

Executive Summary

The 2002 Thunder Bay Business Opinion Survey was developed to gauge the attitudes of the small business community towards the current and future business climate in Thunder Bay. The survey identifies factors most critical to the development of the City's economy beyond the year 2002, and finally, examines the attitudes of the business community towards specific issues and developments in the local community. This report represents the findings of the survey, and offers interpretation to the findings when needed. Statistical methodology and practice are used in the study in an effort to eliminate any bias that would provide misleading results.

The presentation format of this report is similar to the 2001 survey report. Questionnaire development maintained consistency for the purpose of identifying trends and patterns in the small business community. Questionnaire reliability and validity were examined and found to be consistent with generally accepted statistical techniques.

The survey offered notable findings in several key areas:

- (1) 97 percent of the respondents expect to maintain or increase their employment levels over the next 12 months; while 61 percent of the survey respondents enjoyed an increase in FY 2001 revenues; both up from last year's survey.
- (2) 77 percent of respondents expect zero or negative growth in the Thunder Bay economy over the next 12 months, indicating a strong sense of pessimism.
- (3) Respondents significantly find Higher Education (highest), Tourism/Hospitality, and Retail industry sectors as having the fastest growth potential in Thunder Bay. This is the fifth year in a row that Tourism/Hospitality has been ranked the top two sectors.
- (4) More than 85 percent of respondents believe that the Thunder Bay City Council is not doing a good job representing their small business, and approximately 84 percent believe that City Council does a poor job in prudently and efficiently examining economic development opportunities in the Thunder Bay Census Metropolitan Area, these numbers are up significantly from last year.

Responses for the 2002 Business Opinion Survey remain similar to results found a year ago. A sustained pessimism toward the economic health of Thunder Bay remains strong, appearing to cause conservative short-term decision-making by small business managers. However, hiring and revenue expectations remain strong. Small business appears to be uncertain about the future and continues to wait for clear indicators of future economic activity and the competitive environment.

Many small businesses are concerned with local banking and lending practice. The inability to obtain capital has not been a serious problem to this point, however respondents appear cautious about future access to capital. The higher education industry sector is identified as having the largest growth potential. With the development of the Medical School and the Advanced Technology and Communication Centre, respondents appear to be gaining confidence. Conversely, the economic impact of the Charity Casino continues to trend downward as an increased number of respondents indicate their businesses have been negatively affected.

Finally, the negative responses to City Council's performance are statistically staggering and it appears a lack of economic development and cohesive promotional planning for the city is keeping small business managers uneasy about future opportunities for growth.

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Research Objective

The purpose of this study is to examine the attitudes and behaviours of small business organizations in the Thunder Bay Census Metropolitan Area (CMA). Specifically, the three objectives are: (1) to gauge the attitudes of the small business community towards the current and future business climate in Thunder Bay; (2) to identify factors most critical to the development of the City's economy beyond the year 2002, and (3) to examine the attitudes of the business community towards specific issues and developments in the local community. The study is conducted under the auspices of Thunder Bay Ventures, an organization funded by Industry Canada through FedNor, as part of the federal government's Community Futures Development Program and has a mandate to conduct research on issues relevant to community economic development, in addition to providing financing and support to small business. A similar survey has been done for the past four years and results from these earlier studies will be referred to in this report, as warranted. The 2002 annual survey was conducted in May and June of this year.

Methodology and Response

The specific population examined in this study is organizations with less than 20 full-time employees, regardless of revenues. Further, the population is located in the Thunder Bay CMA and has no affiliation with a particular industry sector. Included with the questionnaire was a letter of introduction explaining the purpose of the survey and details of a response incentive. During a five-week response period, 624 surveys were delivered with 92 surveys returned (14.7%), a significantly lower response rate than in previous years. Of the 92 responses, only one response was deemed inappropriate and unusable, providing a net response of 91 questionnaires. Previous response rates have consistently been between 20 and 25 percent. The unusually lower response rate may be indicative of an increasing apathetic climate by Thunder Bay small businesses towards continuous problem identification and not solution strategies and implementation. However, it may merely be a statistical irregularity in the selected sample.

The survey uses a systematic random sample approach and is delivered through Canada Post. Each survey is addressed to the identified owner of the business. The questionnaire has 115 independent variables and primarily uses a Likert scale response format (see Appendix 1). Respondents are also offered the opportunity to openly express comments regarding some of the issues in the survey, specifically Thunder Bay's "Quality of Life" and the direction and leadership of Thunder Bay, absent a cohesive City Council. Seventy-nine percent of respondents did provide additional feedback on one or more of the open-ended questions. A random selection of the comments is offered in the report. These responses are simply opinionated comments and do not indicate any statistical significance or trend.

In keeping with accepted statistical practice, an examination of the questionnaire's reliability and numerous validity measures were performed. A reliability alpha (Cronbach) was calculated at 73.2 percent indicating that consistency and stability of the measurement scoring scale exists. Typically, a percentage above 70 is considered acceptable for exploratory research. The research instrument also demonstrates strong face, construct, and content validity. Validity measures are qualitative, not quantitative and therefore more difficult to ascertain. However, the

questions in this instrument are very similar or the same to those used in the previous years, thus providing additional confidence.

Respondent Profile

This section provides some general demographic results to the 2002 survey. The variable totals may not equal 100 percent (91 responses) due to omission of some answers by the respondents. The average age of the respondent was 46.8, (youngest 26, oldest 73). Firms have been in business an average of 19.8 years, ranging from 1 year to 96 years. Also, the average size of the small business respondents is 5.7 full-time employees and 3.2 part-time employees. These general demographic results are in keeping with the target population under examination.

OTHER DEMOGRAPHIC RESULTS

	<i>(n)</i>	<i>percentage</i>
Gender		
Male	37	40.7
Female	53	58.2
Primary Business Format		
Retail	33	36.3
Wholesale	2	2.2
Manufacturing	7	7.7
Professional Services	25	27.5
Personal Services	4	4.4
Other	19	20.9
2001 Fiscal Year Income		
less than \$25,000	7	7.9
\$25,000 - \$49,999	8	9.0
\$50,000 - \$99,999	2	2.2
\$100,000 - \$249,999	22	24.7
\$250,000 - \$499,000	13	14.6
\$500,000 - \$999,999	7	7.9
\$1,000,000 - \$5,000,000	24	27.0
greater than \$5,000,000	6	6.7
Change in Sales Volume, 2000 to 2001		
Increase greater than or equal to 10%	15	16.5
Increase greater than 0 and less than 10%	40	44.0
Decrease greater than 0 and less than 10%	19	20.9
Decrease greater than or equal to 10%	13	14.3

The demographic results confirm an appropriate dispersion for the targeted population. A cross-section of Thunder Bay small businesses is represented (geographic, employee size, revenue size and format). Retailers and professional service firms dominate the respondents, indicative of the population in question. In keeping with previous surveys, 61 percent of respondents made more money in FY 2001 than in their previous year.

Current Small Business Attitudes

Manager's aspirations and expectations often shape their future business decision-making. The "Current Small Business Attitudes" section is focused on understanding the current posture of small business managers given their previous experiences and future expectations.

There is no one significant business problem evident for small businesses in Thunder Bay. These results are similar to the 2001 survey indicating no distinct emerging problems. Several factors associated with sales performance in FY 2001 are found to be important: Thunder Bay economic climate, advertising and promotion, and to a lesser extent change in the competitive environment. These results are also similar to last year's survey, although the importance is somewhat stronger. Examining these variables in a context of future business success, no difference exists. There is however one noticeable change to last year's findings. The importance of fuel costs appears less than in the 2001 survey.

Investment expectations serve as a good benchmark for evaluating managers' current attitudes toward the business environment. Results here indicate that small business managers in the Thunder Bay CMA will be investing most in advertising/promotion and staff and training programs. These findings are similar to last year's survey with the exception of a slight decrease in technology investment, market research and consulting and advisory service. It appears that managers are seeking the most return given the dollars spent, primarily in the short-run.

Small business managers were also asked how specific developments and institutions in Thunder Bay have impacted their business. Results indicate that these managers expect box store development, the Safeway closure, the Charity Casino and the deregulation of energy rates to have a negative impact on their business while the Medical School at LU and the new Regional Hospital will have a positive impact on their business. The result of this finding is stronger than last year.

Finally, 97 percent of small businesses in the CMA expect to maintain or increase their current employment levels in the next 12 months. The same question was asked in last year's survey. Ninety-two percent indicated they would maintain or increase, however the reality was 78 percent, as indicated in the findings of this year's hiring results.

Problems often Encountered by Small Business during the Last 12 Months Significant Problem (1) - Not a Problem (5)

	<i>mean</i>
Wage rates	4.00
Inventory control	3.99
Availability of skilled employees	2.98
Weather conditions	3.94
Raising Capital/Securing business loans	3.94
Increased competition	3.20
Access to market research	3.85
Government paperwork requirements	3.00
Municipal zoning/building requirements	3.91
Access to business advice	3.94

Factor Importance as Associated with 2001 Sales Performance
Very Important (1) - Not Important (5)

	<i>mean</i>
Inventory price increases	3.10
Advertising/promotion	2.65
General economic climate	1.93
Change in product/service offering	3.22
Staff-related issues (e.g., training)	3.48
Change in competitive environment	2.88
Weather	3.53
New markets (e.g., exports)	3.99
Cdn - U.S. exchange rate	3.64
Fuel costs	3.11
Internet/Web development	3.64

Factor Importance as Associated with Future Success
Very Important (1) - Not Important (5)

	<i>mean</i>
Inventory price increases	2.71
Advertising/promotion	2.68
General economic climate	1.90
Change in product/service offering	2.91
Staff-related issues (e.g., training)	3.11
Change in competitive environment	2.57
Weather	3.51
New markets (e.g., exports)	3.67
Cdn - U.S. exchange rate	3.21
Fuel costs	3.05
Internet/Web development	3.12

Investment Expectations in the Next 12 Months
Significantly Less (1) - Significantly More (5)

	<i>mean</i>
Advertising/promotion	3.18
Employee compensation	2.78
Employee recruitment	2.89
Staff training programs	3.18
Partnering with other firms	2.65
Inventory supply	2.61
Capital projects (e.g, equipment)	2.72
Market research	2.50
Technology	2.99
Consulting/advisory service(s)	2.47

**Impact of Developments/Institutions on Your Business
Very Negative (1) - Very Positive (5)**

	<i>mean</i>
Cruise ship visits	3.14
Box store development (e.g., Walmart, Costco)	2.57
Medical School at LU	3.99
Regional hospital	4.05
Lac des Iles Mine expansion	3.76
Safeway closure	2.32
Waterfront development	3.64
Charity Casino	2.60
Advanced Technology & Communication Centre at LU	3.48
INNOVA Park	3.24
Deregulation of energy rates	2.69

Employment Levels

	<i>(n)</i>	<i>percentage</i>
Change in employment level fiscal year 2001		
Increased	20	22.0
Remained the same	51	56.0
Decreased	20	22.0
Expected change in employment level, next 12 months		
Planning to hire additional employees	30	33.0
Planning not to hire any additional employees	58	63.7
Planning to layoff employees	3	3.3

Thunder Bay Business Climate

The intent of this section is to focus on the current and future business climate and economic growth potential for the Thunder Bay CMA. Small businesses are asked specifically about new development and institutions and their impact on the Thunder Bay economy, industry sector growth potential, and the City's ability to meet the needs of small business.

The survey indicates that 77 percent of respondents expect zero or negative growth in the Thunder Bay economy over the next 12 months, indicating a strong sense of pessimism. The small business respondents also expect, as with their own business, the Medical School at LU and the new Regional Hospital to have a very positive impact on the Thunder Bay economy with the new Advanced Technology and Communication Centre and Lac des Iles Mine expansion to provide moderate economic growth. The recent Safeway closure and Charity Casino are viewed as having the most detrimental impact on Thunder Bay's economy. It is interesting to note that a strong trend exists regarding the increasing negative affect of the Charity Casino on the local economy, as found in the two previous surveys.

Industry sectors appearing to have the most confidence from respondents regarding future growth in Thunder Bay are higher education, general education, hospitality and tourism, and retailing. Higher education and hospitality and tourism were the expected findings. Surprisingly, small business managers believe that higher education (Lakehead University and Confederation College) will have the strongest growth. However, there is a noticeable increase in the future growth of retailing as compared with the last two survey years. Conversely, industry sectors expected to have less growth are construction and large manufacturing. These results appear primarily due to an overall pessimistic economic outlook.

Small business managers were also asked how well Thunder Bay meets the needs of their business. Responses indicate that City Council representation, municipal tax rates and the city's promotional efforts are poor while weather response and the local labour pool are better. The significant attitudinal difficulties that small business managers have with City Council will be discussed further in the next section.

It is encouraging to note that 59 percent of the respondents believe their business will have a revenue increase in FY 2002. One interesting note, last year 58 percent of the small businesses anticipated an FY 2001 revenue increase, while in fact 61 percent actually had a revenue increase in FY 2001, as found in this year's result. Finally, when asked about the business skills most lacking within the organization, sales and marketing were again found to be the highest at 24 percent, although down from 32 percent last year. The largest increase here came in inventory and process management and recruitment and training.

Anticipated Economic Growth for Thunder Bay In the Next 12 Months

	<i>(n)</i>	<i>percentage</i>
Decrease in Economic Growth	36	40.3
No Change in Economic Growth	33	37.1
Increase in Economic Growth	20	22.5

Impact of Developments/Institutions on Thunder Bay Economy Very Negative (1) - Very Positive (5)

	<i>mean</i>
Cruise ship visits	4.10
Box store development (e.g., Walmart, Costco)	2.95
Medical School at LU	4.59
Regional hospital	4.54
Lac des Iles Mine expansion	4.26
Safeway closure	2.12
Waterfront development	4.10
Charity Casino	2.93
Advance Technology & Communication Centre at LU	4.12
Emerging local energy industry	4.09
INNOVA Park	3.53

**Future Industry Sector Growth
None (1) – Great (5)**

	<i>mean</i>
Primary (e.g., logging, mining)	3.05
Secondary (e.g., large manufacturing)	2.99
Small manufacturing	3.38
Construction	2.81
Hospitality/tourism	3.82
Education	3.74
Health Care	3.62
Retailing	3.24
Technology	3.64
Financial Services	3.08
Higher Education LU/Confederation	4.10

**Thunder Bay Meeting the Needs of Your Business
Very Well (1) - Very Poor (5)**

	<i>mean</i>
Labour pool (education, availability, skill)	2.91
Access to raw materials/natural resources	3.21
Weather response	3.01
City's promotional efforts	3.69
Transportation costs (passenger)	3.49
Other transportation costs (shipping)	3.68
City infrastructure (e.g., roads, hydro, gas)	3.33
Municipal tax rates	3.92
City Council representation/decisions	4.55
Access to financing/capital	3.39

Anticipated Annual Sales Increase for the 2002 Fiscal Year

	<i>(n)</i>	<i>percentage</i>
Yes	54	59.3
No	35	38.5

Business Skills Most Lacking in the Organization

	<i>(n)</i>	<i>percentage</i>
Sales and Marketing	22	24.2
Finance and Accounting	10	11.0
Inventory and Process Management	16	17.6
High Technology Implementation	19	20.9
Recruitment and Training	17	18.7

Development Projects, Small Business and the Community

The final section of the report addresses the attitudes of small business toward the local and business communities. A focus is made on Thunder Bay's attractiveness as a community, local business stimulus, and the performance of City Council.

Several themes exist in this year's "Development Projects, Small Business and the Community" section. First is the continued analysis of the Thunder Bay City Council. Respondents clearly (86 percent) believe that City Council is not doing a good job representing their business. Surprisingly, this number is up from 74 percent last year. Furthermore, respondents overwhelmingly believe (84 percent) that City Council does not prudently and efficiently examine economic development opportunities for Thunder Bay. Again, this number is up from 68 percent last year. In a new question, respondents were asked whether City Council understands their role in governing the city and its best interests. Eighty-seven percent said they did not. Findings surrounding the City Council's performance are clearly the most significant of this study.

Another area of concern in this section was regarding the lending practice of local banks. Respondents believe (60 percent) that local banks are not focused on meeting the needs of local businesses, while 37 percent believe an inability to access capital has affected the decision to develop new business initiatives.

Quality of life in Thunder Bay, as measured against other cities in Canada, fairs well in this study. More than two-thirds of the respondents believe that Thunder Bay has as good or better quality of life than most other cities, similar to last year's results. When broken down as to who enjoys the best quality of life in town, retirees get the vote again. However the range is not significantly different between the groups.

Another area examined was whether particular variables are considered as impediments or enticements to the relocation of individuals to Thunder Bay. Distance from major metropolitan areas, city government and policies, and economic opportunity are those identified as significant impediments for relocation to Thunder Bay. While awareness of the region, quality of life and recreational opportunities are considered as significant enticements for relocation. These findings are the same as last year's findings.

Finally, here are some general findings of interest. The majority of respondents believe that Lakehead University and Confederation College are positively involved with local businesses. Respondents appear split as to whether the construction of the Regional Hospital is having a positive impact on their business. Results also indicate that only 39 percent of small business managers have had their decision-making change since the events of the September 11th bombings. In keeping with previous years, the final question of the survey asks respondents their familiarity with Fast Forward Thunder Bay>>, 64 percent answered they were not aware of the initiative, as compared to 68 percent last year.

	<i>(n)</i>	<i>percentage</i>
In your opinion, as compared to other cities you are familiar with in Canada, how would you describe Thunder Bay's quality of life?		
Better than most	39	42.9
Same as most	23	25.3
Not as good as most	28	30.8

	<i>(n)</i>	<i>percentage</i>
Do you believe the Thunder Bay City Council doing a good job representing your business?		
Yes	5	5.5
No	78	85.7
Do you believe that City Council prudently and efficiently examines economic development opportunities in the Thunder Bay region?		
Yes	8	8.8
No	76	84.0
Do you believe that City Council understands their role in governing the city and its best interests?		
Yes	8	8.8
No	79	86.8
Has the direction of City Council affected your decision to develop new business initiatives?		
Yes	38	41.8
No	48	52.7
Do you believe the lending practices of banks in Thunder Bay are focused on meeting the needs of local businesses?		
Yes	27	29.7
No	55	60.4
Has an inability to access capital affected your decision to develop new business initiatives?		
Yes	34	37.4
No	51	56.0
Do you believe that Confederation College and Lakehead University are positively involved with local businesses?		
Yes	52	57.1
No	23	25.3
Is the construction of the new Regional Hospital having a positive impact on your business?		
Yes	34	37.4
No	42	46.2
Have your business decisions been affected by the events of September 11 th ?		
Yes	35	38.5
No	56	61.5

	<i>(n)</i>	<i>percentage</i>
Are you familiar with the Fast Forward Thunder Bay>> initiative?		
Yes	31	34.1
No	58	63.7

**Thunder Bay’s Quality of Life
Very Good (1) - Very Poor (5)**

	<i>mean</i>
Students (all ages)	2.81
Professionals	2.85
Skilled Employees	2.79
Retirees	2.22

**Characteristics Impeding or Enticing People to relocate to Thunder Bay
Significant Impediment (1) - Significant Enticement (5)**

	<i>mean</i>
Awareness of the region and its resources	3.56
Distance from major metropolitan areas	2.08
Weather (i.e., perceived or actual)	2.40
Quality of life	3.77
Transportation facilities (e.g., airport)	3.45
Health care facilities	2.98
Economic opportunity	2.11
Recreational opportunity	3.87
Technology Infrastructure (e.g., broadband)	3.14
City Government/policies	1.91

RESPONDENT COMMENTS

How do you define “Quality of Life”?

“Each of us will define it differently. To me, the fact that my family is here is most important. Our economy is struggling and the lack of employment opportunities threatens my family’s ability to stay here. We are losing 1,000 people a year - most are younger, well educated, and enthusiastic – leaving older, less educated, demoralized folk behind. This is the biggest challenge facing us today.”

“Being able to enjoy the surroundings, activities, life style, relaxation, etc. Thunder Bay lacks things to do and places to go. Air fare just to leave the city is outrageously expensive, as is the

cost of food, compared to other cities, i.e. Winnipeg, Toronto. It's hard to have quality of life if we don't even have quality medical care!!"

"The ability to earn a living that provides for housing, food, education, entertainment, transportation, etc. A variety of services available locally. Healthy tourism industry. Short commuting distances. Low unemployment."

"The ability to work, live, and play in the way you want, without giving problems to others. Not having to worry about crime, whether you get to work tomorrow or when your next meal is coming from, and to be able to entertain yourself."

"Depends what you make of it. Thunder Bay has fought with itself to the point that there is too much energy spent trying to say we have a quality of life rather than letting the quality of life speak for itself."

"A community that has opportunities for families to support themselves, financially. Better paying jobs, with a future, will give people the time to explore our entire community – shopping, arts, nature and the beauty of our area. No jobs, no resources to explore or try our "quality of life."

"Having access to people and services necessary for a desirable life style (health care) and having access to services, shops, etc. that allow people to have the finer things in life. (shopping, recreational activities, etc.)"

Who do you believe could direct the City of Thunder Bay in the absence of a cohesive City Council (person or organization)?

"I believe that an organization that does not have as many conflicting members could very well run this city. These people need to have open minds and look out at other cities and see what they have done to succeed – i.e. Duluth's waterfront is a thriving place. Ours is much more beautiful and we have nothing."

"Can't think of any alternative. Council must work harder to get its act together. Perhaps after the next election there will be a house cleaning."

"The City Council was elected by the public to take care of municipal matters. I don't believe there is a single person or one organization in Thunder Bay that could replace the council and look at the city as a whole and act in the best interest of the citizens."

"Our Mayor is doing a good job. He needs a council that will work better as a team. I haven't thought about who could fill in. City management should be capable, but our council has managed to disrupt that as well. We may be in serious trouble if we need someone in the absence of a cohesive council."

"The City of Thunder Bay needs to do whatever is necessary to attract and retain large manufacturing. This will create long term employment at a higher wage level than these "box

stores” that are being built at this time. The city needs a leader that has the power to make the changes without all of the red tape of going through city council. Once the goal is set (with parameters), let this individual do the job. Please note that the “parameters” must not prohibit this individual from getting the job done.”

“I think the city population wanted new blood, however, I think we got more than we anticipated on council. The Mayor is ok and a few council people, however, new blood has caused much grief and I hope the next election straightens this matter up.”

“Successful small business groups, people that have survived the last 4-5 years the way the economy is in Thunder Bay. These people, managers and owners of business, that have been successful in their business know. Pick out a committee from our local business, of at least 8-10 on the committee. They know what’s going on in the industrial end, not the retail end (people like Wal-mart, etc., part-time managers and helpers).”

“Board of Directors “accountable” to taxpayers to ensure cost efficient organization. This board selected on basis of their proven abilities. Croni–ism is very alive and well here. Board must establish policies to prevent control by few people.”

2002 Thunder Bay Business Opinion Survey

The following survey will take a few minutes to complete and your willingness to take the time to share your opinions is greatly appreciated. Specifically, the survey captures the attitudes of Thunder Bay business owners about issues that affect their business and the local economy. To learn more about this survey please contact Thunder Bay Ventures representative: Lois Nuttall at 344-9208.

Section A: You and Your Business

1. Gender: Male Female
2. Your age: _____
3. How many years has this firm been in business? _____
4. Business Format: Retail (Primary) Wholesale Manufacturing Professional Services Personal Services Other _____
5. Postal code: _____
6. How many people are currently employed at your firm? full-time _____ part-time _____
7. What change in the total employment level of your firm occurred during the **2001** fiscal year?
 Increased
 Remained the same
 Decreased
8. What are your current hiring expectations for the next 12 months?
 Planning to hire additional employees
 Planning not to hire any additional employees
 Planning to layoff employees
9. Which of the following best represents your actual sales or billings for the **2001** fiscal year?
 less than \$25,000 \$100,000 - \$249,999 \$1,000,000 - \$5,000,000
 \$25,000 - \$49,999 \$250,000 - \$499,999 greater than \$5,000,000
 \$50,000 - \$99,999 \$500,000 - \$999,999
10. Does this **2001** sales volume represent an increase or decrease over your 2000 sales?
 increase greater than 10%
 increase greater than 0 and less than 10%
 decrease greater than 0 and less than 10%
 decrease greater than 10%

11. Do you anticipate an annual sales increase for the **2002** fiscal year?

- yes
 no

12. Which of the following business skills is most lacking in your organization? (pick 1)

- sales and marketing
 finance and accounting
 inventory and process management
 high technology implementation
 recruitment and training

13. Below is a list of problems often encountered by businesses, please indicate the extent to which the following issues have been a problem for your business in the past 12 months.

	Significant Problem			Not a Problem	
	1	2	3	4	5
a) Wage rates	1	2	3	4	5
b) Inventory control	1	2	3	4	5
c) Availability of skilled employees	1	2	3	4	5
d) Weather conditions	1	2	3	4	5
e) Raising Capital/Securing business loans	1	2	3	4	5
f) Increased competition	1	2	3	4	5
g) Access to market research	1	2	3	4	5
h) Government paperwork requirements	1	2	3	4	5
i) Municipal zoning/building requirements	1	2	3	4	5
j) Access to business advice	1	2	3	4	5
k) Other (specify) _____					

14. How important were the following factors to your sales performance in the **2001** fiscal year?

	Very Important			Not Important	
	1	2	3	4	5
a) Inventory price increases	1	2	3	4	5
b) Advertising/promotion	1	2	3	4	5
c) General economic climate	1	2	3	4	5
d) Change in product/service offering	1	2	3	4	5
e) Staff-related issues (e.g., training)	1	2	3	4	5
f) Change in competitive environment	1	2	3	4	5
g) Weather	1	2	3	4	5
h) New markets (e.g., exports)	1	2	3	4	5
i) Cdn - U.S. exchange rate	1	2	3	4	5
j) Fuel costs	1	2	3	4	5
k) Internet/Web development	1	2	3	4	5
l) Other (specify) _____					

15. How important do you expect each of the following factors to be for the future success of your business?

	Very Important			Not Important	
a) Inventory price increases	1	2	3	4	5
b) Advertising/promotion	1	2	3	4	5
c) General economic climate	1	2	3	4	5
d) Change in product/service offering	1	2	3	4	5
e) Staff-related issues (e.g., training)	1	2	3	4	5
f) Change in competitive environment	1	2	3	4	5
g) Weather	1	2	3	4	5
h) New markets (e.g., exports)	1	2	3	4	5
i) Cdn - U.S. exchange rate	1	2	3	4	5
j) Fuel costs	1	2	3	4	5
k) Internet/Web development	1	2	3	4	5
l) Other (specify) _____					

16. Is your company planning to invest more or less in the following activities over the next 12 months than in the previous year?

	Significantly Less			Significantly More	
a) advertising/promotion	1	2	3	4	5
b) employee compensation	1	2	3	4	5
c) employee recruitment	1	2	3	4	5
d) staff training programs	1	2	3	4	5
e) partnering with other firms	1	2	3	4	5
f) inventory supply	1	2	3	4	5
g) capital projects (e.g, equipment)	1	2	3	4	5
h) market research	1	2	3	4	5
i) technology	1	2	3	4	5
j) consulting/advisory service(s)	1	2	3	4	5

17. What kind of impact will the following developments/institutions have upon your business?

	Very Negative			Very Positive	
a) Cruise ship visits	1	2	3	4	5
b) Box store entrance (e.g., Wal-Mart, Costco)	1	2	3	4	5
c) Medical School at LU	1	2	3	4	5
d) Regional hospital	1	2	3	4	5
e) Lac des Iles Mine expansion	1	2	3	4	5
f) Safeway closure	1	2	3	4	5
g) Waterfront development	1	2	3	4	5
h) Charity Casino	1	2	3	4	5
i) Advance Technology & Communication Centre at LU (ATAC)	1	2	3	4	5
j) Emerging Local Energy Industry	1	2	3	4	5
k) INNOVA Park	1	2	3	4	5
l) Deregulation of Energy Rates	1	2	3	4	5

Section B: Thunder Bay Business Climate

1. What level of economic growth do you anticipate for Thunder Bay over the next 12 months?

Significant Increase		No Change		Significant Decrease
1	2	3	4	5

2. What kind of impact do you believe each of the following developments/institutions will have on Thunder Bay's economy?

	Very Negative			Very Positive	
a) Cruise ship visits	1	2	3	4	5
b) Box store entrance (e.g., Wal-Mart, Costco)	1	2	3	4	5
c) Medical School at LU	1	2	3	4	5
d) Regional hospital	1	2	3	4	5
e) Lac des Iles Mine expansion	1	2	3	4	5
f) Safeway closure	1	2	3	4	5
g) Waterfront development	1	2	3	4	5
h) Charity Casino	1	2	3	4	5
i) Advance Technology & Communication Centre at LU (ATAC)	1	2	3	4	5
j) Emerging Local Energy Industry	1	2	3	4	5
k) INNOVA Park	1	2	3	4	5

3. In your opinion, how attractive is Thunder Bay's "quality of life" for these groups?

	Very Good			Very Poor	
a) students (all ages)	1	2	3	4	5
b) professionals	1	2	3	4	5
c) skilled employees	1	2	3	4	5
d) retirees	1	2	3	4	5

4. In your opinion, as compared to other cities you are familiar with in Canada, how would you describe Thunder Bay's quality of life?

- better than most
- the same as most
- not as good as most

5. How do you define "quality of life"? _____

6. Evaluate the following Thunder Bay industry sectors in terms of growth potential (e.g., new markets, new products/services).

	None			Great	
a) Primary (e.g., logging, mining)	1	2	3	4	5
b) Secondary (e.g., large manufacturing)	1	2	3	4	5
c) Small manufacturing	1	2	3	4	5
d) Construction	1	2	3	4	5
e) Hospitality/tourism	1	2	3	4	5
f) Education	1	2	3	4	5
g) Health Care	1	2	3	4	5
h) Retailing	1	2	3	4	5
i) Technology	1	2	3	4	5
j) Financial Services	1	2	3	4	5
k) Higher Education, LU/Confederation	1	2	3	4	5

7. How well does Thunder Bay meet the needs of your specific business with respect to the following factors?

	Very Well			Not Very Well	
a) Labour pool (education, availability, skill)	1	2	3	4	5
b) Access to raw materials/natural resources	1	2	3	4	5
c) Weather response	1	2	3	4	5
d) City's promotional efforts	1	2	3	4	5
e) Transportation costs (passenger)	1	2	3	4	5
f) Other transportation costs (shipping)	1	2	3	4	5
g) City infrastructure (e.g., roads, hydro, gas)	1	2	3	4	5
h) Municipal tax rates	1	2	3	4	5
i) City Council representation/decisions	1	2	3	4	5
j) Access to financing/capital	1	2	3	4	5

8. In general, to what extent do you believe the following characteristics impede or entice people to relocate to Thunder Bay and the surrounding region?

	Significant Impediment			Significant Enticement	
a) Awareness of the region and its resources	1	2	3	4	5
b) Distance from major metropolitan areas	1	2	3	4	5
c) Weather (i.e., perceived or actual)	1	2	3	4	5
d) Quality of life	1	2	3	4	5
e) Transportation facilities (e.g., airport)	1	2	3	4	5
f) Health care facilities	1	2	3	4	5
g) Economic opportunity	1	2	3	4	5
h) Recreational opportunity	1	2	3	4	5
i) Technology Infrastructure (e.g., broadband)	1	2	3	4	5
j) City Government/policies	1	2	3	4	5
k) Other (specify) _____					

Section C: Development Projects, Your Business and the Community

(Why/Why Not responses are optional in the following questions)

1. Do you believe the Thunder Bay City Council is doing a good job representing your business?

- yes
- no

Why/Why Not? _____

2. Do you believe that City Council prudently and efficiently examines economic development opportunities in the Thunder Bay region?

- yes
- no

Why/Why Not? _____

3. Do you believe that City Council understands their role in governing the city and its best interests?

- yes
- no

Why/Why Not? _____

4. Has the direction of City Council affected your decision to develop new business initiatives?

- yes
- no

Why/Why Not? _____

5. Do you believe the lending practices of banks in Thunder Bay are focused on meeting the needs of local businesses.

- yes
- no

Why/Why Not? _____

6. Has an inability to access capital affected your decision to develop new business initiatives?
- yes
 - no

Why/Why Not? _____

7. Do you believe that Confederation College and Lakehead University are positively involved with local businesses?
- yes
 - no

Why/Why Not? _____

8. Is the construction of the new regional hospital having a positive impact on your business?
- yes
 - no

Why/Why Not? _____

9. Have your business decisions been affected by the events of September 11th.
- yes
 - no

10. Have your business decisions been affected by the results of the recent census.
- yes
 - no

11. Are you familiar with the Fast Forward>> Thunder Bay initiative?
- yes
 - no

In the space provided below, please indicate who you believe could direct the City of Thunder Bay in the absence of a cohesive City Council (person or organization).

Thank You!