



## Industrial Reconversion

*Small-scale, local industrial reconversion projects are characterized by the mobilization of resources aimed at involving local work forces. For local urban and rural communities, this is a remarkable achievement given the increasingly globalized nature of the economy. What is unique about CED industrial reconversion is the leadership and motivation demonstrated by local individuals and community organizations for pursuing reinvestment and research into new, viable industrial opportunities.*

**This cluster works toward the revival or start-up of industries in rural communities.**

**The communities have been affected by downturns in primary resource sectors, including forestry, fishing, and mining. One community development corporation is engaged in Research & Development for new economic opportunities in the agricultural sector.**

**Organizational structures include:**

- non-profit CED organizations (business development)
- worker co-operatives
- non-profit CED organizations (community development)
- development authorities

**One of the non-profit CED organizations incubated a viable business in Labrador, Newfoundland which is now positioned as an independent, corporate entity.**

**Value-add industries include:**

- fish processing
- wood chippers
- flax/fibre production

**Additional sectors:**

- transportation (port development)
- garment industry

**CEDTAP support ranges from: \$8,000 - \$20,000**

**CEDTAP offers a variety of technical services to organizations at different phases of development. The types of technical service accessed in this cluster include feasibility studies, business plans and financial planning.**



*"The project supported by CEDTAP in 2002 (Phase 1 of 3) has generated a feasibility report which has been circulated and referenced in the context of furthering port development in Stewart. Thus, the first questions of many possible investors/developers/business clients has been dealt with in an effective manner."*

*David Skid, Administrator, District of Stewart, 2002*

## Case Studies:

### **North West River Industrial Association, Labrador, Newfoundland**

The North West River Industrial Association was incorporated in 1999 by a group of community residents. The association was concerned with creating jobs in their small rural community of about 600 on the coast of Labrador. When initiatives are undertaken, the association uses a business incubator model that creates strong local linkages.

### **District of Stewart, Stewart, British Columbia**

The District of Stewart borders the Alaska-B.C. border in the northwest of the province. The community had been greatly affected by mine closures and forestry downturns in the 1980s when population peaked at 2,500 (it has now fallen to 600).

The pieces were beginning to fall into place for a port development project: In 2000, a resource road impact study identified Stewart as the most feasible transport route, and, in 2001, the district purchased the log yard and dock facility from the B.C. government

## The CEDTAP Contribution:

CEDTAP funded technical assistance for a social enterprise that produces caribou fur liners for outdoor garments such as mittens. The assistance was in the form of strategic and operational planning, selection of a corporate structure, and training in negotiating skills.

To continue this work, CEDTAP supported an engineering analysis to determine the feasibility, capital-cost analysis and an update of the 1995 business plan.

In early 2002, an upgrade of the log booming area was undertaken to comply with government standards of log storage on land as opposed to water. In addition, a land lease was signed with a First Nations logging company as well as other contracts with private companies for the supply of wood products.

## Other Community Partners:

### **2001-2003:**

Saskatchewan Commercial Fisherman's Cooperative Federation Ltd., Prairies

Northwest Communities Wood Products Ltd., Prairies

Northwest Regional Economic Development Authority, Prairies

Kelsey Development Corporation, Prairies



**The port in Stewart, British Columbia,  
on the Canada-US border**