



SURVEY 2000

A Report on Small Business in Thunder Bay

**August 2000
Thunder Bay, Ontario**

Executive Summary

This report presents the findings of the third annual Thunder Bay Ventures' examination of the small business community in Thunder Bay. These studies have been designed to capture the attitudes of the small business community towards various issues and specifically, their impact upon the economy of the city and surrounding region. This year's study was believed to be particularly significant in light of the projects that have been proposed (e.g., Portside Waterfront development), are underway (e.g., the Regional Hospital) and that are nearing completion (e.g., the Charity Casino) in Thunder Bay. The small business community is essential to the economic prosperity of the city and the opinions of this group regarding the economic impact of such developments can be used as a barometer for the city's business climate.

Consistent with the surveys of the previous years, the current survey had 3 primary objectives 1) to gauge the attitudes of the small business community towards the current and future business climate in Thunder Bay, 2) to identify the factors most critical to the maintenance and development of the City's economy in and beyond the year 2000, and 3) to examine the attitudes of the business community towards specific issues and developments in the local community.

Results obtained from the survey indicate that the small business community continues to be quite optimistic about the outlook for the local economy. In fact, the business owners in this year's study exhibited more optimism about the current and future economic climate of the region than those in either the 1998 or 1999 survey. This optimism was supported by the following findings:

- More than 1/3 of respondents (37%) had increased staffing levels in the past 12 months, while fully 27.7% of small business owners revealed plans to hire additional employees in the next 12 months.
- 64.1% of businesses in the survey were anticipating revenue growth in 2000, with an even greater number of firms (67.5%) forecasting growth in the coming year.

For the third straight year, survey respondents identified *Hospitality/Tourism* as the industry sector within the community, with the greatest opportunity for growth. Interestingly, respondents ranked *Health Care* and *Education* as the sectors representing the second and third most significant growth opportunities. Also, participants were asked to comment on the economic impact of a number of community projects and issues. For example, survey respondents were asked to comment on the perceived impact of the *Thunder Bay Charity Casino*, *Portside Waterfront Development* and the *Regional Hospital* upon the economy of the region and their own business.

Finally, small businesses were asked to comment on a variety of issues in order to gauge what they felt act as impediments to community progress, and that must be addressed if Thunder Bay is going to attract greater numbers of tourists and residents. To a large extent this year's survey supports previous survey findings in that respondents suggested that the region is under-marketed. However, numerous comments suggest that the attractiveness of the city and region must be improved if it is going to successfully attract tourists, professionals and new businesses to the city.

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Section 1. Research Objective

Conducted under the auspices of Thunder Bay Ventures, this annual survey serves as a barometer of the local business climate by gauging the attitudes of its small business community towards a variety of economic and social issues. The study was conducted in June 2000 and the attitudes uncovered are particularly important in light of recent projects proposed and/or underway within the city. To this end, the 2000 *Business Opinion Survey* expands upon the research foundation developed by the 1999 *Business Attitudes and Outlook* and 1998 *March to the Millennium* surveys.

Consistent with the 1998 and 1999 surveys, small business owners rather than the general public are the focus of this research, representing a sample frame consistent with the mandate of Thunder Bay Ventures. Specifically, Thunder Bay Ventures is 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. However, the region's economy is also highly dependent upon small business (e.g., employment, tax base) and any research that captures the attitudes and opinions of the small business community should prove to be a strong predictor of the current and future health of the Thunder Bay economy.

Section 2. Sampling Frame & Respondent Profile

A sample of 354 participants was obtained using a convenience sample drawn from membership lists maintained by a number of local business organizations. In an attempt to secure a wide cross-section of businesses in the Thunder Bay region, a random sampling of every 3rd business found on these lists was mailed a copy of the research instrument (see Appendix A). The sources from which participants were drawn, as well as, the total number of participants selected to receive a copy of the survey from each source is presented in the following table.

Source Organization/Agency Industry Sector	# Sampled
Thunder Bay Chamber of Commerce	
• home-based businesses	22
• 1-6 employees	188
• 7-14 employees	30
Thunder Bay Ventures	30
Thunder Bay Native Business Association	16
PARO Women's Loan Fund	35
Tourism Associations	33
• Tourism Thunder Bay	
• North of Superior Tourism Association	
• Northern Ontario Tourism Marketing Corp.	
Total	<u>354</u>

In addition to the self-administered mail survey, participants received a letter from Thunder Bay Ventures introducing the survey and its purpose. Participants also had an incentive to complete and return the survey – an entry into a drawing for a dinner for two at the *White Fox Inn*. The response rate for the survey was consistent with rates in 1998 and 1999 with 23% of participants (n=83) completing and returning the survey instrument. It should also be noted that this response rate is not atypical in mail survey research. Furthermore, it is unlikely that these factors could influence an industry or area of the city more than another, which is why non-response bias is not believed to be an issue in this study.

However, some caution should be used when interpreting the findings of this survey because of the relatively small response rate. Specifically, there is a small sample bias that affects certain types of empirical analyses. For example, the attitudes of a business owner, regardless of how extreme or unique, are often not apparent when examining an average for the entire sample of respondents. However, this same respondent’s opinion may become readily apparent when the sample is divided into smaller groups, particularly in those cases where the respondent is the sole member of a category. This is not to say that these views are irrelevant or unimportant, but rather that caution must be used when extending these results to all or any other business in that category.

The views and sentiments of the participants in the current study are largely consistent with the business owners surveyed last year. In fact, the composition of respondents in this year’s study largely mirrors that of both the 1998 and 1999 studies and, as a result, it is believed that the attitudes and opinions of the Thunder Bay small business community are accurately reflected in this report.

The final sample (those that completed and returned the survey instrument) was comprised of 51.8% males and 48.2% females with the average age of respondents 45.24 years of age. Businesses in this study reported to have been in operation for an average of 20.19 years. The final sample was a diverse group as demonstrated by the fact that 9 industry sectors were represented in the returned surveys. The distribution of respondents across these 9 industry sectors is presented in the following table.

Industry Sector	Percentage of Respondents
Service-type business	31.7%
Retailing	25.6%
Other (e.g., title search, massage therapy)	18.3%
Hospitality/Tourism	12.2%
Construction	4.9%
Real Estate/Insurance	1.2%
Manufacturing	3.6%
Wholesale Distribution	1.2%
Primary Industry	1.2%

In the 2000 survey 63.4% of businesses are classified as either *Service-Type* or service-related (e.g., *Other, Hospitality/Tourism, Real Estate/Insurance*) which is quite consistent with the 1999 sample in which 64.1% of respondents were classified in these sectors. These statistics demonstrate just how dominant this sector of the economy has become for the region's small business community.

Although numerous definitions of "small business" are employed in practitioner and academic research, the current study focused on businesses that typically operate with 15 or fewer employees. Consistent with this definition, businesses in the study employed an average of 9.89 employees (5.73 full-time, 4.16 part-time), slightly lower than the 11.20 employees (7.41 full-time, 3.79 part-time) reported by firms in 1999. Although, these firms have relatively few full and part-time employees, their impact upon the economy is more fully appreciated when one considers that the participating businesses employ a combined staff of approximately 800. The average employment levels for each of the industry sectors represented in the survey can be found in the following table.

Industry Sector	Full-time	Part-time
Construction	7.25	2.00
Hospitality/Tourism	3.89	3.00
Manufacturing	12.00	3.00
Primary Industry	na	na
Real Estate/Insurance	1.00	0
Retail	4.70	2.72
Service	5.67	3.78
Wholesale/Other	7.20	4.00

Following the release of the 1998 survey, members of the business community and media expressed an interest in knowing whether opinions on key issues differed between one business district and another. In response to these requests, the 1999 study introduced both industry sector and business improvement area (BIA) level analyses, a tradition that continues this year. In fact, eight BIAs are represented in this year's survey, an improvement of one over last year's survey. The Heart of the Harbour BIA is once again not represented, which is especially unfortunate because the opinions of businesses in this area towards the Charity Casino would be particularly interesting at this point. The distribution of respondents across the various BIAs in this year's survey are presented here.

Business Improvement Area	Percentage of Respondents
Other	34.1%
Thunder Bay North	22.0%
Thunder Bay South	19.5%
Inter-City/Balmoral	14.6%
Victoria Avenue	4.9%
Simpson Street	2.4%
Bay/Algoma	1.2%
Westfort Merchants	1.2%
Heart of the Harbour	0%

Section 3. Thunder Bay Today: The Current Business Climate

In order to provide a more complete picture of the scope of their operations, participating firms were asked to provide an estimate of their sales/billings for 2000. As demonstrated by the following table, almost half of firms estimate 2000 revenues will not exceed \$250,000 while another quarter of businesses are forecasting revenues in excess of \$1 million. A very conservative estimate places the combined sales/billings of the businesses in this year's survey at well in excess of \$46 million. This estimate further underscores the impact of this sector on the local economy, as well as, the importance of capturing the opinions of this group.

Estimated Sales/Billings in 2000	Percentage of Respondents
Less than \$ 25,000	15.2%
\$ 25,000 - \$ 49,999	11.4%
\$ 50,000 - \$ 99,999	7.6%
\$ 100,000 - \$ 249,999	13.9%
\$ 250,000 - \$ 499,999	10.1%
\$ 500,000 - \$ 999,999	16.5%
\$1,000,000 - \$5,000,000	20.3%
More than \$5,000,000	5.1%

The following table indicates the estimated 2000 revenues by industry sector. Here attention is drawn to the fact that the *Construction* sector is the only one in which the majority of businesses are forecasting annual revenues in excess of \$500,000. In contrast, the majority of firms in the *Hospitality/Tourism* and *Retail* sectors estimate revenues of less than \$250,000.

	< \$25k	\$25k-\$49k	\$50k-\$99k	\$100k-\$249k	\$250k-\$499k	\$500k-\$999k	\$1,000k-\$5,000k	>\$5,000k
Construction	0%	0%	0%	25.0%	0%	25.0%	25.0%	25.0%
Hospitality/Tourism	40.0%	20.0%	10.0%	0%	10.0%	0%	20.0%	0%
Manufacturing	33.3%	0%	0%	33.3%	0%	33.3%	0%	0%
Primary Industry	0%	0%	0%	0%	0%	0%	0%	0%
Real Estate/Insurance	0%	0%	100.0%	0%	0%	0%	0%	0%
Retailing	4.8%	14.3%	4.8%	19.0%	19.0%	14.3%	19.0%	4.8%
Service-type	20.0%	8.0%	8.0%	12.0%	8.0%	24.0%	20.0%	0%
Wholesale	0%	0%	0%	0%	0%	0%	0%	100.0%
Other	7.7%	15.4%	15.4%	7.7%	7.7%	15.4%	23.1%	7.7%

An examination of the estimated revenues across BIAs, in the following table, reveals a disproportionate number of small businesses (<\$100,000) in the *Thunder Bay North* (47.1%), *Thunder Bay South* (26.6%) and *Other* (42.9%) areas. In contrast, only 16.6% of businesses in the *Inter-City/Balmoral* area report revenues of less than \$100,000. However, further examination of this same table indicates that there is very little variation in the number of businesses across BIAs in the higher revenue levels.

	< \$25k	\$25k- \$49k	\$50k- \$99k	\$100k- \$249k	\$250k- \$499k	\$500k- \$999k	\$1,000k- \$5,000k	>\$5,000k
Thunder Bay North	29.4%	5.9%	11.8%	23.5%	11.8%	0%	11.8%	5.9%
Thunder Bay South	13.3%	13.3%	0%	26.7%	6.7%	33.3%	6.7%	0%
Inter-City/Balmoral	0%	8.3%	8.3%	0%	8.3%	8.3%	8.3%	8.3%
Heart of the Harbour	0%	0%	0%	0%	0%	0%	0%	0%
Victoria Avenue	0%	0%	25.0%	0%	75.0%	0%	0%	0%
Simpson Street	0%	0%	0%	0.0%	0%	100.0%	0%	0%
Westfort Merchants	0%	0%	0%	100.0%	0%	0%	0%	0%
Bay/Algoma	0%	0%	0%	0%	0%	0%	100.0%	0%
Other	17.9%	17.9%	7.1%	7.1%	3.6%	21.4%	17.9%	7.1%

Respondents were also asked to indicate whether this estimated 2000 sales performance represented an increase or decrease over the previous year, the results of which are highlighted in the following table. Fully 64.1% of respondent firms reported that they anticipate 2000 revenues to surpass those realized in 1999, a strong endorsement of the region's economy.

Change in Revenue over 1999	Percentage of Respondents
Significant increase	10.3%
Slight increase	53.8%
No change	21.8%
Slight decrease	12.8%
Significant decrease	1.3%

The following industry sector analysis indicates that the majority of firms in the *Hospitality/Tourism, Primary Industry, Retail, Service, and Wholesale* sectors expect at least a slight increase in sales performance over 1999. Although a substantial number of industries anticipate growth in 2000, this is not true of all sectors. For example, the majority of businesses in the *Real Estate/Insurance* and *Manufacturing* sectors expect either stagnant or decreased sales performance in 2000. The *Construction* sector was highly polarized with 50% of respondents anticipating growth and another 50% forecasting decreased earnings. This latter result, if taken in concert with the fact that the *real estate/insurance* sector is expecting no change suggests that perhaps residential construction firms are the ones reporting declining revenues. The sectors reporting stagnant or declining revenues represent less than 5% of the firms in the current sample and thus, it is concluded that the region's economy will continue to grow in 2000. Analysis by industry sector follows:

	Significant Increase	Slight Increase	No Change	Slight Decrease	Significant Decrease
Construction	0%	50.0%	0%	25.0%	25.0%
Hospitality/Tourism	0%	66.7%	22.2%	11.1%	9.1%
Manufacturing	0%	0%	66.7%	33.3%	0%
Primary Industry	0%	100.0%	0%	0%	0%
Real Estate/Insurance	0%	0%	100.0%	0%	0%
Retail	15.0%	60.0%	10.0%	15.0%	0%
Service	12.0%	48.0%	24.0%	16.0%	0%
Wholesale	0%	100.0%	0%	0%	0%
Other	15.4%	53.8%	30.8%	0%	0%

The BIA level analysis found in the following table suggest that the optimism witnessed above regarding revenue growth is consistent across the various BIAs, with the majority of businesses in each BIA anticipating revenue growth in 2000. This table also indicates that more than 1/3 of businesses in the *Inter-city/Balmoral*, *Thunder Bay North and South* BIAs anticipate stagnant or decreased revenues in 2000. Interestingly, this finding appears to refute the widely held belief that the North and South cores are being adversely affected by development in the *Inter-city/Balmoral* area. Unfortunately, the absence of respondents from the *Heart of the Harbour* BIA, as well as the relatively small number of firms representing each BIA makes it difficult to be definitive on this issue.

	Significant Increase	Slight Increase	No Change	Slight Decrease	Significant Decrease
Thunder Bay North	26.7%	40.0%	26.7%	6.7%	0%
Thunder Bay South	0%	53.3%	26.7%	20.0%	0%
Inter-City/Balmoral	8.3%	58.3%	16.7%	8.3%	8.3%
Heart of the Harbour	0%	0%	0%	0%	0%
Victoria Avenue	0%	75.0%	25.0%	0%	0%
Simpson Street	0%	100.0%	0%	0%	0%
Westfort Merchants	0%	100.0%	0%	0%	0%
Bay/Algoma	0%	100.0%	0%	0%	0%
Other	10.7%	50.0%	21.4%	17.9%	0%

Next, business owners were asked to identify the importance of various factors to their businesses' performance in 2000. While the following table presents these factors ranked from most to least important it should be noted that these factors may have contributed to either the positive or negative performance of the reporting firm. Furthermore, only those factors deemed "important" by the respondents are reported here, and thus factors such as the weather which were not viewed as an important influence upon 2000 sales performance are omitted.

Factors Expected to Contribute Most to 2000 Performance

- 1) General economic climate
- 2) Change in promotional efforts
- 3) Change in competitive environment
- 4) Change to product/service offering
- 5) Price Increase
- 6) Staff Related Issues (e.g., training)

When questioned further about the economic outlook for their particular business, the majority of respondents (69.1%) indicated that they were quite confident that the 1999-2000 sales trend would continue through 2002. Despite the fact that the majority of respondents are optimistic about the economic prospects for their business in the next few years, there are some firms or segments within these sectors that are likely to continue to experience stagnant or even decreased sales.

In last year's survey 36% of businesses indicated that they planned to hire or recall employees in the coming year. When asked about their actual staffing changes over the past 12 months, it was found that businesses in this year's survey were very consistent with the hiring expectations suggested by the firms in the 1999 survey. In fact, 37% of businesses in this year's survey either hired new employees or recalled employees from temporary layoff. These results are presented in the following table.

Employment Changes in past 12 months	Percentage of Respondents
No changes	45.7%
Hired new employee(s)	37.0%
Recalled laid-off employee(s)	0%
Shifted some part-time to full-time	3.7%
Reduced employee levels	7.4%
Shifted some full-time to part-time	2.5%

The previous finding not only demonstrates the consistency that exists between last year's and this year's sample but, more importantly, it underscores the accuracy with which this survey acts as a barometer of the Thunder Bay business climate. Specifically, it is believed that this annual small business survey should be seen as an extremely useful forecasting tool for both the local business community and public sector. The reason this instrument should be used to supplement the forecasting efforts by these firms, and individuals, becomes evident when one considers that it is analogous to the Delphi technique in which the opinion of a small panel of experts is sought. Here, 83 business owners are viewed as a rather substantial sample with a great deal of insight on issues of relevance to the economy.

It was also found that the number of employees hired by firms in this year's survey exceeded that of firms in the 1999 survey. For example, nineteen firms reported hiring an average of 2.37 additional full-time and 4.58 part-time employees during the past 12 months, versus 1.82 full-time and 2.62 part-time employees last year.

In an attempt to understand the specific staffing issues faced by small businesses in the Thunder Bay area, participants in this year’s survey were asked to indicate which if any staffing problems they had faced in the preceding year. Specifically, respondents were asked to select from three common staffing issues faced by employers in Canada today. These issues, along with the percentage of businesses indicating that they had experienced the particular issue are presented here.

- **Difficulty supporting staff training requirements (i.e., time/cost constraints) [24.1%]**
- **Difficulty filling vacant positions [15.7%]**
- **Regrettable resignation(s) (e.g., loss of productive employees) [12.0%]**

Perhaps the most striking statistic reported in this year’s survey is the 15.7% of businesses that reported having difficulty filling positions in the past year. When asked to elaborate upon the kinds of positions they were trying to fill, it was not surprising to find that almost without exception these firms revealed having difficulty finding “capable” or “qualified” staff. What is surprising is that almost half of these firms identified a need for sales and retail staff.

Section 4. Thunder Bay Tomorrow: Business Outlook

While the previous section examined the current business climate in Thunder Bay, this section reports on the economic outlook for the business community in the future. Here we see a strong endorsement of the local economy for 2001 with 67.5% of businesses forecasting economic growth for Thunder Bay for at least the next 12 months. In contrast, only 48.1% of respondents in last year’s survey believed that the city would experience growth this year. Thus, it is argued that survey respondents are more optimistic about the economic outlook for the region than last year. These findings are contained in the following table.

Economic Growth Expected in next 12 months	Percentage of Respondents
Significant increase	11.25%
Slight increase	56.25%
No change	22.56%
Slight decrease	8.75%
Significant decrease	1.25%

As the following table demonstrates, this positive endorsement of the economic outlook for the Thunder Bay region was consistent by all but a few industry sectors. In fact, only the *Construction*, *Retail*, and *Other* sectors were found to have more than 25% of respondents forecasting a stagnant or declining local economy in the coming year. Therefore, it would appear that there is widespread confidence in the economic outlook for the region for at least the next year.

	Significant Increase	Slight Increase	No Change	Slight Decrease	Significant Decrease
Construction	25.0%	25.0%	25.0%	25.0%	0%
Hospitality/Tourism	10.0%	60.0%	30.0%	0%	0%
Manufacturing	0%	66.7%	33.3%	0%	0%
Primary Industry	0%	100.0%	0%	0%	0%
Real Estate/Insurance	0%	0%	100.0%	0%	0%
Retail	4.8%	57.1%	23.8%	14.3%	14.3%
Service	11.5%	53.8%	26.9%	3.8%	3.8%
Wholesale	0%	100.0%	0%	0%	0%
Other	21.4%	64.3%	0%	14.3%	14.3%

A breakdown of these economic forecasts by BIA is presented in the next table. Results suggest that there is considerable optimism across BIAs, with a majority of businesses in all but the *Victoria* and *Westfort Merchants* BIAs anticipating economic growth for the next 12 months. Interestingly, businesses in the *Thunder Bay North* and *South* BIAs were found to be the most optimistic about the degree of growth Thunder Bay will experience in the coming year.

	Significant Increase	Slight Increase	No Change	Slight Decrease	Significant Decrease
Thunder Bay North	29.4%	52.9%	11.8%	5.9%	5.9%
Thunder Bay South	13.3%	60.0%	26.7%	0%	0%
Inter-City/Balmoral	8.3%	50.0%	25.0%	8.3%	8.3%
Heart of the Harbour	0%	0%	0%	0%	0%
Victoria Avenue	0%	25.0%	50.0%	25.0%	0%
Simpson Street	0%	100.0%	0%	0%	0%
Westfort Merchants	0%	0%	100.0%	0%	.0%
Bay/Algoma	0%	100.0%	0%	0%	0%
Other	3.6%	60.7%	21.4%	14.3%	0%

Arguably, the most significant indicator of economic confidence displayed by businesses in surveys such as this, are the plans they have concerning human capital, and specifically their short term staffing plans. Here too, the business community demonstrated their optimism about the region's economic climate with 27.7% of firms reporting plans to hire additional staff in the next 12 months. Equally important, was the finding that 57.8% of businesses anticipate no negative change in staff levels. These statistics are illustrated in the table that follows.

Employment Forecast for the next 12 months	Percentage of Respondents
No changes planned to the existing employee levels	53.0%
Plan to hire new employee(s)	27.7%
Plan to shift some part-time to full-time	4.8%
Plan to recall laid-off employee(s)	0%
Plan to reduce the current number of employees	9.6%
Plan to shift some full-time to part-time	3.6%

A cross sector analysis contained in the following table reveals that the majority of this job creation will occur in the *Construction, Retail* and *Service* sectors. This result reflects the optimism previously reported by these sectors and offers additional support for the trend towards increased growth in the service sector.

	No Changes	Hire New Employees	Recall Employees	Reduce Employees	Shift full to part-time	Shift part to full-time
Construction	50.0%	50.0%	0%	0%	0%	0%
Hospitality/Tourism	90.0%	0%	0%	10.0%	0%	0%
Manufacturing	66.7%	0%	0%	33.3%	0%	0%
Primary Industry	100.0%	0%	0%	0%	0%	0%
Real Estate/Insurance	100.0%	0%	0%	0%	0%	0%
Retailing	42.9%	42.9%	0%	9.5%	9.5%	4.8%
Service-type	46.2%	26.9%	0%	11.5%	3.8%	11.5%
Wholesale	0%	100.0%	0%	0%	0%	0%
Other	53.3%	26.7%	0%	6.7%	0%	0%

To better understand, where this job creation is expected to occur in the city, a BIA level analysis was performed. The results of this, reported in the following table, suggest that job growth is going to be widespread with firms from most BIAs reporting plans to hire additional employees. The exceptions to this trend are the *Bay/Algoma* and *Westfort* BIAs in which no firms were planning to hire additional staff.

	No Changes	Hire New Employees	Recall Employees	Reduce Employees	Shift full to part-time	Shift part to full-time
Thunder Bay North	55.6%	27.8%	0%	5.6%	5.6%	5.6%
Thunder Bay South	37.5%	25.0%	0%	18.8%	6.3%	12.5%
Inter-City/Balmoral	58.3%	25.0%	0%	16.7%	8.3%	0%
Heart of the Harbour	0%	0%	0%	0%	0%	0%
Victoria Avenue	75.0%	25.0%	0%	0%	0%	0%
Simpson Street	50.0%	50.0%	0%	0%	0%	0%
Westfort Merchants	100.0%	0%	0%	0%	0%	0%
Bay/Algoma	100.0%	0%	0%	0%	0%	0%
Other	53.6%	32.1%	0%	11.1%	0%	5.6%

Business owners were also asked to comment on their investment plans for the next 12 months. Respondents indicated that there were 4 areas that would receive an increase in spending over the previous year. It should be noted that these investment plans are quite congruent with, *Fast Forward Thunder Bay >>*, the community development plan that will be discussed later in this report.

Most Significant Change in Investment in the next 12 months

- 1) technology (new)
- 2) advertising/promotion
- 3) staff training programs
- 4) capital projects (e.g. equipment)

Next the growth potential of each industry sector was evaluated. Specifically, survey participants evaluated industry sectors based on the potential for diversification that the sector had within the region. The results of this analysis are found in the following table with industries ranked in order of greatest to least potential (1=little, if any potential, 5= tremendous potential). Consistent with previous surveys, businesses participating in this year’s survey believe that the *hospitality/tourism* sector represents the most significant economic opportunity for the Thunder Bay region.

Industry	Mean Rating
Hospitality/tourism	4.31
Health care	4.17
Education (e.g., post-secondary education)	3.91
Technology	3.87
Retailing	3.58
Secondary (e.g., manufacturing)	3.58
Financial Services	3.29
Construction	3.23
Primary (e.g., logging, mining)	3.06

It is interesting to note that the industry sector analysis below revealed little if any bias on the part of these business owners, a result that once again speaks to the objectivity of the participants.

	Hosp/ Tour.	Health Care	Educ.	Tech.	Retail	Sec. Indu.	Fin. Serv.	Const.	Prim. Ind.
Construction	4.25	4.50	4.25	4.00	3.50	4.00	3.50	3.50	3.75
Hospitality/Tourism	4.75	4.50	4.25	4.25	3.75	3.75	3.38	3.00	3.00
Manufacturing	4.67	4.33	3.67	4.67	4.67	4.00	3.67	3.33	4.00
Primary Industry	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	3.00
Real Estate/Insurance	3.00	2.00	2.00	3.00	4.00	3.00	3.00	3.00	3.00
Retailing	4.24	4.05	3.86	3.67	3.33	3.62	3.10	3.19	3.05
Service-type	4.29	4.21	3.88	3.83	3.52	3.48	3.26	3.52	3.04
Wholesale	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	2.00
Other	4.21	4.07	3.86	3.79	3.57	3.36	3.36	2.79	2.86

Finally, respondents were subsequently asked to discuss any changes that they had made or intend to make to their business and/or business practices to address the three strategic directions outlined in *Fast Forward Thunder Bay*>>. This question was open-ended, and a sample of responses¹ received from business owners are found here categorized under the appropriate *Fast Forward Thunder Bay*>> strategic direction.

- **Quality of Life** – Foster and promote qualities of a healthy community

“Continue to try to maintain a healthy environment as far as gasoline emissions – Work with other garage businesses.”

“Intend to set up an “Adult Community” for retirees.”

“Promote awareness + participation in environmental issues for a healthier community.”

“Outreach to seniors – information for all their interests & concerns will be readily available.”

- **Diversified Economy** – Create a positive climate for a growing economy driven by world class information technology and skilled human resource base.

“New location, innovative products, quality product & service, easy access to front door, computerized point of sale terminals.”

“We have a newly developed WEB site.”

“Acquire additional skilled employees and establish development skills in the region.”

- **Regional Networks** – Work with partners in NWO to develop mutually supportive relationships, which strengthen the region.

“I will be able to network with the outlying communities to promote my products.”

The preceding comments demonstrate that some businesses are working to address the strategic issues identified in the community development plan. However, there were a few business owners that expressed concern with *Fast Forward Thunder Bay*>>. For example, one respondent suggested that the demands of operating a small business makes it difficult to do more, while another felt that the plan was not specific enough.

“While I care wholeheartedly about this community and its positive growth, my business and family life are too demanding for me to “stretch” any further at this time.”

“I find the strategic directions far too vague.”

¹ Thunder Bay Ventures would like to emphasize that the views expressed are those of the individual respondents and in no way reflect those of the organization’s management, board, or membership.

In summary, it appears that the small business community is quite optimistic about the economic outlook for Thunder Bay in the immediate future. In particular, small business owners predict continued revenue growth, are planning to make additional investments in their businesses and, perhaps most importantly, a substantial number of these businesses intend to hire additional staff.

Section 5. Recent Events and Proposed Developments: A Business Perspective

The survey also queried the small business community about a number of issues, projects, and developments in an attempt to gauge the impact of these issues upon both the specific businesses and the Thunder Bay economy in general.

First of all, respondents were asked to evaluate the impact of a number of the more prominent projects and developments that are underway or proposed for the city. Specifically, respondents were asked to express their opinion regarding the expected impact of each project upon the city's economy. Here, a 7-point scale was used where 1=very negative, 4=neutral and 7=very positive. Consequently, the project with the highest mean rating was viewed as having the most significant positive impact upon the city. The results of this analysis are presented in the next table.

It is clear from these results that the proposed *Portside* waterfront development and the new regional hospital are seen to be extremely significant projects with relatively long term impacts upon the region. This result is perhaps not that surprising given the magnitude of these developments in terms of construction, etc. However, what is surprising is the ranking of the Charity Casino relative to some of the other, less publicized projects (e.g., Lac des Illes Mine expansion).

Project/Factor	Mean Rating
<i>Portside</i> waterfront development	6.02
Regional hospital	5.88
College/University Initiatives	5.35
Lac des Illes Mine Expansion	5.33
Northwestern Ontario Technology Centre	5.25
Intercity retail development	5.10
Thunder Bay Charity Casino	4.88
City Projects (e.g., McKellar Island Bridge)	4.84
Real Estate Development (e.g., Hilldale)	4.82

Next, business owners were asked to evaluate the potential impact of these same projects upon their specific business, using the same scale (1=very negative, 4=neutral and 7=very positive). The results found in the following table once again demonstrate that the proposed *Portside* waterfront development, and the new regional hospital, are perceived to be the two projects with the greatest potential economic benefit to the small business community. This result is not surprising, in light of the previous findings. However, what is surprising is the extent to which the mean rating of these and all of the projects has dropped from the previous table. For example, *Portside's* mean has dropped from 6.02 to 4.87, while the hospital's has gone from 5.88 to 4.76. In fact, only the Portside rating is seen to surpass the lowest rating found in the previous table (Real estate development).

Project/Factor	Mean Rating
<i>Portside</i> waterfront development	4.87
Regional hospital	4.76
Lac des Illes Mine Expansion	4.67
College/University Initiatives	4.55
City Projects (e.g., McKellar Island Bridge)	4.52
Thunder Bay Charity Casino	4.44
Northwestern Ontario Technology Centre	4.40
Real Estate Development (e.g., Hilldale)	4.40
Intercity retail development	4.08

These results are consistent with a similar phenomenon reported in last year's survey. Specifically, respondents appear to either over estimate the potential impact of these projects upon the local economy, or underestimate the impact they might have upon their own business. However, it is far more likely that the first explanation is the more realistic one because it is believed that business owners would have spent significantly more time considering the benefits and consequences of these projects to their business.

To elaborate, while business owners believe that each project will have a significant positive impact on the economy, they do not feel that any of the projects will have a tremendous impact upon their specific business. It would appear then that business owners are suggesting that while someone is going to benefit from these projects it most likely won't be them. If this interpretation is accurate then the net impact of Portside, the regional hospital and the other developments will be far less significant than the community expects.

However, another interpretation of these results is that the city's economy will realize the full impact of these projects (e.g., revenues from property and business taxes) because of the incremental gain realized by the various businesses within the community. Only time will tell which explanation most accurately reflects the truth.

Although not unexpected, an industry sector analysis demonstrates that the majority of industries identified the proposed waterfront development project *Portside* as the one with the greatest potential to have a positive impact on the firms within that industry. Although *Portside* and the *Regional Hospital* developments were viewed to be very important to the *Construction* sector it is interesting to note that they were viewed as less significant to this industry than either *College/University Initiatives* and *City projects* such as the McKellar Island Bridge. This particular result might reflect the fact that a significant amount of the design and development work on large-scale projects such as the *Regional Hospital* and *Portside* is being performed elsewhere. In contrast, although smaller in scale, the other projects are likely to be handled from start to finish by firms within the region

	Port-Side	Regional Hospital	Lac Des Illes Mine	College/University	City Proj.	Charity Casino	NOTC	Real Estate Dev.	Intercity Retail
Construction	5.25	5.25	5.00	6.00	5.75	4.00	5.33	5.00	5.25
Hospitality/Tourism	4.89	4.44	4.44	4.22	4.56	4.44	4.44	3.89	4.67
Manufacturing	3.33	3.33	6.00	4.00	3.33	3.33	3.33	3.33	4.33
Primary Industry	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Real Estate/Insurance	7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Retailing	4.95	4.70	4.65	4.42	4.25	4.47	4.20	4.75	3.00
Service-type	4.88	4.64	4.44	4.48	4.12	4.62	4.48	4.28	4.32
Wholesale	5.00	7.00	7.00	6.00	5.00	7.00	6.00	5.00	7.00
Other	4.86	5.21	4.64	4.67	4.86	4.14	4.36	4.43	4.07

A subsequent analysis across BIAs reveals how different areas of the city perceive each of these developments. In fact, this analysis indicates that even though *Portside* is perceived as a tremendous asset to the city, there are some projects that are expected to have a greater influence upon specific areas of the city. These projects might be considered ‘localized’ because they are expected to have very little impact outside the area they are in. For example, the regional hospital’s influence is expected to be greatest in the area encompassed by the *Inter-city/Balmoral* BIA.

	Port-Side	Regional Hospital	Lac Des Illes Mine	College/University	City Proj.	Charity Casino	NOTC	Real Estate Dev.	Intercity Retail
Thunder Bay North	5.27	4.92	4.43	4.43	4.50	4.69	4.29	4.64	4.21
Thunder Bay South	4.87	4.53	4.47	4.64	4.27	4.57	4.57	4.50	4.00
Inter-City/Balmoral	5.50	5.83	5.75	4.75	4.67	4.83	4.75	4.67	4.83
Heart of the Harbour	0	0	0	0	0	0	0	0	0
Victoria Avenue	3.75	3.50	4.25	4.75	5.00	3.25	4.00	3.75	2.50
Simpson Street	5.50	4.50	4.00	4.50	4.00	4.50	4.00	4.50	5.00
Westfort Merchants	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00
Bay/Algoma	5.00	5.00	4.00	5.00	4.00	5.00	4.00	5.00	4.00
Other	4.54	4.54	4.61	4.46	4.35	4.25	4.29	4.21	3.93

In the three sections that follow, respondents were asked to answer a series of questions related to three of the more significant projects introduced above. Specifically, respondents were asked for their opinion concerning economic and sometimes social issues surrounding the *Thunder Bay Charity Casino*, the *Portside* waterfront development and the *Regional Hospital*.

Section 5.1 Thunder Bay Charity Casino

Although the casino issue has been a contentious one for the community, the business respondents in last year’s survey were, for the most part, quite ambivalent about it. However, at the time of last year’s survey there was very little in the way of concrete evidence upon which to form an opinion about the casino, and its affect upon the city. A year later, the Charity Casino is quite literally – concrete. With the building’s external structure complete and the Casino opening imminent, it is appropriate to re-examine the attitudes of the small business community concerning the casino.

Interestingly, participants this year were far more polarized in their opinion regarding the economic impact of the casino. For example, although more business owners in this year’s survey felt that the charity casino would have a positive impact on the local economy 67.9% versus 61.1% last year, there were also more respondents that felt that the casino would have a negative impact 29.6% versus 27.3%.

Impact of New Casino 2000	Percentage of Respondents
Very positive	17.3%
Slightly positive	50.6%
No impact	2.5%
Slightly negative	24.7%
Very negative	4.9%

The following table demonstrates that once again this year there is a great deal of variation, within and across industry with respect to the effect of the casino upon the region’s economy. For example, the majority of businesses in the *Construction, Hospitality/Tourism, Retail and Service* sectors believe that the casino is going to have a positive effect upon the local economy. In contrast the majority of businesses in the *Manufacturing and Real Estate/Insurance* sectors hold the dissenting view that the casino will have a negative impact on Thunder Bay’s economy.

	Very Positive	Slightly Positive	No Impact	Slightly Negative	Very Negative
Construction	25.0%	50.00%	0%	25.0%	0%
Hospitality/Tourism	10.0%	70.0%	10.0%	10.0%	0%
Manufacturing	0%	0%	33.3%	33.3%	33.3%
Primary Industry	0%	100.0%	0%	0%	0%
Real Estate/Insurance	0%	0%	0%	100.0%	0%
Retail	23.8%	47.6%	0%	28.6%	0%
Service	20.0%	48.0%	0%	24.0%	8.0%
Wholesale	0%	0%	0%	100.0%	0%
Other	13.3%	60.0%	0%	20.0%	6.7%

An examination of business attitudes across the community's various BIAs (the next table), revealed no real differences. In the comments that follow, a couple of businesses owners express concern that the casino could spell the end for the North Core, implying that businesses in this part of town will be adversely affected by the casino. Once again, input from the Heart of the Harbour BIA would have contributed greatly to the current discussion. For example, it is not known whether business owners in this area are excited by the prospects of increased traffic in the downtown core, or whether they are worried about parking being at a premium and a loss of spending power. Hopefully, next year's survey will benefit from the participation of businesses from this important BIA.

	Very Positive	Slightly Positive	No Impact	Slightly Negative	Very Negative
Thunder Bay North	17.6%	47.1%	0%	35.3%	0%
Thunder Bay South	13.3%	60.0%	0%	20.0%	6.7%
Inter-City/Balmoral	25.0%	50.0%	8.3%	16.7%	0%
Heart of the Harbour	0%	0%	0%	0%	0%
Victoria Avenue	25.0%	25.0%	0%	50.0%	0%
Simpson Street	100.0%	0%	0%	0%	0%
Westfort Merchants	0%	100.0%	0%	0%	.0%
Bay/Algoma	0%	100.0%	0%	0%	0%
Other	10.7%	50.0%	3.6%	25.0%	10.7%

Rather than asking this year's respondents to discuss the impact of the casino upon just one industry, business owners were asked to evaluate the economic impact of the casino upon a variety of industries. Here, a 5-point scale was used where 1=very positive, 3=no impact and 5=very negative. Consequently, the industry sector with the lowest mean rating was the one believed to benefit most from the Charity Casino. Not unexpectedly, it was found that the industry sector perceived to benefit most from this particular development was going to be the *Hospitality/Tourism* sector. What is noteworthy is the mean rating for the *Primary* and *Education* sectors. Specifically, the survey respondents apparently believe that these sectors will be negatively impacted by the operation of this casino. The results of this analysis are found in the table that follows.

Industry	Mean Rating
Hospitality/tourism	1.98
Retailing	2.42
Construction	2.43
Real Estate/Insurance	2.89
Secondary (e.g., manufacturing)	2.96
Primary (e.g., logging, mining)	3.06
Education (e.g., post-secondary education)	3.18

When asked to comment on the impact that the casino would have upon their particular businesses, 66.1% suggested that it would have little or no impact, 23.7% felt that it would have a positive impact and the remaining 10.2% were predicting a negative impact. These results remain largely unchanged from the last survey, with this year's respondent's just slightly more polarized. (1999 results: 60.3% no impact, 30.7% positive, and 8.9% negative)

The survey also asked businesses to identify the geographic markets that will provide the lion's share of customers for the Charity Casino. Specifically, respondents were asked to select three regions/areas that they felt represented the greatest potential source of customers for the casino. The results, found in the following table, are noteworthy and a bit unnerving. Specifically, the vast majority of businesses in this survey believe that there will be very little in the way of in-bound tourism created by the casino. In fact, the local business community seems to think that all but a few of the casino visitors will be the same people that already live in or visit Thunder Bay for shopping, entertainment and recreation purposes. If survey respondents have accurately portrayed the customer mix for the casino, one must wonder if the casino will have a net positive economic and social impact upon the community.

Market	Percentage of Businesses
Northwestern Ontario	94.9%
Thunder Bay	89.8%
Hwy 61 Corridor to Duluth	72.9%
Duluth	24.7%
Minneapolis	7.8%
Other	7.0%
Winnipeg	2.8%

In order to gain greater depth of insight into this issue, business owners were provided with the opportunity to share more specific thoughts about the impact of the casino upon the region. What follows is a sample of the comments² expressed by participants in this year's survey. These comments have been categorized so that the reader is better able to appreciate the frequency with which positive and negative comments were made about the economic and social impact of the casino.

² Thunder Bay Ventures would like to emphasize that the views expressed are those of the individual respondents and in no way reflect those of the organization's management, board, or membership.

- **Economic Benefits**

“Will improve the entire economy.”

“The millions that are currently being spent in the USA should stay here.”

“It’s the best thing we can do for this community – bring jobs – tourists - \$”

“We have to take into account over \$10 million dollars in new salaries!”

“If it’s done well (lights, noise, etc.), it will be great.”

“Perhaps more room nights from out of town guests & extended bus tour nights.”

“Too early to tell / not open yet / suspect it will create initial boost in economy with creation of 400 jobs – tourist potential unknown.”

“May bring Port Arthur downtown back to life if city promotes the whole area.”

- **Economic Consequences**

“Has the possibility of cutting into people’s expendable income, which will affect how much they have left to spend on other items.”

“The loss of these economic dollars means less available in the retail sector.”

“Reduced disposable income of average T. Bay resident available to spend at my store.”

“Less discretionary income for tourists, marketing efforts will focus on Casino and Heart of the harbour not on city and region.”

“It will be the final nail in the coffin for the North Core. People go to casinos to gamble not shop. It will eat up all parking downtown.”

“10 years from now, we’ll have a white elephant on our hands. What then?”

“Thunder Bay (+ Region) visitation only limited from outside N.W.O.”

“I feel that after the novelty of it wears off it will be “slow” business.”

- **Social Benefits**

None mentioned.

- **Social Consequences:**

“Negative impact on fundraising for other organizations and teams that need the local support. The youth of Thunder Bay will be harmed the most, by needlessly spending their money on chance.”

“There will be more welfare, more alcoholism less purchasing, more crime.”

“I think it will create more poverty to local families (addiction to gambling).”

“I believe the smaller less known charities will have a much harder time raising money.”

“I am concerned about social problems associated with gambling.”

Section 5.2 ‘Portside’ Waterfront Development

While the casino has been a contentious issue for the community, the possibility of a waterfront development in Thunder Bay has buoyed the community one minute and then dashed its collective spirit against the rocky shores of Lake Superior the next. Two years ago, the waterfront development seemed to be on the verge of becoming a reality. A flurry of activity capped by a series of town hall meetings brought the prospect of such a development to the people, an idea they embraced and helped to shape. Unfortunately, land purchases and missed government grant deadlines caused this plan to stall. The community once again began to doubt whether the city would ever be able to deliver such a development. However, just when thoughts of a waterfront development project were all but extinguished, a new plan emerged with new faces, a revised concept, and apparently even some financial backing.

As a result, it is once again appropriate to examine the attitudes of the small business community towards the newly proposed *Portside* waterfront development project. In fact, the results of this inquiry are a bit overwhelming, as there were no dissenting opinions concerning the potential impact that *Portside* would have upon the city.

Impact of Portside	Percentage of Respondents
Very positive	67.1%
Slightly positive	32.9%
No impact	0%
Slightly negative	0%
Very negative	0%

With such a positive endorsement, any industry sector and BIA level analyses would be meaningless. Rather it was felt that the respondent's comments³ adequately speak to the value of this proposed development upon their specific business. Once again it should be noted that there were no dissenting opinions as respondents spoke only of the economic and social benefits that would likely be generated by *Portside*.

Economic Benefits:

"Great for construction."

"Bring in more tourists who will spend money in city."

"Increase in sales. Increase in number of accounts."

"Increased business, beautifying the downtown north core, more businesses will open."

"Create more employment means more money to spend."

"I have never heard of it called by this name. If we're are talking about harbour front at the foot of Red River Rd. – I believe it will have a very good impact on the future of Thunder Bay, provided that it is done properly & that we do not cheap out on it."

"More salaried jobs, hence more money to go around."

"Tourists, vacationers, construction = jobs = economic spending ++."

"Business in general: creation of jobs and opportunities for our young people."

"An influx of dollars to our area will increase sales for all service areas and service type suppliers."

"Another added attraction."

"We may be able to re-locate & become a tourist attraction as well as a local market."

"It will bring in more tourists that would possibly visit our establishment."

"Bring more money into the city which stimulates housing market."

Social Benefits:

"General optimism/excitement would help the 'mood' of locals."

³ Thunder Bay Ventures would like to emphasize that the views expressed are those of the individual respondents and in no way reflect those of the organization's management, board, or membership.

Respondents were asked to evaluate the potential impact of *Portside* upon various industries within the community. Specifically, a 5-point scale was used (1=very positive, 3=no impact and 5=very negative) to evaluate the economic impact of this waterfront development upon these industries. Once again, the industry sector with the lowest mean rating was the one believed to benefit most from the proposed *Portside* project. Not unexpectedly, it was found that the industry sector perceived to benefit most from this particular development would be the *Hospitality/Tourism* sector. And unlike the casino, business owners indicated that each and every industry would benefit from this project. The results of this analysis are presented in the following table.

Industry	Mean Rating
Hospitality/tourism	1.35
Construction	1.60
Retailing	1.76
Real Estate/Insurance	2.09
Education (e.g., post-secondary education)	2.59
Secondary (e.g., manufacturing)	2.61
Primary (e.g., logging, mining)	2.83

Next, participants were asked to select the regions/areas that they felt represented the greatest potential source of visitors to *Portside*. These results, contained in the table below, are in stark contrast with those of the Charity Casino. Specifically, the Charity Casino was viewed as a predominately local attraction with very little tourist drawing power, while *Portside* has the potential to be a destination location, appealing to visitors from as far away as Europe and Asia. It is clear to see why this proposed development gained such a strong positive endorsement from all those that participated in the survey.

Market	Percentage of Businesses
Northwestern Ontario	75.3%
Mid-west U.S.	60.6%
Southern Ontario	45.4%
Europe	36.5%
Asia	22.1%
Eastern U.S.	18.2%
Prairie Provinces	16.6%
Western U.S	9.8%
Maritime Provinces	7.1%
Other	4.4%
Quebec	2.7%
British Columbia	1.5%

The one remaining question at this point in time would appear to be - Will this project proceed? To this end, the small business community was asked to comment on the likelihood that the *Portside* development would become a reality within the next five years. Here, a 5-point scale was used where 1=definitely will and 5=definitely will not. The mean response to this question was 2.69, which is at best, an enthusiastic “maybe.”

In an attempt to identify which industry sectors were most optimistic/pessimistic about the likelihood of this project proceeding within the five year time frame, a cross industry analysis was conducted. The results of this analysis are found in the next table. Here we see that those businesses most likely to benefit from the project are among those most optimistic that it will proceed. Although these individuals are far from impartial, they may be privy to information that neither the public nor firms in unrelated industries have access to.

Industry	Mean Rating
Wholesale Distribution	2.00
Other	2.47
Service-type business	2.54
Retailing	2.67
Construction	2.75
Hospitality/tourism	2.78
Real Estate/Insurance	4.00
Primary (e.g., logging, mining)	4.00
Secondary (e.g., manufacturing)	4.33

Section 5.3 Thunder Bay Regional Hospital

The Regional Hospital project has, to some extent, paralleled the path previously described for the waterfront development plant. For example, the city was continuously embroiled in debate for the better part of three years. A barrage of letters to the editor, a never-ending stream of calls to Rick Smith, and curbside debates swirled around issues such as: expansion versus new construction, one hospital or two; North Ward or South Ward; etc. Finally, just when the community had resigned itself to a renovated Port Arthur site, it was announced that the new Regional Hospital would be built in the Inter-city area. Like the casino, there is tangible evidence to suggest that the Regional Hospital will, indeed, become a reality. The next table sheds light on how the local business community feels about the Regional Hospital's impact on Thunder Bay.

Impact of Regional Hospital	Percentage of Respondents
Very positive	42.7%
Slightly positive	47.6%
No impact	4.9%
Slightly negative	4.9%
Very negative	0%

Although the *Regional Hospital* did not receive the same overwhelming endorsement as *Portside* the results are no less dramatic. The findings in the preceding table indicate that more than 90% of the small businesses participating in this year’s survey feel that the new hospital will have a positive impact on the economy of the region. With so few dissenting opinions it was determined that further analysis of this question was not warranted.

However, respondents were asked to evaluate the economic impact of the hospital upon various industry sectors. Again a 5-point scale was used (1=very positive, 3=no impact and 5=very negative) to evaluate the likely impact of this project upon each industry and therefore, the industry sector with the lowest mean rating was the one believed to benefit most. Unlike the previous two projects, respondents suggest that it would be the *Construction* and *Education* sectors that would benefit most from the *Regional Hospital*. If this collective prediction is accurate, one must wonder if the benefits associated with the hospital will be primarily social in nature once the economic windfall from construction has passed.

Industry	Mean Rating
Construction	1.81
Education (e.g., post-secondary education)	1.97
Retailing	2.32
Hospitality/Tourism	2.35
Real Estate/Insurance	2.47
Secondary (e.g., manufacturing)	2.59
Primary (e.g., logging, mining)	2.81

Once again the respondents’ comments are used to provide a more complete understanding of the economic and social issues surrounding the *Regional Hospital* and specifically its impact upon their specific business. Unlike *Portside* there were a few business owners that felt the hospital would have a negative impact upon the region. Providing respondents with the opportunity to elaborate and express their opinions⁴ ultimately leads to a more balanced view of the potential benefits and consequences of this project.

Economic Benefits:

“This facility will be the Health Centre of NWO & this will bring a lot of patients & their families to our city. The sales increase that we will see will be from families & support people who have to use our city as their temporary home base.”

“New consumers in visiting families, new doctors, friends looking for “get well” gifts.”

“Adding jobs – consumer base – spending on consumer goods & business to business commerce locally.”

⁴ Thunder Bay Ventures would like to emphasize that the views expressed are those of the individual respondents and in no way reflect those of the organization’s management, board, or membership.

Economic Consequences:

“Closure or downsizing of activities at McKellar Hospital & P.A. Hospital will effect Downtown Cores significantly. Does anyone at city hall care?”

“I am concerned with higher personal & business taxes!!”

“Probably a negative impact if the McKellar site completely closes down.”

“The extra taxes to pay for it will be a large burden.”

Social Benefits:

Availability of quality service for staff

This section revealed that the local business community is not a fractured or divided group. Its members are concerned about the self-interests of their individual businesses but they are, for the most part, deeply concerned about the community. In fact, there appears to be general, if not unanimous support for particular projects. For example, the local business community appears to be very supportive of those developments and/or businesses that complement existing businesses and enhance the city’s profile. Specifically, respondents enthusiastically endorse projects that increase tourist spending in the region, either through an increased number of visitors or that extends the number of days visitors spend in the city (i.e., extended stays, more frequent visits). Projects of this nature were labelled *universal opportunities* in last year’s survey, but perhaps *complementary businesses/developments* is more appropriate. Regardless, participants strongly endorsed the proposed *Portside* project because it either directly (i.e., increased clientele) or indirectly (i.e., increased disposable income arising from additional employment) supports existing industry sectors (e.g., hospitality/tourism, retailing, services).

In contrast, the business community is divided on those projects that complement some businesses while competing with others. For example, the casino is expected to have a positive impact upon some segments of the hospitality industry (e.g., hotels and restaurants) because it will benefit from the increase in visitors to the city. And yet, that segment of the hospitality industry that caters to the resident population (e.g., movie theatres, night clubs) has legitimate concerns that the casino will simply increase competition for the local consumer’s entertainment dollar. Projects and businesses of this type were labelled *zero-sum opportunities* in last year’s survey, but if the true impact of such projects and businesses is negative for the local business community, than perhaps a more appropriate term might be *category killer*, a term borrowed from retailing. It is businesses of this latter type that are of the greatest concern to the small business owners polled over the course of the past three surveys. Costco, Home Depot and the Charity Casino are contentious projects/businesses because they are perceived to be category killers by the small business community.

Section 6. The Community: As a Place to Live, Visit & Conduct Business

Finally, this last section provides insight into the small business community's perspective on the city's strengths and weaknesses. This section also examines the degree to which certain factors either entice or impede people to visit and/or relocate to Thunder Bay.

First of all, participants were asked to comment on how well Thunder Bay meets their needs as a business owner relative to their perception of other cities. Specifically, respondents used a 5-point scale (1=much better than other locations, 5=much worse than other locations) to evaluate each of these factors. Results revealed that Thunder Bay was ranked higher than other locations on three factors, with "attractiveness as a tourist area" seen as the community's greatest asset.

Thunder Bay was ranked "better than" other cities for its...

- 1) Attractiveness as a tourist destination [2.90]
- 2) Access to raw materials/natural resources [2.90]
- 3) Labour Pool (e.g., education, availability) [2.91]

In contrast, the business community believed that the city lags behind other communities on the eight items listed below. Consistent with the results of the 1998 and 1999 surveys, the business community continues to feel that Thunder Bay is most disadvantaged by high transportation costs (both personal travel and freight) at the present time. A new item in this year's survey was "health care," and its ranking underscores the fact that it is an area of considerable concern.

Thunder Bay was ranked "worse than" other cities for its...

- 1) Cost of air travel [4.55]
- 2) Transportation/shipping costs [4.17]
- 3) Health care (e.g., facilities, physicians) [3.81]
- 4) Population demographics (e.g., number, age, income) [3.46]
- 5) Municipal tax rates [3.42]
- 6) City infrastructure (e.g., roads, hydro, gas) [3.35]
- 7) City's promotional efforts [3.03]
- 8) Weather [3.03]

A new question in this year's survey was a general measure of Thunder Bay's attractiveness to various groups. In essence, respondents were asked to evaluate Thunder Bay's attractiveness as a place to visit for five primary target markets. Respondents used a 5-point scale (1=very unattractive, 5=very attractive) to evaluate the city from the perspective of these groups. Results presented in the next table suggest that *Tourists* are most likely to view the city as an attractive place to visit.

Market Segments	Mean Rating
Tourists	3.63
Students	3.48
Retirees	3.36
Employees	3.15
Businesses/Professionals	3.05

Next, survey participants were asked to evaluate a long, if not exhaustive list of factors that may impede or enhance the community's efforts to attract visitors and new residents. Specifically, respondents used a 5-point scale (1=Significant impediment, 5=significant enticement) to evaluate the extent to which each of the following factors was seen as either an impediment or enticement to visit/relocate to Thunder Bay and the surrounding region. The results of this analysis contained in the following table are ranked such that the most significant enticements are found at the top of the list. Not surprisingly, the mean ratings obtained from the small business community suggest that the region's greatest asset is its outdoor recreation facilities. In fact, 16 of the 23 items examined were viewed to be enticements to visitors, with only 7 items seen as impediments. As demonstrated earlier, the most significant impediments to those visiting the region are believed to be the high cost of air travel followed by high gas prices.

Impediments and Enticements for those visiting/relocating to Thunder Bay

- 1) Winter recreation facilities (e.g., trails network) [4.01]
- 2) Calibre of attractions (e.g., Old Fort William) [3.93]
- 3) Summer recreation facilities (e.g., campsites) [3.88]
- 4) Friendliness of community [3.81]
- 5) Cultural support (e.g., ethnic groups, churches) [3.53]
- 6) Special events, festivals (e.g., Tour of Lights) [3.36]
- 7) Calibre of Arts facilities (e.g., museums, galleries) [3.32]
- 8) Customer service orientation of retailers, etc. [3.30]
- 9) Awareness of the region and its attractions [3.26]
- 10) Calibre of shopping facilities [3.24]
- 11) Number of attractions [3.20]
- 12) Conference facilities [3.17]
- 13) Cost of accommodation [3.16]
- 14) Promotional expenditures (e.g., frequency, volume) [3.14]
- 15) Transportation facilities [3.14]
- 16) Promotional effectiveness (e.g., message, media) [3.12]
- 17) Services, amenities [2.93]
- 18) Weather [2.84]
- 19) Highways (e.g., safety, maintenance) [2.67]
- 20) Health Care Facilities [2.64]
- 21) Distance from major metropolitan areas [1.92]
- 22) Gas prices [1.83]
- 23) Cost of air travel to/from region [1.60]

However, respondents were also asked for more in-depth comments on the attractiveness of the region as a tourist/shopping destination, place of residency for employees, retirees or as a place to establish a business. These comments⁵ have been categorized in the sections that follow.

• **Loss of Youth**

“Thunder Bay has a lot to offer but we need to keep the young in T’Bay after they graduate therefore we need jobs for them.”

⁵ Thunder Bay Ventures would like to emphasize that the views expressed are those of the individual respondents and in no way reflect those of the organization's management, board, or membership.

- **Suggestions for Improving the “Attractiveness” of the City**

“City council needs to get their priorities straight – roads, pretty lakefront parks, RV sites and cabins on the lake shore ... instead of using scenic areas for commercial buildings. They should have a look at the lakefront tourist areas in Duluth, Winnipeg & Kenora.”

“We should be more focused on T. Bay’s natural beauty as an attraction, Shopping by itself will never be an attraction as we are too remote & don’t have a large area of population to draw from.”

“Clean up the expressway through city – cut grass & do some landscaping. Even if they don’t stop lets leave a good impression.”

“Portside will be wonderful for attractiveness of city.”

“Thunder Bay has a beautiful harbour front, which if developed will certainly entice & attract tourism also beautify the city, also I believe more retirees would settle here, providing housing was affordable.”

“Streetscape” not very attractive – ugly signs & buildings plus very confused land use in Balmoral that should have been kept as an industrial park.”

“Needs more shrubs, flowers, signs to welcome visitors entering city. Too BLAH compared to other cities I’ve driven into in summer. ‘You never get a second chance to make a good first impression.’”

“Thunder Bay as a community needs to offer incentives for business owners to improve & update some areas of the city.”

- **Impediments to Tourism, Business**

“Need a tourist info centre in downtown south core. English Only? Negative impact on City! Current health care is impediment.”

“Impediments: cost of transport, distance from market, focus on “New” and “More” not quality. We continue to think we are better than we actually are.”

“Travel & fuel costs ridiculous.”

“There is a lack of sincerity at many retail shops. The friendliness is either non-existent or put on.”

In this final section, survey participants were provided with an opportunity to comment on any of the issues raised within the survey and/or on the survey itself. Once again these comments⁶ have been grouped according to the common themes. However, it should be emphasized that the comments presented here are completely unsolicited and participants received no directions as to the kinds of issues/topics to be discussed.

- **The Survey**

“This was a very interesting survey. I do feel we need a tremendous economic growth to return our youth, to return physicians. Perhaps more on the Health system situation could have been mentioned as this has a tremendous impact on our community as a whole.”

“No further comment as I have no more time. This was quite lengthy but I don’t want to be a “silent majority” and not take a stand on these vital community issues – so I’ve taken the time to do this much.”

- **Major Projects, Developments (e.g., Portside, Hospital, Casino)**

“Spend our money where we the people want it spent, not on unrealistic daydreams.”

“Prosperity of professional/service depends on general economic climate. It’s encouraging to see some basic projects underway that will help everyone even if indirectly.”

“I believe Portside, the new Hospital & the Casino are positive and will help Thunder Bay to grow and develop. They would also help shed the image of Thunder Bay as a backwater hick town.”

“This city should have grown to a Metropolitan of the North 20 yrs ago. Too many stagnant people with stagnant minds have stopped this city from growing to its potential. Can’t do anything about the past, so, make Portside happen, just like the Hospital & Casino.”

“I believe that Portside & the new Hospital are very positive projects for Thunder Bay. The Casino in my opinion is located in the wrong part of town to appeal to people like myself. I feel that it will be a detriment to the downtown area, bringing in low-grade criminals i.e. pickpockets & panhandlers. I hope I am wrong about this. I would rather see the casino located in an outlying area – such as the Airport or some other location away from downtown with parking that does not include a parkade..”

“The Regional Hospital is important for drawing and keeping families in Thunder Bay. The Casino is a drawing card, but social problems will occur. The Portside project will draw the most significant amount of visitors to the region – primarily tourists, but also families to relocate since it will give the City an immediate “facelift”. The jobs created by Portside, along with the “tourist atmosphere – upbeat” are all favourable qualities for our City.”

⁶ Thunder Bay Ventures would like to emphasize that the views expressed are those of the individual respondents and in no way reflect those of the organization’s management, board, or membership.

- **Need for Diversification Beyond Hospitality/Tourism Projects**

“The addition of the medical school to the university would be a greater benefit to the city than Costco, the Casino or the Waterfront development. An investment in the youth is an investment in the future of our hospital, the city of Thunder Bay, potential for real estate, etc. We need more professional people in the city & more growth.”

“Thunder Bay has fallen behind in the past 10 – 15 yrs. Unless secondary industry comes to provide good paying jobs & not just minimum wage, I see very little growth in the city. We are an aging population and are losing our young people to other centres.”

“The world’s natural resources are getting scarce. In a few decades there will be shortage. The increase in the price of oil is but an indication. Any community that plans for this new development will benefit economically, socially and in terms of technology.”

“The development of Thunder Bay Airport and the associated costs etc. are primary for economic growth. As long as the City, Development Th. Bay & Gov’ts ignore it and/or fail to support it; we cannot get any economy of scale. The Airport should be viewed as #1 area of concern, yet its not even on the list.”

“Portside if it develops a “New” market will have a large impact. Real estate development (i.e., Hilldale) is just shifting the population around, it does not promote growth. New Hospital is a basic service. i.e., only a big impact if we did not have hospital in 1st place. We need innovation in Thunder Bay. We spend a lot of time shifting demand from one part of the city to another (Real Estate, tourism, retail, commercial retail/wholesale). Technology, College/University have great potential for innovation.”

- **Recommendations to Increase Attractiveness of City**

“Anyone traveling east or west most likely would spend some time in this city because of the distance to the next stop. Kiosks along the highway for information would be great for the visitor.”

- **Issues Affecting Business and Economic Growth**

“Building permits & requirements for the City should be reviewed. We are turning away businesses – our doors should be open.”

“Fuel prices will be hurting all our prices and the consumers will all be effected.”

“Thunder Bay should encourage & Welcome not reject competition or New industries. Thunder Bay needs to change, not remain stagnant to attract positive economic development!”

- **Appeals and Recommendations for Urban Redevelopment**

“ City/Provincial/Federal politicians must develop a shared vision for our city. Downtown cores are on decline – again. Municipal politicians paying lip service. My vision for Downtown ... A community for seniors living independently. We have an aging population. In 10 – 20 years, our eldest won’t be living in Hilldale, Parkdale or other residential spots. In a downtown location, accessibility to services of all sorts (e.g. Bank, post-office, pharmacy, grocery, hair salon, etc., Bus depot) becomes a real selling feature for those wanting to live independently. A new 55+ centre should be located downtown. Senior apartments should be encouraged downtown. Buy up some old buildings and begin building our future home for retirement. Downtowns have a real purpose & value. Let’s not lose sight of this as we scamper off to cut the ribbon for Costco’s grand opening. Dare to be bold when it comes to selling the merits of downtown living. It’s a place to live not just shop! It’s a neighbourhood where people know each other – where people care.”

Appendix A

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.

Thank you for your participation and prompt reply.

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 outlet Factory Commercial office
 Home-based Other (specify) _____
5. Business location: Thunder Bay North Thunder Bay South Inter-City/Balmoral
 Heart of the Harbour BIA Victoria Avenue BIA Simpson Street BIA
 Westfort Merchants Assoc. Bay/Algoma Merchants Assoc.
 Other (specify) _____
6. Please select the category below that best describes your business.
 Construction Hospitality/Tourism Manufacturing
 Primary Industry Real Estate/Insurance Retailing
 Service-type business Wholesale Distribution Other _____
7. How many people are currently employed at your firm? full-time _____ part-time _____
8. What staffing changes have been experienced by your business over the past 12 months?
Please select the response that most accurately reflects the type of change experienced, and where appropriate indicate the number of employees affected.
 No changes
 Hired _____ full-time and/or _____ part-time employee(s)
 Recalled _____ laid-off employee(s)
 Eliminated _____ full-time and/or _____ part-time employee(s)
 Shifted _____ employees from full-time to part-time
 Shifted _____ employees from part-time to full-time
 Other (please specify) _____

9. What are your staffing expectations in the next 12 months? Select the appropriate response(s).

- No changes planned to the existing employee levels
- Plan to hire new employee(s)
- Plan to recall laid-off employee(s)
- Plan to reduce the current number of employees
- Plan to shift some full-time to part-time
- Plan to shift some part-time to full-time
- Other (please specify) _____

10. Which, if any, of the following staffing issues were experienced at your firm in the past year?

- Difficulty supporting staff training requirements (i.e., time/cost constraints)
- Regrettable resignation(s) (e.g. loss of productive employees)
- Difficulty filling vacant positions
(please specify the type of positions) _____

11. 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 labour	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 _____)	1	2	3	4	5

12. Which of the following best represents your estimated sales or billings for the **2000** fiscal year?

- < \$25,000 \$25,000 - \$49,999 \$50,000 - \$99,999
- \$100,000 - \$249,999 \$250,000 - \$499,999 \$500,000 - \$999,999
- \$1,000,000 - \$5,000,000 > \$5,000,000

13. Does this 2000 sales volume represent an increase or decrease over your 1999 sales?

- | | | | | |
|-----------------------------|------------------------|------------------|------------------------|-----------------------------|
| Significant increase | Slight increase | No change | Slight decrease | Significant decrease |
| 1 | 2 | 3 | 4 | 5 |

14. How important were/are the following factors to your sales performance in the 2000 fiscal year?

	Very Important			Not at all Important	
	1	2	3	4	5
a) Price increase	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) Other (specify) _____	1	2	3	4	5

15. How likely is it that the 1999-2000 sales trend will continue between:

	Very likely			Not at all likely	
	1	2	3	4	5
a) 2000-2001	1	2	3	4	5
b) 2001-2002	1	2	3	4	5

16. How important will each of the following factors be to the future success of your business?

	Critical			Not at all Important	
	1	2	3	4	5
a) New markets (e.g., exporting)	1	2	3	4	5
b) Increased advertising/promotion	1	2	3	4	5
c) Change in product/service offering	1	2	3	4	5
d) Increased competition	1	2	3	4	5
e) Recruitment of qualified staff	1	2	3	4	5
f) \$Cdn-\$US exchange rate	1	2	3	4	5
g) Other (specify) _____	1	2	3	4	5

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

	Significantly Less			Significantly More	
	1	2	3	4	5
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	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

18. What kind of impact will the following developments/institutions have upon your business over the next five years?

	Very Negative		Neutral			Very Positive	
a) College/University initiatives	1	2	3	4	5	6	7
b) City projects (e.g., McKellar Island bridge)	1	2	3	4	5	6	7
c) Thunder Bay Charity Casino	1	2	3	4	5	6	7
d) Intercity retail development (e.g., Costco)	1	2	3	4	5	6	7
e) Northwestern Ontario Technological Centre	1	2	3	4	5	6	7
f) Regional hospital	1	2	3	4	5	6	7
g) Lac des Iles Mine expansion	1	2	3	4	5	6	7
h) Real Estate Development (e.g., Hilldale)	1	2	3	4	5	6	7
i) <i>Portside</i> waterfront development	1	2	3	4	5	6	7
j) Other (specify)_____	1	2	3	4	5	6	7

Section B: Thunder Bay Business Climate

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

Significant increase	Slight increase	No change	Slight decrease	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 over the next five years?

	Very Negative		Neither			Very Positive	
a) Regional hospital	1	2	3	4	5	6	7
b) <i>Portside</i> waterfront development	1	2	3	4	5	6	7
c) Thunder Bay Charity Casino	1	2	3	4	5	6	7
d) Intercity retail development (e.g., Costco)	1	2	3	4	5	6	7
e) Northwestern Ontario Technological Centre	1	2	3	4	5	6	7
f) College/University initiatives	1	2	3	4	5	6	7
g) Lac des Iles Mine expansion	1	2	3	4	5	6	7
h) Real Estate Development (e.g., Hilldale)	1	2	3	4	5	6	7
i) City projects (e.g., McKellar Island bridge)	1	2	3	4	5	6	7
j) Other (specify)_____	1	2	3	4	5	6	7

3. In your opinion, how attractive is Thunder Bay as a place to visit/relocate for these groups?

	Very unattractive		Very attractive		
a) tourists	1	2	3	4	5
b) students	1	2	3	4	5
c) businesses/professionals	1	2	3	4	5
d) employees	1	2	3	4	5
e) retirees	1	2	3	4	5

4. *Fast Forward Thunder Bay*>> has outlined three strategic directions for the community:
- **Quality of Life** – Foster and promote qualities of a healthy community
 - **Diversified Economy** – Create a positive climate for a growing economy driven by world class information technology and skilled human resource base
 - **Regional Networks** – Work with partners in NWO to develop mutually supportive relationships which strengthen the region

Please discuss any changes that you have made or intend to make to your business and/or business practices that address the strategic directions outlined by *Fast Forward Thunder Bay*>>.

5. In order to satisfy the *Fast Forward Thunder Bay*>> objective of *economic diversity*, it is necessary to identify those industries with opportunities for diversification. Evaluate the following Thunder Bay industry sectors in terms of growth potential (e.g., new markets, new products/services).

	Little, if any potential			Tremendous potential	
a) Primary (e.g., logging, mining)	1	2	3	4	5
b) Secondary (e.g., manufacturing)	1	2	3	4	5
c) Construction	1	2	3	4	5
d) Hospitality/tourism	1	2	3	4	5
e) Education	1	2	3	4	5
f) Health Care	1	2	3	4	5
g) Retailing	1	2	3	4	5
h) Technology	1	2	3	4	5
i) Financial Services	1	2	3	4	5

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

	Much better than other locations			Much worse than other locations	
a) Labour pool (education, availability)	1	2	3	4	5
b) Access to raw materials/natural resources	1	2	3	4	5
c) Weather	1	2	3	4	5
d) Attractiveness as tourist destination	1	2	3	4	5
e) Cost of air travel	1	2	3	4	5
f) Transportation/shipping costs	1	2	3	4	5
g) Population/Demographics (number, age, income)	1	2	3	4	5
h) City's promotional efforts	1	2	3	4	5
i) City infrastructure (e.g., roads, hydro, gas)	1	2	3	4	5
j) Municipal tax rates	1	2	3	4	5
k) Health care (i.e., facilities, physicians)	1	2	3	4	5
l) Other (specify) _____	1	2	3	4	5

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

	Significant impediment			Significant enticement		Do not
Know						
a) Awareness of the region and its attractions	1	2	3	4	5	0
b) Distance from major metropolitan areas	1	2	3	4	5	0
c) Weather (i.e., perceived or actual)	1	2	3	4	5	0
d) Services, amenities	1	2	3	4	5	0
e) Transportation facilities (e.g., airport)	1	2	3	4	5	0
f) Cost of accommodation	1	2	3	4	5	0
g) Calibre of shopping facilities	1	2	3	4	5	0
h) Calibre of Arts facilities (e.g., galleries, museums)	1	2	3	4	5	0
i) Gas prices	1	2	3	4	5	0
j) Health care facilities	1	2	3	4	5	0
k) Summer recreation facilities (e.g., campsites)	1	2	3	4	5	0
l) Winter recreation facilities (e.g., trails network)	1	2	3	4	5	0
m) Highways (e.g., safety, maintenance)	1	2	3	4	5	0
n) Cost of air travel to/from the region	1	2	3	4	5	0
o) Conference facilities	1	2	3	4	5	0
p) Calibre of attractions (e.g., Old Fort William)	1	2	3	4	5	0
q) Number of attractions	1	2	3	4	5	0
r) Special events, festivals (e.g., Tour of lights)	1	2	3	4	5	0
s) Promotional expenditures (i.e., frequency, volume)	1	2	3	4	5	0
t) Promotional effectiveness (i.e., message, media)	1	2	3	4	5	0
u) Cultural support (i.e., ethnic groups, churches)	1	2	3	4	5	0
v) Friendliness of community	1	2	3	4	5	0
w) Customer service orientation of retailers, etc.	1	2	3	4	5	0
x) Other (specify) _____	1	2	3	4	5	0

Any other thoughts you have on the city's attractiveness as a tourist/shopping destination, residency for employees, retirees or location for establishing a business would be greatly appreciated.

Section C: Thunder Bay Charity Casino

1. In general, what kind of economic impact do you believe the new Casino will have on Thunder Bay's economy?

Very positive	Slightly positive	No impact	Slightly negative	Very negative
1	2	3	4	5

2. What kind of economic impact do you believe the casino will have on the following industry sectors?

	Very positive		No impact		Very negative
a) Primary (e.g., logging, mining)	1	2	3	4	5
b) Secondary (e.g., manufacturing)	1	2	3	4	5
c) Construction	1	2	3	4	5
d) Hospitality/tourism	1	2	3	4	5
e) Education (e.g., post-secondary education)	1	2	3	4	5
f) Real Estate/Insurance	1	2	3	4	5
g) Retailing	1	2	3	4	5
h) Other service sectors (specify) _____	1	2	3	4	5

3. What specific impact, if any, do you expect the casino will have on your business?

4. Please select the three (3) markets that you believe will compose the majority of visitors to the Charity Casino.

- | | |
|--|---|
| <input type="checkbox"/> Minneapolis | <input type="checkbox"/> Duluth |
| <input type="checkbox"/> Hwy 61 Corridor to Duluth | <input type="checkbox"/> Northwestern Ontario |
| <input type="checkbox"/> Thunder Bay | <input type="checkbox"/> Winnipeg |
| <input type="checkbox"/> Other (specify) _____ | |

You are encouraged to share any additional thoughts on the potential impact the charity casino may upon the community. _____

Section D: “Portside” Waterfront Development

1. If the proposed “*Portside*” waterfront development proceeds as planned, what kind of economic impact do you believe it will have on Thunder Bay’s economy?

Very positive	Slightly positive	No impact	Slightly negative	Very negative
1	2	3	4	5

2. What specific impact, if any, would the *Portside* project have on your business if it was to proceed?

3. What kind of economic impact do you believe the proposed *Portside* project might have on the following industry sectors?

	Very positive		No impact		Very negative
a) Primary (e.g., logging, mining)	1	2	3	4	5
b) Secondary (e.g., manufacturing)	1	2	3	4	5
c) Construction	1	2	3	4	5
d) Hospitality/tourism	1	2	3	4	5
e) Education (e.g., post-secondary education)	1	2	3	4	5
f) Real Estate/Insurance	1	2	3	4	5
g) Retailing	1	2	3	4	5
h) Other service sectors (specify) _____	1	2	3	4	5

4. Select the three (3) markets that you believe will provide the majority of visitors to *Portside*.

- | | | |
|--|---|---|
| <input type="checkbox"/> Europe | <input type="checkbox"/> Asia | <input type="checkbox"/> Eastern U.S. |
| <input type="checkbox"/> Midwest States | <input type="checkbox"/> Western U.S. | <input type="checkbox"/> Maritime Provinces |
| <input type="checkbox"/> Quebec | <input type="checkbox"/> Southern Ontario | <input type="checkbox"/> Northwestern Ontario |
| <input type="checkbox"/> Prairie Provinces | <input type="checkbox"/> British Columbia | <input type="checkbox"/> Other _____ |

5. In your opinion, how likely is it that the waterfront project will proceed in the next 5 years?
Definitely will 1 2 3 4 5 **Definitely will not**

Section E: Thunder Bay Regional Hospital

1. In general, what kind of economic impact do you believe the regional hospital will have on Thunder Bay's economy?

Very positive	Slightly positive	No impact	Slightly negative	Very negative
1	2	3	4	5

2. What kind of economic impact do you believe the hospital will have on the following industry sectors?

	Very positive		No impact		Very negative
a) Primary (e.g., logging, mining)	1	2	3	4	5
b) Secondary (e.g., manufacturing)	1	2	3	4	5
c) Construction	1	2	3	4	5
d) Hospitality/tourism	1	2	3	4	5
e) Education (e.g., post-secondary education)	1	2	3	4	5
f) Real Estate/Insurance	1	2	3	4	5
g) Retailing	1	2	3	4	5
h) Other service sectors (specify) _____	1	2	3	4	5

3. Please comment on the impact the regional hospital will have on your particular business.
