

Thunder Bay: Growth Strategies and Institutions

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Economic Growth Challenges

- Global growth is slowing
 - Priorities shifting
 - Reduce inflation
 - Contain COVID
 - Financial stability
 - Debt sustainability
 - Help vulnerable
- While

Latest World Economic Outlook Growth Projections

	ESTIMATE	PROJECTIONS	
(real GDP, annual percent change)	2022	2023	2024
World Output	3.4	2.9	3.1
Advanced Economies	2.7	1.2	1.4
United States	2.0	1.4	1.0
Euro Area	3.5	0.7	1.6
Germany	1.9	0.1	1.4
France	2.6	0.7	1.6
Italy	3.9	0.6	0.9
Spain	5.2	1.1	2.4
Japan	1.4	1.8	0.9
United Kingdom	4.1	-0.6	0.9
Canada	3.5	1.5	1.5
Other Advanced Economies	2.8	2.0	2.4
Emerging Market and Developing Economies	3.9	4.0	4.2
Emerging and Developing Asia	4.3	5.3	5.2
China	3.0	5.2	4.5
India	6.8	6.1	6.8
Emerging and Developing Europe	0.7	1.5	2.6
Russia	-2.2	0.3	2.1
Latin America and the Caribbean	3.9	1.8	2.1
Brazil	3.1	1.2	1.5
Mexico	3.1	1.7	1.6
Middle East and Central Asia	5.3	3.2	3.7
Saudi Arabia	8.7	2.6	3.4
Sub-Saharan Africa	3.8	3.8	4.1
Nigeria	3.0	3.2	2.9
South Africa	2.6	1.2	1.3
Memorandum			
Emerging Market and Middle-Income Economies	3.8	4.0	4.1
Low-Income Developing Countries	4.9	4.9	5.6

Source: IMF, World Economic Outlook Update, January 2023

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 5.4 percent in 2023 and 6.8 percent in 2024 based on calendar year.

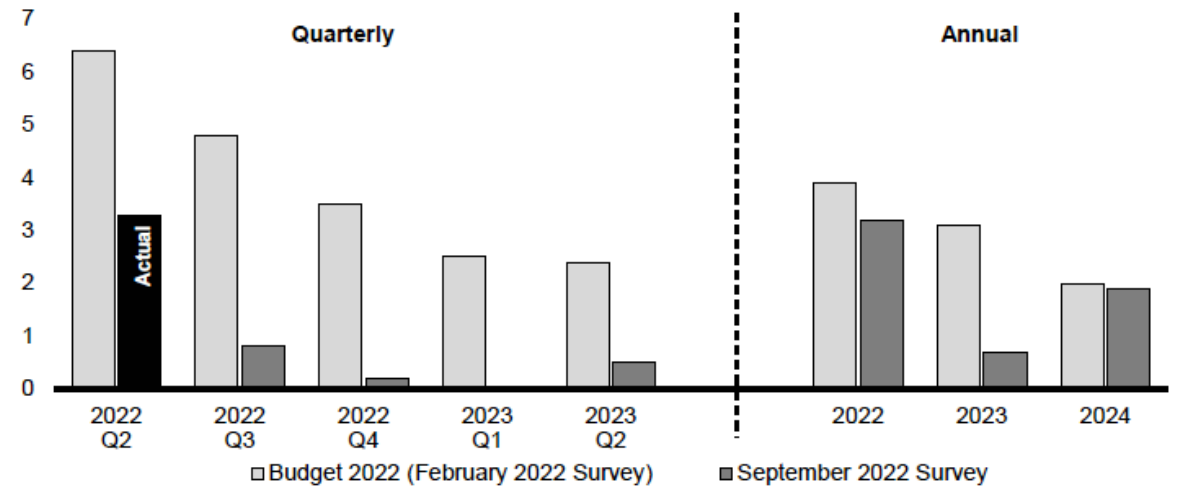
Economic Growth Challenges

- Canadian growth is slowing
- Priorities shifting, as well
 - Reduce inflation
 - Facilitate soft landingWhile, address long term....
 - Growth/ competitiveness
 - Sustainability/energy transition
 - Inclusion (health care)
 - Resilience
- Expect policy focus to shift to growth

Fall 2022 Economic Statement

Real GDP Growth Projections

per cent, quarter to quarter at annual rates



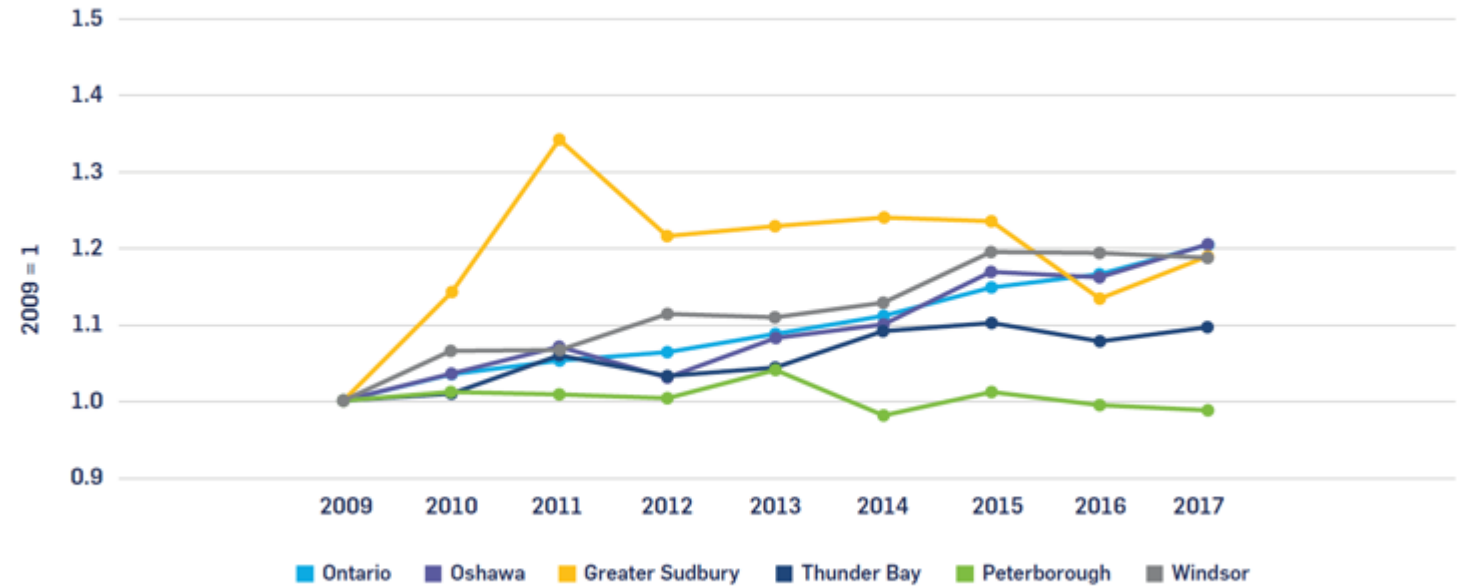
Sources: Statistics Canada; Department of Finance Canada February 2022 and September 2022 surveys of private sector economists; Department of Finance Canada calculations.

Economic Growth Challenges

Thunder Bay is losing
economic ground
relative to Ontario average

... with respect to **GDP**

Figure 4: Real GDP Growth, Ontario As A Whole And Target Cities (\$2012 CAD), 2009 To 2017⁷⁸



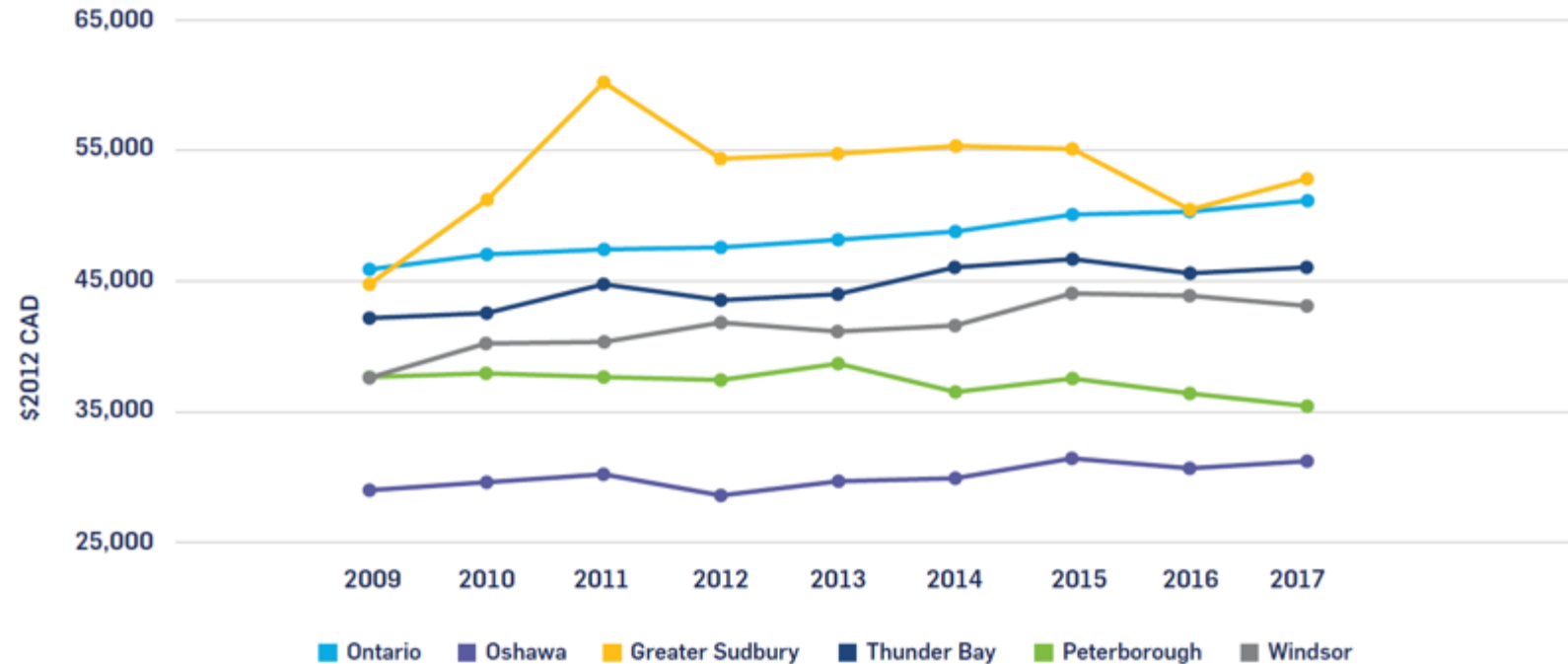
'How Ontario's Mid Sized Cities Can Thrive',
Munk School, University of Toronto
2021

Economic Growth Challenges

Thunder Bay is losing economic ground relative to Ontario average

... with respect to **GDP per capita**

Figure 5: GDP Per Capita, Ontario As A Whole And Target Cities (\$2012 CAD), 2009 To 2017⁷⁹



'How Ontario's Mid Sized Cities Can Thrive',
Munk School, University of Toronto
2021

Economic Growth Challenges

Two key challenges to be managed:

One: economic diversification

'How Ontario's Mid Sized Cities Can Thrive',
Munk School, University of Toronto
2021

Figure 10: Manufacturing As Share Of Employment, Ontario As A Whole And Target Cities, 2009 To 2019⁸⁴

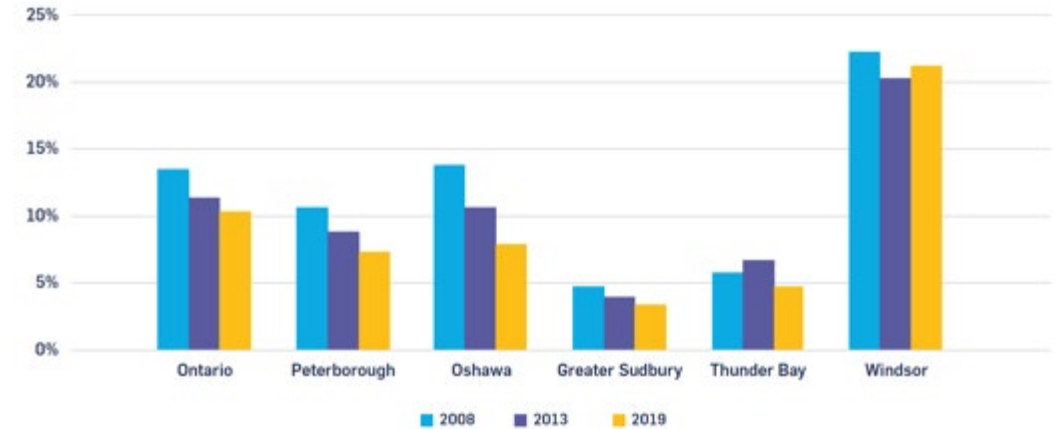
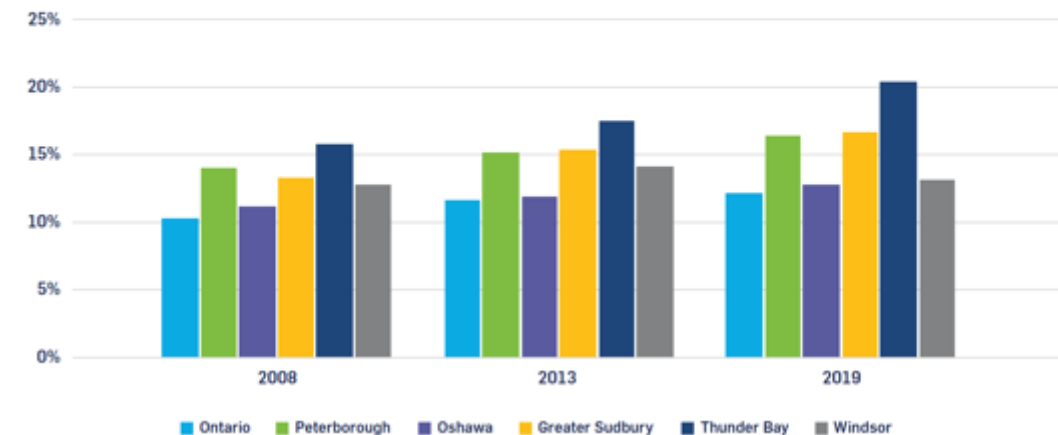


Figure 11: Health-Care & Social Assistance As A Share Of Employment, Ontario As A Whole And Target Cities, 2009 To 2019⁸⁵



Economic Growth Challenges

Two key challenges to be managed:

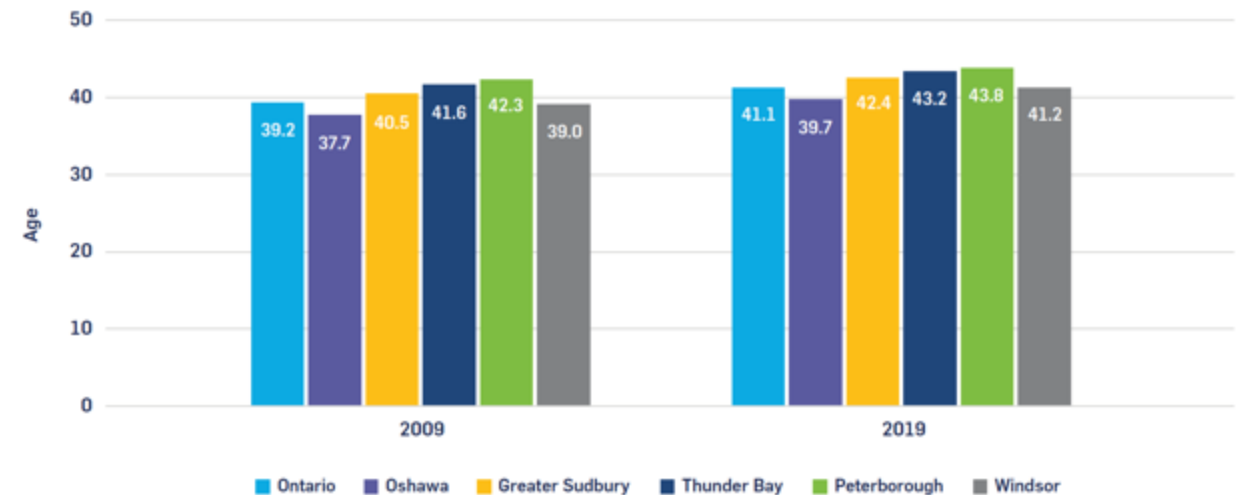
Two: slowing labour force growth & aging demographics

'How Ontario's Mid Sized Cities Can Thrive',
Munk School, University of Toronto
2021

Figure 1: Population Growth And Rate Of Change, 2008 To 2019 ⁷¹

	2008	2019	Percentage Change
Ontario	12,883,583	14,544,718	12.89%
Oshawa	352,767	414,422	17.48%
Greater Sudbury	168,016	171,982	2.36%
Thunder Bay	125,440	126,585	0.91%
Peterborough	121,059	131,065	8.27%
Windsor	332,569	352,962	6.13%

Figure 2: Average Age, Ontario As A Whole And Target Cities, 2009 To 2019 ⁷⁴



Evaluate, Integrate and Better Resource the Strategies and Plans for Growth

Four well-developed and complementary strategies in play

NORTH ONTARIO PLANS

Federal Government
*Prosperity and Growth Plan for Northern
Ontario,
FedNor, 2017*

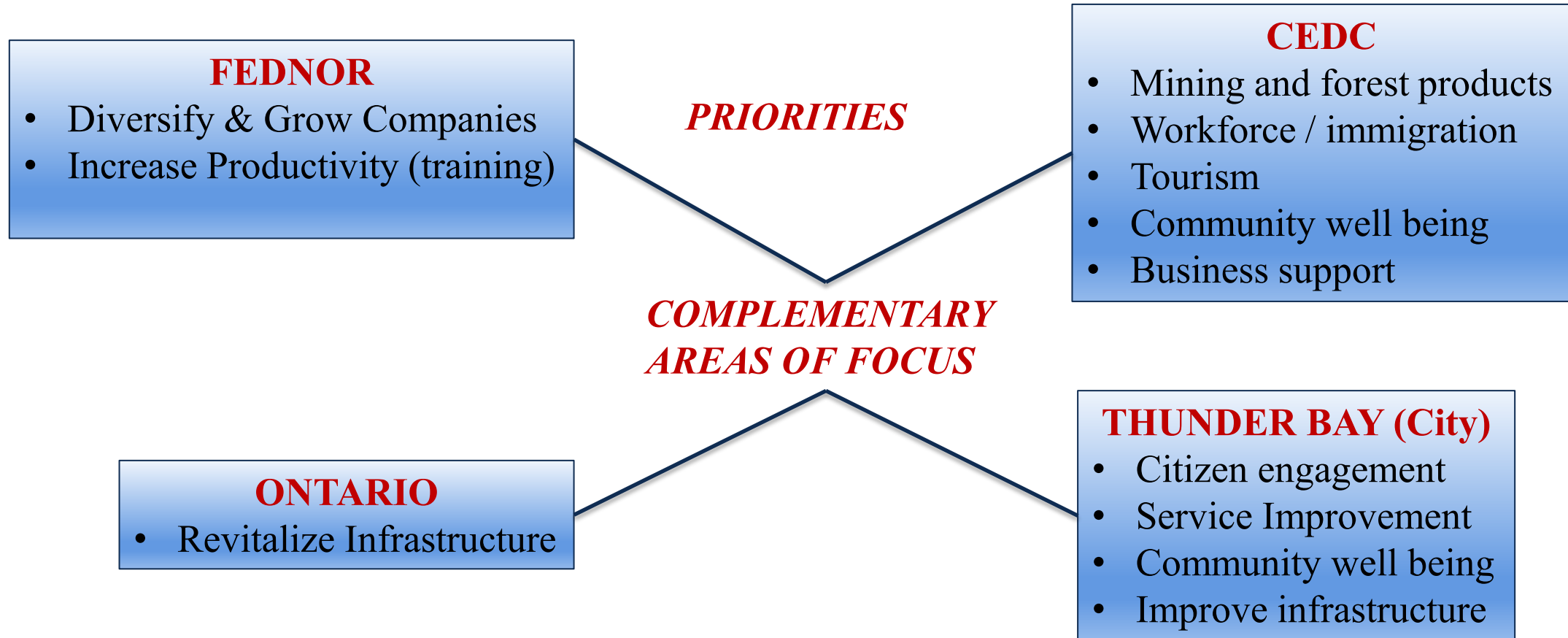
Provincial Government
Growth Plan for Northern Ontario, 2011

THUNDER BAY PLANS

Community Economic Development Commission (CEDC)
Shaping A Sustainable Future, 2023-25

Thunder Bay Corporate Strategic Plan
One City, Growing Together, 2019-22

Strategies and Plans for Growth



Challenges – Information, Monitoring, Oversight

Federal – Ontario spending
not directly linked to strategy
for growth

Table 1 Planned results for Econom

Departmental result	Departmental result indicator
Communities are economically diversified in Northern Ontario	Percentage of SMEs that are majority-owned by Indigenous people in Northern Ontario
	Percentage of SMEs that are majority-owned by youth in Northern Ontario
	Percentage of SMEs that are majority-owned by persons with disabilities in Northern Ontario
	Percentage of SMEs that are majority-owned by

Departmental result	Departmental result indicator	Target	Date to achieve target	2018–19 actual result	2019–20 actual result	2020–21 actual result
	women in Northern Ontario					
	Percentage of SMEs that are majority-owned by visible minorities in Northern Ontario	2.8% ⁽¹⁾	March 31, 2023	2.6% (2017)	Not available ⁽²⁾	Not available ⁽²⁾
	Percentage of SMEs that are majority-owned by persons with disabilities in Northern Ontario	0.8% ⁽¹⁾	March 31, 2023	0.8% (2017)	Not available ⁽²⁾	Not available ⁽²⁾
	Amount leveraged per dollar invested in projects	1.80	March 31, 2023	1.65	1.68	1.90

Departmental result	Departmental result indicator	Target	Date to achieve target	2018–19 actual result	2019–20 actual result	2020–21 actual result
	Value of exports of clean technologies (in dollars) from Northern Ontario	Not available	March 31, 2023	Not available ⁽²⁾	Not available ⁽²⁾	Not available ⁽²⁾

Authorities, Expenditures and Planned Spending

Over the last 5 years, Federal Economic Development Agency for Northern Ontario has received average authorities of \$20.27 million through appropriation acts and other legislation while actually spending an average of \$17.84 million.

Spending is planned to decrease to \$48.34 million by 2024-25.



Lapsed Authorities by Vote (\$)

s)	available		suppressed.	suppressed.	suppressed.
	Northern Ontario: \$8,000,000		Northern Ontario total \$10,103,330 (2014) ⁽³⁾	Northern Ontario total \$11,226,678 (2015) ⁽³⁾	Northern Ontario total \$8,503,000 (2016) ⁽³⁾
Companies borations ation them	Not available	March 31, 2023	Not available ⁽²⁾	Not available ⁽²⁾	Not available ⁽²⁾
rate of oy FedNor	4%	March 31, 2023	FedNor value 6.3%. Northern Ontario total 7.8% (2015) ⁽³⁾	FedNor value suppressed. ⁽⁴⁾ Northern Ontario total -8.6% (2016) ⁽³⁾	FedNor value suppressed. ⁽⁴⁾ Northern Ontario total 4.5% (2017) ⁽³⁾
growth Ontario	200	March 31, 2023	300 (2014) ⁽³⁾	250 (2015) ⁽³⁾	200 (2016) ⁽³⁾
of goods Northern	\$8,100,000 ⁽¹⁾	March 31, 2023	7,696,863 (2015) ⁽³⁾	7,427,377 (2016) ⁽³⁾	8,088,730 (2017) ⁽³⁾

Challenges – Information, Monitoring, Oversight

Thunder Bay performance reporting on corporate plan highlights best practice

- Performance orientated
- Accessible
- Integrates financial and non-financial resources
- Periodic updates



2019 – 2022 One City, Growing Together Corporate Strategic Plan Update

Progress Update: May 9, 2022

Highlights of the City's Strategic Plan activities and progress. For full updates visit www.thunderbay.ca/stratplan

Status of City's Strategic Actions



Status of City's Program & Services Review Actions

5 completed by year-end | 8 significant progress, extend beyond Plan | 1 deferred

Pandemic Response

Despite pandemic disruptions during three quarters of the Strategic Plan timeline, significant progress has been achieved.



Key Indicators

Assessment Growth **-0.45%** | ↓

Building Construction **\$141M Value**
& 1,660 Permits | ↑

Quality of Life **76%** | ↓

Satisfaction with Services **81%** | Unchanged

Sense of Belonging **82%** | ↓

Sense of Safety **82%** | ↓

Value for Tax Dollars **75%** | ↓



New Truth & Reconciliation Committee

14+ Indigenous Partners collaborating on city-wide approach

100% Cultural Awareness Training of non-union managerial City staff

313+ engaged on Indigenous Relations Strategy Action Plans



\$6.6M invested on Climate Adaptation Strategies

Climate-Forward City: Thunder Bay Net-Zero Strategy endorsed

150+ engaged on Sustainability Plan renewal

Recycling expanded: #3 – #7 coded plastic containers now recyclable

7% increase plastic recycling



New Corporate Digital Strategy to enhance digital services & processes over the next 4 years

Open Data Portal Launched
69 datasets
6,800 visits
300 downloads



Rural & Northern Immigration Pilot
300+ candidates
130+ employers

\$500K funding, electric vehicle charging

Tourism Pandemic Recovery

59% annual hotel occupancy rate vs. 41.9% Canadian average



Boulevard Lake Dam Grand Opening: Fall 2021

North Core Streetscape Final Concept to be presented: Summer 2022

\$3.7M funding received to date for Conservatory Renewal

Waterfront Development

Designs in place & construction in 2023:

- North Water Street Lookout
- Mission Island Trail
- 2km section of trail to Pool &

Asset Management Plan

Phase 1 complete – Plan for all core assets

Phase 2 underway (completion 2024) – Plan for all assets

Phase 3 underway (completion 2025) – Financing strategy to maintain assets

Victoriaville Demolition

2022 - Designs & costing to be completed
2025 - If approved, anticipated demolition



Zoning & Downtown Improvements

New Zoning By-law Adopted: Spring 2022

Strategic Core Area Community Improvement Plan (CIP) Complete

CIP Grants (2020-2022): 20 approved grants worth \$205,460

2021 – 2025 Community Safety & Well-Being Plan established for Thunder Bay

Affordable Access to Recreation & Culture Pilot – report by year-end, if approved, implementation late 2023

*Data Source: 2019-2022 Strategic Plan, Fourth & Final Progress Update as of May 9, 2022, Corporate Report R101/2022 Attachment A

Can Canada Learn From UK Experience on Growth?

UK has struggled with growth and productivity

2015 National Infrastructure Commission
2017 (LSE) Growth Commission
2019 Leveling Up Policy

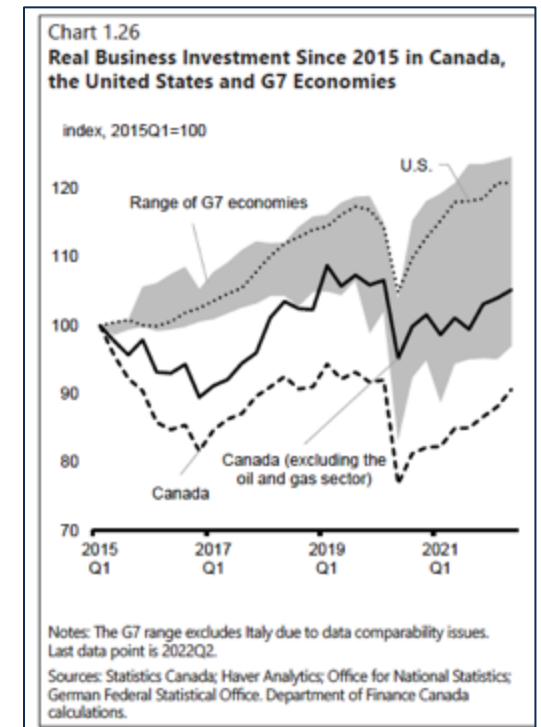
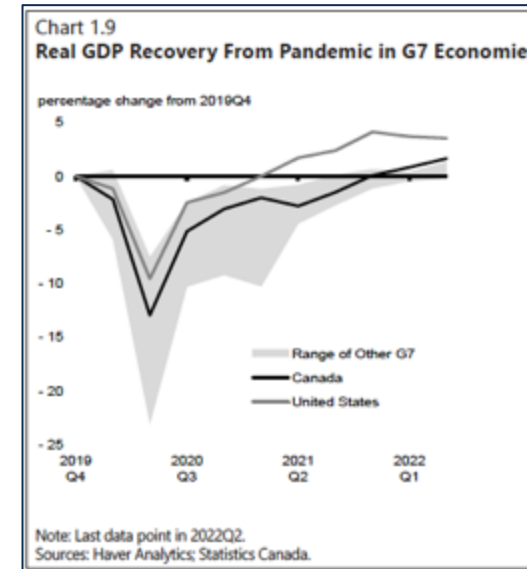


Federal Government Moving Slowly to a Growth Agenda

Liberal 2021 Platform commitment to launch permanent council of economic advisors to focus on long term growth

Budget 2021 commitment for a national needs assessment

Budget 2022 commitment to finance mineral strategies



Possible Opportunities

1. Consider evaluation of Thunder Bay region growth strategies against best practices
2. Consider the development of a re-freshed integrated growth strategy – public-private partnership involving all levels of government , CEDC, business and civil society groups
3. Consider the development of a Sustainable (Leveling Up) Growth Institute at Lakehead University to model the economy, analyze and support decision making, monitor flows of resources, report on progress with plans and outcomes
4. Consider using Thunder Bay as a pilot for an infrastructure needs assessment and push for the development of a smart city digital model
5. Consider using an independent municipal think tank (e.g. CitySHAPES) to assess fiscal transparency and sustainability of Thunder Bay city budget

Evaluation and Integration of Growth Strategies

Assess Against

Thunder Bay / Ontario North Strategies

- Federal Government, *Prosperity and Growth Plan for Northern Ontario, FedNor, 2017*
- Provincial Government, *Growth Plan for Northern Ontario, 2011*
- CEDC, *Shaping A Sustainable Future, 2023-25*
- Thunder Bay Corporate Strategic Plan, *One City, Growing Together, 2019-22*

Literature on Small and Medium Sized Cities

- *How Ontario's Mid-Sized Cities Can Thrive*, Ontario 360, Munk School, University of Toronto, 2021
- *The Land of In Between, Revitalization of America's Small and Medium Sized Cities*, Center for Strategic and International Studies, Washington, D.C., 2020
- *Using Smart Growth Strategies to Foster Economic Development, A Kelso, Washington Case Study*, 2015, Office of Sustainable Communities, US Environmental Protection Agency, 2015
- *Small Town Approaches, The Global Economic Development Series*, UN-Habitat, 2012

Build a Sustainable (Levelling Up) Growth Institute at LU

At Lakehead University



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE

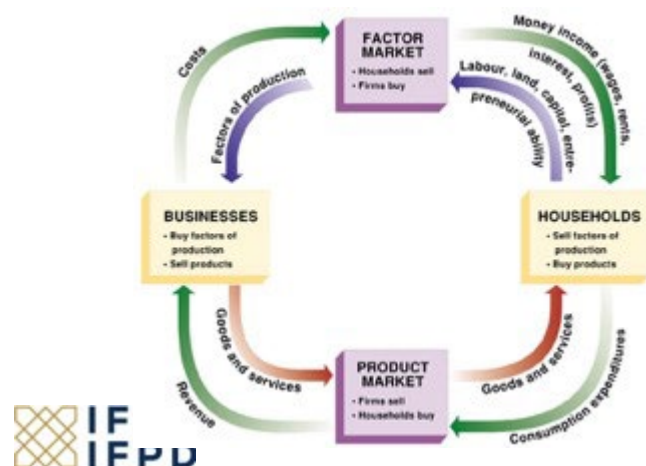
The LSE Growth Commission was set up to provide authoritative and evidence-based policy recommendations that target sustainable and inclusive long-term growth in the UK.



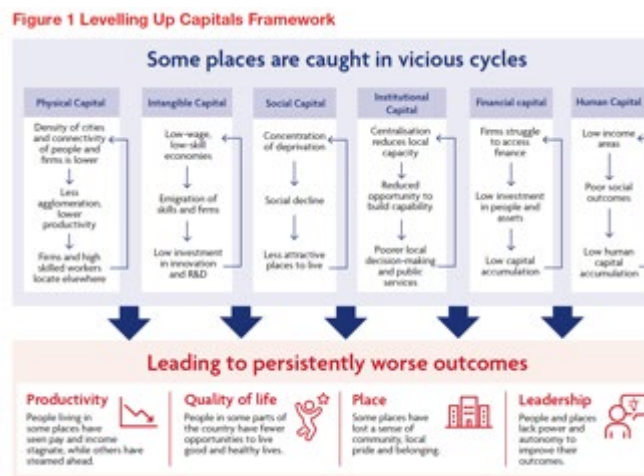
Economic
and Social
Research Council

With a Focus on Levelling up Opportunity and Growth

Economic Model



Analysis



Follow Money and Results



Thunder Bay Infrastructure Needs Assessment

Work with FEDNOR & Infrastructure Canada & Infrastructure Ontario to use Thunder Bay as a pilot for an ... infrastructure needs assessment

Stock

Performance

Future Need

Process	Models	Data/Analytics	Consultations
<ul style="list-style-type: none"> Condition assessments GHG emissions assessments Visual inspections Security and resilience assessments 	<ul style="list-style-type: none"> Demand models Capacity models Climate models GHG emissions models Agent-based models 	<ul style="list-style-type: none"> Risk analytics Resilience analytics Lifecycle cost analytics Service levels analytics Benefits realization analytics 	<ul style="list-style-type: none"> Satisfaction surveys Citizen engagement Subject matter and domain experts
<ul style="list-style-type: none"> Defining well-being outcomes and developing macro KPIs Developing a performance architecture linking infrastructure to outcomes 	<ul style="list-style-type: none"> Logic models Economic growth models Inclusion models Resilience models Sustainability models 	<ul style="list-style-type: none"> Inclusion related mobility Inclusion infrastructure performance Sustainability infrastructure performance 	<ul style="list-style-type: none"> Geo-located user satisfaction surveys Citizen engagement Policy experts Performance experts
<ul style="list-style-type: none"> Future scenario planning New technology maturity assessments Urban planning trends 	<ul style="list-style-type: none"> Demographic models Economic models Labor force models Mobility models Urban planning models Rural planning model Net zero 2050 models 	<ul style="list-style-type: none"> Inter-generational analytics Interoperability analytics Long-term sustainability analytics Long-term inclusion analytics Long-term resilience analytics 	<ul style="list-style-type: none"> Futurists Urban planners Emerging technology experts Behavioral economists

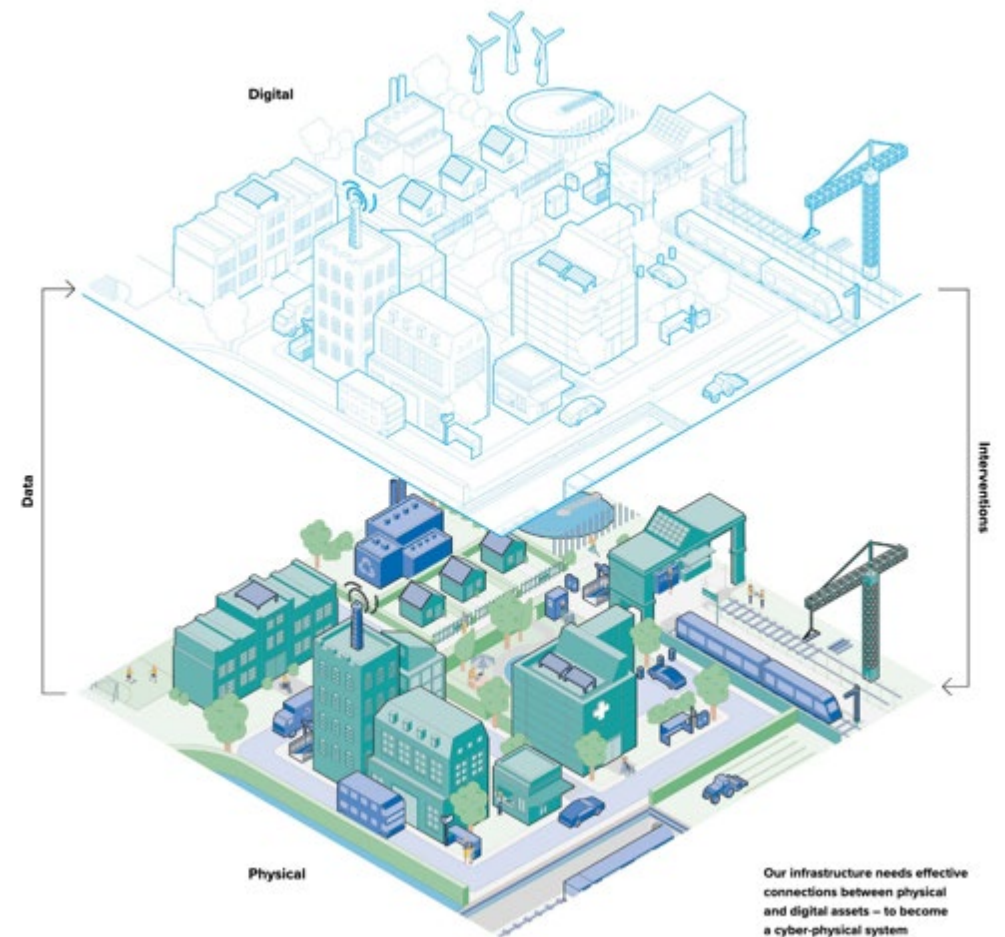
A Digital Twin of Thunder Bay Infrastructure Systems

National and regional -scale digital twins are currently under development/ consideration in the UK, Australia and New Zealand

This requires a rich and standardized data framework and can provide a suite of efficiency and process integration benefits

Work with FEDNOR & Infrastructure Canada & Infrastructure Ontario to use Thunder Bay as a pilot for a ...

digital twin



Open Budget Survey for Thunder Bay

The International Budget Partnership, Washington DC has developed a survey for assessing the openness of budgets at the national and sub-national level

IFSD has prepared this assessment for the federal government

The survey could be conducted for the City of Thunder Bay by an organization that focuses on municipalities (e.g. CitySHAPES)

IFSD has developed an electronic citizen budget tool. This tool could be adapted for Thunder Bay to help councilors and citizens better understand the city budget and the financial consequences of spending and revenue trade-offs

SUBNATIONAL OPEN BUDGET SURVEY QUESTIONNAIRE

Section One: The Availability of Budget Documents

- Table 1. Details of Budget Documents Utilised and their availability
- Table 2. Supplementary Budget Documents Utilised and their availability
- Table 3. Summary of Means of Dissemination for Main Budget Documents
- Table 4. Languages in which Main Budget Documents are made available

Section Two: The Budget Formulation process

- 2.1. Availability & Dissemination of the Executive's Budget Proposal (EBP)
 - Extent of availability, timeliness & dissemination of the EBP
 - Inputs by the Public into the Budget Formulation Process
- 2.2. Content of the Executive's Budget Proposal
 - Details of Intergovernmental Transfers
 - Estimates for the Budget Year and Beyond
 - Estimates for Years Prior to the Budget Year
 - Complementary information on assets and liabilities
 - The Budget Narrative & Performance Targeting

Section Three: The Budget Execution process

- 3.1. Approval of the Enacted Budget
 - Availability, timeliness & dissemination of the Enacted Budget
- 3.2. The Content of the Enacted Budget
 - Details of Intergovernmental Transfers in the Enacted Budget
 - Enacted Budget: Estimates for the Budget Year and Beyond
 - Enacted Budget: Complementary information on assets and liabilities
 - The Budget Narrative & Performance targeting in the Enacted Budget
- 3.3. The Citizens' Budget
- 3.4 The Procurement System

Section Four: Budget reporting and Oversight

- 4.1. Service Delivery Oversight
 - Information on services delivered by SN Government
 - Information on conditions of entitlement to services
 - Information on avenues for citizen participation
 - Access to budget information for the service facility level
- 4.2. Year-End Reporting
 - Year End Report: Availability, timeliness, dissemination & citizen input
 - Content of the Year-End Report
 - Intergovernmental Transfers in the Year-End Report
- 4.3. Audit Phase
 - Availability and dissemination of external Audit Reports
 - Regularity and coverage of Audit reports
 - Public engagement in the scrutiny of external Audit reports

Get in touch

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