looking for places like this”; presence of arctic explorers and plug in Charles Kurault book have drawn attention to town; news items have been more powerful for marketing the town than paid advertising.
- Consensus in town is that growth should be controlled; don’t want to destroy the “golden goose” of surrounding natural areas by over-developing; “don’t want to become another Aspen.”
- While trying to attract new businesses, you can’t forget about existing businesses and their needs; however, it tends to be easier to get economic development dollars for new businesses rather than for existing ventures.
- IRRRB fund helped to facilitate the transition from mining to new economy “but was not enough in and of itself” to make transition happen.

## ELY

### ECOLOGIST/BEAR CENTRE

*Lyn Rogers*

- High quality natural environment attracts people; “people come here for big white pines not scrubby aspen.”
- People in the area “have gone from shooting ravens, bears and wolves to seeing their value.”
- Need to take some of the pressure off Boundary Waters by encouraging people to go to other nearby areas such as Superior National Forest.
- His research on white pine in Minnesota helped convince the state to place a moratorium on white pine cutting and to budget \$2.1 million (U.S.) for white-pine regeneration research.
- The existing International Wolf Centre may soon be joined by an Ecology Centre and a Bear Centre; these centres can help keep visitors in town longer and help educate them about the value of wild areas.

ELY

ARTS COUNCIL

*Cecilia Roland*

- Arts programming provided a way for the community to pull together, especially after mines closed and sense of community was in decline.
- Council's programming is directed to community residents; they are participants, not just spectators.
- Council is funded by state arts program, memberships, donations and an arts trust established after a valuable painting that had been donated to the town was sold.
- Ely also hosts three festivals -- a Blueberry festival, a winter carnival and a tk festival -- that have become very popular; 35,000 people attended the most recent Blueberry Festival.

ELY

WINTERGREEN DESIGNS

*Susan Schurke*

- Designer, manufacturer and retailer of outdoor clothing. Many of the designs are inspired by husband Paul Schurke's travels in the arctic, but clothes are created with local climate in mind; "this is not mountain wear."
- She started sewing clothing for the Steiger arctic expedition in 1983; growing word-of-mouth business led her to establish a home business in '89; moved into a retail store in Ely a couple of years later and the business has continued to expand since.
- Does almost all of the manufacturing in Ely; 40 employees currently.
- Getting skilled seamstresses and cutters a problem; sewers have to be very skilled because they are expected to sew whole garments rather than doing piecework; tests new sewers by giving them a jacket to assemble -- they can take as long as they need and they keep the jacket.
- Will not contract out manufacturing overseas; "we need to be more than consumers"; also believes "small business is what will drive survival in communities, not big corporations that are laying off thousands of people."
- Also stresses knowledgeable and experience in retail staff; selling on quality and comfort, not price; products fit the natural setting of Ely -- wouldn't sell as well in a mall.
- Clothes are rigorously tested both on expeditions and on trips into Boundary Waters; always adapting designs, researching new fabrics and materials.
- Both she and Paul came to Ely while working with a program to take disabled people on trips into the wilderness; loved the area and decided to stay.
- Encourage local people to buy clothing by offering 10% discount to area residents; they also show commitment to community by donating some sales proceeds to school and community resource funds.

- Their advocacy for the environment has given them a sometimes controversial profile, but “there is a compassion for each other in the community” that tempers views.
- They also run popular dogsledding trips into the Boundary Waters; winter recreation is growing.
- Mail order keeps the retail business going through late fall, winter and early spring; now accounts for 60% of sales; recently invested in more customer profile-matching mailing lists and this seems to be working well.

ELY

### PIRAGIS OUTFITTERS

*Steve Piragis*

- Runs a large retail store with camping gear, clothing, books etc., as well as canoe rentals, trip outfitting and guiding, and an art gallery; recently sold adjacent restaurant business -- “too much to manage.”
- Came to Ely as a biologist working for the EPA and wanted to stay; started a store selling wood stoves, then saw need for a place with camping equipment and canoes.
- Took 10 years to turn a profit; “this kind of business goes against the trend of people wanting to make fast money.”
- Phase-out of motorized access to Boundary Waters had a big impact; “motorized people left, but the area became highly desirable for canoeists”; so popular now that “permits are scarce” -- this is actually helpful because it encourages people to commit early and to use the services of outfitters (they don’t get preferential treatment, but they do know the system and what the best permits to have are).
- People tend to not realize that having similar businesses in town is actually beneficial; “with a number of businesses and outfitters promoting the area, people are drawn even more strongly to it.”
- Sends out a catalogue to 250,000 people twice a year; emphasizes unusual/hard-to-get products, doesn’t want to compete head-to-head with MEC/REI; catalogue now 40% of retail business.
- “People come specifically to Ely for wilderness and lakes”; this is what the community has to market to succeed; people now understand that they can make a living in Ely because of presence of Boundary Waters; many talented people have been drawn to Ely by environment.
- Need people with vision and good ideas; example, a store selling handmade mukluks has been very successful; local people tend to be employed more in support roles (accounting, shipping) or less directly wilderness-tied businesses, ie. will run a restaurant or grocery rather than an outfitters; often, managerial jobs are filled by outsiders.
- Business ventures funded directly by IRRRB lack the element of personal financial risk that drives most successful businesses.
- Outfitting about 2,000 people per year for trips in area; starting an international trips program

- Need controlled growth; natural boundaries created by surrounding protected areas may help keep growth contained.

## ELY

### INTERNATIONAL WOLF CENTRE

*Andrea Lurek*

- The centre was built in 1993 and its biggest draw are four wolves living in a one-and-a-quarter acre pen that can be viewed through a large window area; the centre's focus is education, not advocacy.
- The centre receives about 45,000 visitors a year and has 8,000 members and 17 employees.
- Located in Ely because "it is the heart of wolf country. The wolves are here because the Boundary Waters are here and the Boundary Waters also bring people here."; the centre runs field trips, including wolf tracking by dogsled, in the Boundary Waters and other natural areas nearby; they involve local lodges and outfitters in these programs.
- Would like to make the centre more of a "destination" rather than a side trip for people already in the area; promoting the centre cooperatively through other area attractions, lodges and state parks; adding more extensive kids programming.
- There has been some resentment about the hiring of out-of-area people as managers, but people with these skills have not been available locally; do try to use local naturalists to lead programs; local contractors to do construction.
- A cluster of "institutes" and learning centres developing in the area: Wolf Ridge Ecology Centre, Outward Bound and Elderhostel all operate there now; a new Boundary Waters Ecology Centre and possibly a bear centre are in the works.
- "In keeping with the character of wolves, the centre has attracted controversy" but overall has had a positive impact on peoples' perceptions of wolves.

## JACOBSEN

### AIKEN COUNTY/CORNISH HARDWOOD MANAGEMENT FOREST

*Mark Jacobs*

- 54% of the lands in the county are public lands; the county manages 220,000 acres of forest and all of its forestry operations are certified as meeting Forest Stewardship Council (FSC) standards; certification is conditional on the development of long-term management plans.
- Cornish Hardwood Forest is 15,000 acres; now managed to produce high-quality saw timber; were previous proposals to convert it to aspen; forest produced \$812,000 in timber sales in '97, 76% of this revenue is retained for forest management.
- Improving quality of the forest has led to a 280% increase in revenue while cut level has remained the same; however, still difficult to balance need to make individual cuts economically attractive and goal of improving overall forest health.
- Certification has "been good for public relations, good for morale [among forestry staff] and

good for the county”; public owners of forest feel certification means forest is being well treated; state is looking at paying for certification for operations in eight other counties.

- County contains “lots of aspen, lots of beat-up forest”; the goal is to improve the quality of these forests and to get more value-added manufacturing happening in the county; management deliberately avoids “industry kicks” or trends toward single species.
- One local sawmill is FSC certified and four more are applying for certification; see it as a way of getting premium prices for products; another local mill has invested in technology to cut custom pieces to exact specifications out of small diameter wood.
- Of three yearly cutting auctions, one is reserved for local companies with five employees or less; this has helped keep wood and value-added processing in the county.
- Getting help from local schools, universities and Audubon Society with songbird and amphibian and reptile monitoring; financial support for these programs comes from a “non-game wildlife conservation checkoff” on Minnesota state income tax, a conservation tax on birdseed and lottery funds.
- Currently working on a 100-year plan for the forest to be endorsed by the county; “others will be able to carry it on.”
- County does not give them a mandate to set aside protected areas, but where a unique ecological area is identified they do try to arrange a land swap with the state, which can then add the area to the park system.
- Work with local contractors to ensure cutting is “low impact”; contractors are given report cards on cuts and performance is discussed with them after each cut; “the cutters are starting to understand our objectives. They are seeing how it leads to a healthier forest.”
- Certification also creates the opportunity to network and share information with other forest managers.
- Emphasizes species mix, age-class distribution, snags and woody debris and long rotations in management; would like to reintroduce fire “but it’s tricky in a populated area”; are actively trying to increase white pine regeneration and looking for ways to improve yellow birch regeneration.
- Forest is heavily used by recreationists; try to control access; certain roads are closed during hunting season.

## MENOMINEE

### MENOMINEE TRIBAL ENTERPRISES

*Marshall Pecore and Dan Pubanz*

- 200,000 acre reserve established in 1854; Menominee people have a long history of manipulating the natural environment over an area many times the size of the current reserve; commercial forestry began on the reserve in 1886
- Estimate that 2 billion board feet of timber have been cut on the reserve in past 100 years; however, quantity of standing timber is now higher than it was a century ago.

- People of reserve have faced many challenges: in 1800s, were not allowed to cut live trees or sell raw logs; in 1960s, federal government attempted to dissolve reserve and took over management of lands; control of reserve lands was returned to the community in 1973 along with a large debt; federal foresters had also converted a large area of hardwoods to aspen.
- Have had more than 350 permanent vegetation plots in place to measure impacts of logging since 1946; now close to 500 plots; plots are measured every decade; “most of the plants listed on the state’s endangered species list can be found here in good numbers.”
- Since 1988, have used ground vegetation “keys” to determine best forest type to manage for on individual sites; would like to convert 50,000 acres of aspen back to pine and hardwoods; management focus has always been long-term; “we wouldn’t cut a site before observing it for five years.”
- Community watches forestry operations closely; some want less or no cutting, some oppose clearcutting, others want to increase revenues by cutting more; foresters report to a community board with elected members; opening of casino business has taken some of the pressure off to increase revenues.
- There is a huge paper industry in the region which puts a lot of pressure on farmers and woodlot owners for short-rotation fibre; Menominee emphasizes long rotations, 180 years for sugar maple; use health and vigour rather than diameters to determine when to cut; “our plans are driven by the regeneration potential not the cut potential of the forest. Otherwise, we would be mining the forest, not managing it.”
- Expanding mill and adding value-added processes such as kiln drying and finger-jointing; would like to get into panelling and furniture pieces; expect to add 50-75 jobs with expansion; mill currently employs 500 workers on two shifts; 95% of mill workers are from the community.
- The collaborative ownership of the resource “pays off in the long term because it puts the emphasis on managing for more than just the current generation.”
- Hesitation about promoting recreational businesses due to a cottage development pushed through by federal government that is deeply resented.
- One buyer of wood is supplying it to Amish community for furniture making; they believe Amish furniture product made with certified wood will be very attractive to consumers.
- Given high level of interest in their forest management, potential probably exists to sell services or do consulting, but for now don’t want to take resources away from reserve; Ontario Forest Research Institute was a “great” source of information, sorry to see its decline; sharing information important; “we don’t want to be an island.”
- There are no areas off-limits to cutting on the reserve, but they do try to work around other uses such as collection of medicinal plants or ginseng; wild ginseng an increasingly valuable product; the band does employ a wildlife biologist, but his work has not been tightly integrated with forestry department.
- Make the most of what is cut; bark is sold for landscaping; experimenting with use of cut-to-length systems to reduce damage from skidding; “it’s important to fit machines to the [natural] system and not vice versa”; logs going into mill are all bar-coded for tracking and inventory purposes.

- Have required contractors doing cutting to learn “advanced felling system”; makes cutters “more professional” and results in better quality logs and less residual damage; contractors are judged on a point system that awards bonus points for good work and demerit points for sloppiness. Poor work results in both demerit points and no bonus points.
- Encourage diversity in forest; even in pine shelterwood cut, encourage oak and yellow birch regeneration.

## CEDARVILLE

### NATURE CONSERVANCY/ECOTOURISM

*Dave Ewart*

- The community’s economy has long been based on a combination of a commercial perch fishery and summer tourism; the perch fishery is in severe decline for reasons that are not completely understood; Nature Conservancy had established reserves in the area in hopes of protecting sensitive shoreline areas and saw an opportunity to work with the community on economic diversification as a way of protecting the area’s natural environment.
- Many similarities with the Bruce Peninsula; similar natural habitat and history of isolation.
- Developing trust has taken patience and a long-term presence; Conservancy staff have tried to be honest and forthright with community, but also persistent; stressed patience and listening and have tried to incorporate community values into project ideas; university did polling to look at community attitudes.
- Efforts led to a community economic forum where there was a high degree of consensus that the area’s natural environment could play a key role in its future prosperity.
- They have started a small birding trips program; this fits area well as birders are most active in the spring and fall shoulder seasons -- don’t want or need more summer business; a report of a varied thrush at a local lodge’s feeder drew 500 people from all over the state; the community “saw the potential of birding in a hurry.”
- Other possible areas being explored are expanding boat building and repair businesses; dock building; and promoting local crafts; need to find ways to keep young people in the community; also local businesses looking at botany tours and kayaking.
- People are very concerned about water quality; Nature Conservancy has made link between water quality, fisheries and protection of marshes.
- Many summer homes being built which has concerned Conservancy and led to local resentment about loss of access; trying to ensure sensitive areas are protected from development; donated a GIS system to local municipal office to promote better planning and decision making; conservation programs have been financially supported by well-to-do seasonal residents; “a way for urban people to contribute.”
- There is a growing respect for the Conservancy; “people are getting excited about what is here right in their backyard”; local interest and expertise growing; understanding is increasing about the critical biological importance of the aquatic/terrestrial interface.
- A huge deer problem; areas are being browsed to death, but public support for a cull not there yet.

- Conservancy is experimenting with a forest-banking program in other areas; idea is for land-owner to hand over management of woodlot to Conservancy in exchange for a guaranteed annual return; requires a long-term commitment from the landowner.

## SAULT STE. MARIE

### ECONOMIC DEVELOPMENT CORPORATION

*Bruce Strapp*

- Sault has traditionally relied on resource industry jobs, but both steel and paper mills have cut staff severely in past decade; now a recognized need to diversify the city's economy; "while we are sympathetic to existing resource jobs, we understand that new jobs will come from value-added and diversification."
- Estimates it costs \$1 million to create a job in industry versus \$55,000 to create a job in tourism; EDC is now spending 30 to 50% of its budget on tourism related ventures.
- Efforts to rehabilitate the waterfront are paying off; locks to reopen soon; bush plane museum on waterfront very popular; hope to attract more cruise ship visits.
- A large American market within a day's drive, but Americans somewhat reluctant to cross border; need a "much larger" tourism marketing budget for the area.
- Trying to get industries to cooperate instead of working in silos; some success arranging waste exchanges.
- Potential exists to create a knowledge cluster around institutions such as OFRI and college, but need better conduits for moving technology and ideas off the lab bench and into commercial applications.
- Creating value-added applications in the forestry industry is difficult because "woodlands are tied up by the big players"; now that an American company has bought ACR lands there is a good deal of local concern that more raw wood will be heading to U.S.
- Becoming increasingly difficult for local communities to control their own future; "It has become tougher and tougher for us as communities to have political influence on the things that affect the health of the community."

## SAULT STE. MARIE

### ALGOMA ADVENTURES

*David Cook*

- Company specializes in "soft" adventure travel; mixes an "adventure" element such as horse-back riding, cycling or kayaking with trips in natural settings; uses the park system extensively. --area needs better and higher-quality promotion that emphasizes natural attributes; "we have to sell the atmosphere."
- Parks offer facilities, interpretive services and some destination name recognition.
- Right now, they are emphasizing "step on" business, where they pick up a tour or conference group already in the Sault and take them on day trips.

- To flourish, they need a better network of experienced adventure guides/businesses to take groups out; they will be the umbrella group that sells a variety of different adventures.
- Cellular coverage important for “soft” groups; like feeling of security; need well-trained and experienced guides.
- Need to get people to understand that “we can do more by working together”; promote the area as a destination and a gateway to wilderness; publicity created by people like Joan and Garry McGuffin very useful.
- Agawa tour train a huge draw; need to find ways of using it to boost other tour ventures; get people to come to area for more than just the train.

## SAULT STE. MARIE (GARDEN RIVER)

### ADVANCED THERMODYNAMICS

*Al Smith*

- Company built around the concept of making energy conservation and alternative energy products financially attractive; first product was heaters for diesel engines; heaters pay for themselves through reduced fuel wastage; now moving into wind power systems based on Danish designs.
- Diesel heater was a good answer to a big problem; three billion gallons of diesel fuel wasted annually by idling trucks; with heater, trucks can be shut down and easily restarted in cold weather.
- Order from Department of National Defence contingent on locating manufacturing operations in “economically depressed area”; decided to set up shop in industrial park on Garden River reserve; worked out “better than we ever expected.”
- Needed to put together infrastructure to make units from scratch; no money available to do this in Southern Ontario; in North could tap into various funds including investment from band that allowed them to build a state-of-the-art manufacturing facility; now sell services like plasma cutting to other companies.
- Shipping from north not a problem; “we have never missed a shipment”; U.S. is biggest market by far for heaters.
- Biggest asset may be loyal and hardworking workforce; highly trained workforce has strong ties to community so turnover is minimal and training dollars are well spent; “people from reserve are now working in a high-tech machine shop instead of paving roads”; heater business brings in \$20 million in sales annually and employs close to 50 people.
- Diversifying business by getting into wind-power development; have sold their first system to a native band in Southern Alberta; wind power now much more reliable due to better technology but location must be consistently windy.
- See a huge potential market for the technology, particularly in the developing world.

## SAULT STE. MARIE

### FORESTRY CANADA

*Luc Duschennes*

- He is a forest ecologist who has been investigating the economic potential of alternative forest products such as mushrooms, seeds, nuts, berries, syrups and tree oils.
- The value of Canada's current non-wood forest harvest is estimated at around \$500 million annually -- this includes everything from mushrooms and blueberries to maple syrup
- Canadian sales of maple syrup are \$110 million annually and account for 80% of the world supply
- There is a proven multi-million dollar market for wild mushrooms such as morels, chaterelles and pine mushrooms; however little research has been done on growing conditions or size of supply.
- British Columbia currently exports \$15 million worth of pine mushrooms to Japan each year.
- There are probably 10-15 forest mushrooms with commercial potential; currently, black morels are worth \$195/kg. in Europe; fresh pine mushrooms are worth \$210/kg. in Japan.
- Collecting non-wood forest products could be a way of supplementing forestry incomes; a study in Renfrew County found that the mushroom harvest from old aspen stands would be equal in value to what could be gained by selling the same stands for pulpwood.
- A mushroom picking training session in Renfrew drew 300 people; many were looking to supplement income from other sources.
- The Taiga Institute is researching non-wood forest products from the boreal region.
- "We need much more research on what is out there and where."

## SEARCHMONT

### SKYBEAR LODGE AND ACHIGAN CEDAR

*Britta Wolfert*

- Use culled cedar logs (mostly hollow) to make cedar shakes and shingles; also run a chalet, outpost cabin and tour business that caters mostly to skiers.
- Logs come from both private and Crown land; supply is getting tighter; difficult for smaller mills like theirs to get wood, "the large guys get it."
- Small mill has less waste, even sawdust goes to local farmers; also produce chips for landscaping; they pull out best wood for canoe makers and others with high-value uses.
- Promote B&B on internet; growing number of inquiries coming through web site; customers come from U.S. midwest and Southern Ontario.
- Cedar products appeal to people who don't want to use chemical preservative treated wood; strong demand.

- Financing difficult for small businesses; banks have little faith in their ability to make a go of it.
- Other people are starting small tourism businesses in the area now; trying to create an identity for the area; would like to see historic train station re-opened.
- Searchmont Resort benefits them with spin-off business and creation of mountain bike trail network.

## SAULT STE. MARIE/SEARCHMONT

### SEARCHMONT RESORT/WATER TOWER INN

*J.J. Hilsinger*

- The Searchmont Resort started as a ski-hill operation on the edge of the Algoma Highlands. To make it more of a four-season destination, the resort has introduced mountain biking and hiking; next step may be to develop free-hold condominiums; Hilsinger bought resort out of bankruptcy in 1965.
- Searchmont now gets 40,000 visits from local people and 40,000 visits from U.S. visitors each year; “we have more than the entire population of Canada within a day’s drive” of the resort.
- Markets aggressively in U.S. Great Lakes states, but growth in downhill skiing has stalled; now branching into tubing and mountain biking and planning to put more emphasis on cross-country skiing and snowshoeing.
- “It’s difficult to broaden the winter business without getting into motorized sports” eg. snowmobiling, but would prefer not to.
- Summer business is “adventure tourism” -- hiking, biking, climbing.
- Need more tourism facilities in the area to create a larger attraction for out-of-province visitors.
- Marketing of tourism in the North is poor; government marketing support for ventures like his is almost non-existent; marketing infrastructure is “pathetic” and “research on markets, marketing and new products is abysmal.”
- Instead of supporting growing tourism business, government continues to invest in “sunset industries”; problem for tourism ventures is that “if you can’t prove the immediate economic benefit of your plans, then you are shunted aside in favour of a forestry industry that depletes the resource base we have to work with.”
- A key to tourism business is “you need scenic values to sell product”; has had a number of problems with trails being ruined by logging operations; this makes it difficult to assure visitors of a quality experience year after year.
- Need bigger thinking; Algoma has tremendous natural attractions; “this is not appreciated in the north, it’s taken for granted, but it gives us an incredible power to attract people who love the outdoors.”
- The visitor traffic to the area drawn by the Searchmont Resort has created opportunities for many other local businesses, including B&Bs and wilderness tourism companies.

## ELLIOT LAKE

### TOWN OF ELLIOT LAKE

*Mayor Geroge Farkouh*

- When uranium mines closed in the early '90s, the town lost 5,000 mining jobs and “as many in related industries”; 40% of its tax revenue was wiped out.
- Now one-third of the population is retirees; town is “at capacity” in retirement sector.
- Transition has been “more than successful”; total earned income for the area was \$250 million in 1989 before closures; it was \$225 million in 1997.
- Making the most of the natural environment has been a key in diversifying economy, particularly in attracting retirees.
- New economy is based on four key areas: retirement living, small business, health care and cultural industries; overlapping these areas are tourism, education and environmental services; companies providing mine services and mine clean-up are part of small business sector.
- Retirement living program is directed by a volunteer board and takes advantage of housing stock left behind by mines; “key word is value”; housing is reasonable, natural environment is attractive and the town has good services for seniors.
- Office buildings and hotels have been turned into everything from a drug and alcohol rehab centre and a telemarketing call centre to an art’s academy; “we turned our weaknesses into strengths.”
- Transition has not been “simple, fast or cheap” but the town “had the will, dedication and spirit to survive.”
- Northern Ontario is declining in its overall percentage of provincial population; need to find ways to keep people in or attract people to the north; “we have to invest in local people with talent.”
- Have to sell people on what the community has to offer, not lure them with financial subsidies; otherwise “once the grant runs out, they’re gone.”
- “We have nature and a clean environment. That’s what the big centres don’t have.”
- Ontario Hydro paid compensation for breaking uranium contracts; close to \$285 million available for various projects; mining companies paid nothing.
- Attitudes have changed; “people now say ‘I’m not sure I’d ever want to see a mine here again’”; now need to do more to make the most of the natural environment; “You can see a logging truck going by. People don’t see the other opportunities.”
- “We were a classic single industry economy and I don’t wish it on anybody and I don’t want to ever see it again in Elliot Lake, whether it’s seniors, tourism or whatever”; diversity is the key.
- “I believe the mining companies should have left more behind. All the wealth came out and went to the company”; mining companies “just walked away.”

## ELLIOT LAKE

### MISSISSAGI PROVINCIAL PARK

*Andy Penikett, former superintendent*

- This natural environment park is only a 20 minute drive north of Elliot Lake. It too felt the impact of the mine closures in Elliot Lake with a steep drop in usage in the early '90s. It was also hard hit by provincial budget cuts.
- 40% of park users are from the U.S.
- Park faced closure in early '90s but formed alliances with local groups to keep operating on a shoestring budget; 1995-97 have been "good years."
- An information kiosk ("The Trailhead") on Highway 17 south of Elliot Lake has helped create more awareness of the park as have articles in magazines and newspapers.
- People who use the park are not looking for fancy facilities; many positive comments on use of solar power in the park.
- Solar panels have helped cut diesel use by 50-80% and have freed up funds for other uses; Ontario Hydro helped fund solar project; "they were keen to showcase green technology in a provincial park."
- "There's a good working relationship between Elliot Lake and the park"; with a larger land base the park could develop more trails and interpretive programs and market old-growth forests that are currently on the edge of the park.
- Park is one of Ontario's "best kept secrets"; the town is committed to the park and wants to see it prosper; see it become more of a focal point for visitors.
- Are a few large lodges in the area; Laurentian Lodge in particular doing very well; "there is a huge market for natural beauty."

## ELLIOT LAKE

### WHITE MOUNTAIN ARTS ACADEMY

*Jim Thibert*

- Based in a former federal laboratory, the new private arts academy will focus on First Nations arts and on teaching artists "the business of art". It is a joint project of the town of Elliot Lake and the Serpent River First Nation.
- Idea for an arts academy goes back to the 1960s; Elliot Lake has long had a strong cultural community; founder of the Banff School of Fine Arts was a leader in the community at that time.
- Will offer "Canada's first aboriginal fine arts program"
- The fully accredited school is targeting artists looking to make a living with their art; will teach self-employment and marketing skills as well as offering arts instruction.
- Hopes to attract students from across Canada and around the world; "this is not a regional program."

- Curriculum will be extremely varied and will involve a lot of people; people from First Nation communities may come in to teach specific crafts or art forms or students may go out to communities or surrounding lands; program will be very fluid -- “you won’t be able to come every year on May 15th and take basket making.”
- Will have 9-12 full time faculty and 4-5 part time; will eventually take in up to 200 students; expect the centre to generate “\$7-8 million in spin offs” for the local economy.
- Had to buy laboratory building; “taxpayers had already paid for it, so they should have just given it to us.”; “patrons” have already donated more than \$5 million in art pieces.
- School will appeal to students interested in First Nations culture and the surrounding high quality natural landscape; working to develop a “world class reputation”; tuition \$18,000 a year but many scholarships available.
- Have received “tremendous support from Southern Ontario in arts expertise, guidance and curriculum development.”

## WIKWEMIKONG UNCEDED FIRST NATION (MANITOULIN ISLAND)

### WIKY FOREST PRODUCTS

Michael Eshkawkogan and Stuart Assiniwe

- 6,000 members of the community (three bands); 3,000 living on the reserve.
- Formed Wiky Forest Products in 1989 with a mandate to improve forestry practices, to enhance the reserve’s resource base and to get more value from wood harvested.
- Forests have been hard hit by cutting in the past; “there’s been a lot of poor practices, a lot of highgrading”; there will be no white pine cut for the next five years; hardwood cutting will also be “very limited.”
- Right now, focused on regenerating and rejuvenating forests; do have some stock of cedar
- Have set up a mill that employs 16 people; have invested in technology to work with small dimensional logs and to eliminate waste.
- Have used 2nd and 3rd grade cedar to produce railway tie plugs; “we will hold onto wood instead of dumping it” on the market; “we found a better application for this wood, dollar wise and job wise.”
- Mill is closer to European standards in its operations than to anything in Ontario; emphasizes “high extraction, high yield”; “we offer exactly what the customer wants at exactly their specifications.”
- Forestry operations must protect medicinal plants and animal habitat
- Because it is a community owned company, WFP can reinvest in improving the resource base.
- Biggest market for products is the U.S. northeast, from Wisconsin to New England; market appeal of “natural” cedar products -- no chemical preservatives or stains.

- A band policy on forestry operations took two years to develop; overall goal is to ensure that such operations benefit the band and its members “while addressing environmental and spiritual concerns.”
- Thirty percent of the forested landbase is cedar dominated; currently cutting about 1 million board feet of cedar a year; there is also a designated 5,500 acre wilderness area at the south end of the reserve where no harvesting is allowed.
- Two staff members do a cut inspection for every cut; no penalties, but right to cut can be revoked; cutting is done by band members.
- Applied for model forest program but wasn't accepted; would like more input on improving forestry operations.

## WIKWEMIKONG

### WAUBETEK BUSINESS DEVELOPMENT CORPORATION

*Sharon Manitowabi*

- Looking to create micro-enterprises: B&Bs, craft shops etc.; would like to emphasize educational tours during which people learn about culture and crafts; don't want to “Disney-fie” culture.
- Considering re-creating a 17th century Anishnawbe village as an educational attraction and as a way of teaching own children about native peoples' history
- Funders such as Northern Ontario Heritage Fund more interested in large projects than micro enterprise model; “we'll do it in our own time and in our own way.”
- Do see a lot of traffic from the ferry “streaming right across” the island and are working with other non-native groups on Manitoulin to take better advantage of this.
- Reserve doesn't currently have the facilities -- restaurants, shops etc. -- to handle tourists ; “we have a big sign [out on the highway], but when people come we're really not ready for them.”
- Annual Pow Wow is the biggest in the Great Lakes region; attracts mostly native people, but needs better facilities.
- Business development office will take people through the business development planning process “even if the project looks dubious to give them experience with the process” and a sense of what's involved in running a business.
- People have perception that “a business has to be corporate size, they say ‘there are no businessesees here’” but in fact there are many small business people on the reserve.
- People are returning to the reserve “because they are more positive about their chances of getting something started here”; these people bring investment dollars and knowledge and an understanding of the culture that many non-native business people don't have.

## BRUCE PENINSULA

### ONTARIO NORTHLAND - CHE-CHEMAUN FERRY

*Ian Dean*

- Ontario Northland is “repositioning” the ferry service linking the Bruce Peninsula and Manitoulin island as more of a sightseeing attraction rather than strictly a transportation link.
- Passenger loads on the ferry have been falling for the past five years; improvements to Hwy. 69 have led many people to “drive around” to the North Shore of Lake Huron instead of taking the ferry; “the road will only get better” so there was a need to attract new business to the ferry.
- Ferry has been refurbished -- “everything was orange before” -- and a “sunset dinner cruise” was added; this has been enormously popular -- almost always sold out; chefs and service people have all taken a hospitality course from George Brown College.
- The highly regulated ferry service is very expensive to operate and demands “high manning levels”; the service employs more than 100 people; an important employer for the area.
- Relationship with local municipalities used be “us and them,” but now are working on cooperative marketing; treating the peninsula, island and ferry as a tourism “package.”
- Local municipalities are no longer taking ferry for granted; understand it needs to be economically viable; locals have to support the ferry and speak well of it; provincial annual subsidy for operations has dropped from \$20 million to \$4.2 million.
- Working with the national park as well; Parks Canada putting displays on the boat.
- Putting in an expanded, more upscale gift shop and a licensed lounge.
- Before running season, ran three sold-out dinner cruises from Owen Sound.
- Weekend of the Wikwemikong Pow Wow is a high-traffic weekend for the ferry; seeing a strong increase in passengers from Europe; “they are interested in anything to do with native culture”; Germans are very attracted by “clean water and vastness, woods and wildlife” of Lake Huron area.
- Birdwatchers another growing group; Manitoulin is a “hot” birding spot.
- Cruise ships coming to Great Lakes helps draw attention to attractions of the area and the ferry.
- Running of second boat quickly became uneconomical and fast boat turnarounds hurt local communities -- people moved through too quickly; second boat is now for sale.

## BRUCE PENINSULA

### Bruce County

*Mike Campbell*

- Economic impact study of Bruce Peninsula National Park in 1985 found that benefits have been two to three times what was projected in initial proposals.
- St. Edmunds Township “negotiated a good deal” around the park’s establishment including local employment quotas and property tax assessments; local people get in for free.

- People favoured keeping area in a wild state, but there was some strong opposition to the idea of a park; one issue was hunting and an area was deliberately left out of the park to allow continued hunting; opposition has since faded.
- Population in township is up 24% since park was established; most of those coming to the area are younger; many have young children.
- Park visitation has doubled since 1989; “we don’t have slides and rides and arcades. Just some of best natural areas anywhere.”
- Incomes in township have historically been much lower than provincial average; park has set aside \$50,000 for training and apprenticeship programs.
- In the 1960s “when winter came, the road closed. It was a very isolated community”; now becoming more of a four-season destination; people who have moved away are returning.
- “The public is now ahead of the politicians in understanding the need to protect natural areas.”
- A number of specialty tool and die shops serving the auto industry have located on the peninsula; one successful company became a nucleus for a cluster of machine shops.
- Working to enhance tourist perceptions by promoting ferry -- “a Great Lakes cruise for \$10” -- and promoting scenic drives; adding bike lanes to Hwy. 6.
- More frequent ferry service in the '80s actually damaged local economy; no waits for ferry meant no business for local shops.
- Worked in planning process to ensure that Tobermory kept its character; no big out-of-place buildings; “it’s naturally beautiful, it doesn’t need add ons.”
- Looking to better coordinate tourism marketing with other nearby areas; up until four years ago, promotional materials didn’t even mention International Biosphere Reserve status; now stress natural wonders of area.
- Attracting international visitors; “you hear a lot of German, Dutch and Austrian in the summer.”
- Summer business “at capacity”; need to build up business in shoulder seasons.
- Have resisted overdevelopment; “there has been leadership here. People drew lines in the sand and stood by them. They knew what they had and they wanted to keep it.”

## LION'S HEAD

### LION'S HEAD INN & RESTAURANT

*Lyn & Gord Wright*

- Five years ago, they converted a 120-year-old building on the main street of the village of Lion's Head into a popular restaurant and inn. They have since added a artisan/gift shop and a day-trip ecotourism business; businesses currently employ 24 people.
- Came to area five years ago; area while very attractive was “underserviced” -- “you couldn’t get a meal after 7 p.m. in July”; business has been good since opening day.

- Goal is to “create a destination”; have gardens behind the inn and show slides there during summer; sleigh rides in winter.
- Offering tours tied to specific natural attractions: orchids, ferns, eagles, sailing; promote idea of being in a biosphere reserve; 42 varieties of orchids to see, million-year-old fossils; climbing becoming popular.
- Sewage is the biggest problem and there are concerns about impact on Georgian Bay if systems aren’t improved.
- Visitors want choice; need more commercial development.
- Seeing more and more customers from Europe and Japan; Germans are buying property on the peninsula.
- Peninsula has “best of both worlds”; deep, clear water and cliffs on one side and shallow water and sand beaches on the other.
- Have to draw people in off the highway; do get a small amount of “walk in” traffic from Bruce Trail.
- Lyn has a background in marketing; sees need to network with other businesses; need to market whole area in a coordinated way, not just individual towns; efforts right now are “too fragmented.”
- Gardens and garden tours becoming popular on peninsula.
- Have to treat natural environment carefully; “treat it like gold”; need to make sure that businesses “fit with the ecosystem”; “if we don’t protect what we have there will be no reason for people to come here, but if there are no facilities here they also won’t come.”

## BRUCE PENINSULA

### ECOTOURISM

*Martin Parker*

- Important for small operators to add local touches, eg. serving whitefish on trips to the Bruce.
- Peninsula acts as a funnel for songbirds; west side is actually biologically richer, but more private land on that side.
- National Park has done a lot to build community support; the National Park’s policies and awareness of environmental issues “is a significant cut above” that of the provincial parks system; quality of interpretive services is declining, however.
- Taken local businesses time to realize potential of natural areas, eg. huge demand for film, but no one selling it, restaurants opened for breakfast too late for birders; get B&Bs to provide pack lunches and trail passes; need to coordinate efforts like moving luggage from one location to another along Bruce Trail.
- “The Ministry of Natural Resources grossly underestimates the value and impact of non-consumptive wildlife activities.”

- Tour leaders have “to know your stuff, but also be able to deal with people and with people problems.”
- People are really keen for knowledge about natural world; but have to focus on species as well as overall ecology; “people want a handle. They say ‘what is that?’”
- Trips have to be tailored to a specific interest; birders are not there to see orchids.
- Ecotourism operators have to make local communities more aware of the dollars being spent; “walk into the store with your binoculars around your neck and tell them what you’re doing there.”
- Need to create an identity for an area; “if you’ve got something that’s a thrill to see, you have the basis for a business.”
- Parks are major draws for people; help create destination identity; “when I go somewhere else in the country, I look for these parks. National Parks in particular are perceived as prime sites.”
- Europeans don’t always understand size of the country - “they think they can go on a day trip to the Rockies from here”; need to tailor trips to market; for Europeans, trips should last 14 days to allow them to get cheaper airfares; good to get naturalist/birding groups to sell your product in their home market.
- When Flower Pot Island was first designated as a National Park there were a few converted fishing boats taking people out; now there are high speed boats capable of carrying 40-50 people at a time.
- Small business people can have such an independent mentality that they can hurt themselves.
- Pressure from visitors can be a problem for some natural areas, but this business also helps protect areas; “if people are coming to see orchids than maybe we won’t destroy that orchid habitat to build a golf course.”