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ECONOMIC STRATEGY DISCUSSION PAPER

The Planning and Economic Development Committee recommends the following:

- 1. The presentation by Donald Eastwood, Director of Economic Strategy, be received;**
- 2. The recommendations contained in the following report, September 11, 2003, from the Commissioner of Planning and Development Services, be adopted, and that staff be directed to incorporate certain modifications into the Draft Discussion Paper entitled "How Can We Sustain a Vibrant Economy?" as suggested by the Committee.**

1. RECOMMENDATIONS

It is recommended that:

1. Council receive this Report and endorse the attached Discussion Paper as part of the Consultation process for the development of an Economic Strategy for York Region.
2. The Planning and Economic Development Committee convene a Workshop to review the Economic Strategy Discussion Paper prior to the commencement of the public consultation process.

2. PURPOSE

This report provides Council with a Discussion Paper that will serve as the basis for discussion and public consultation on the Economic Strategy.

3. BACKGROUND

The development of an Economic Strategy is a fundamental element of achieving the Vibrant Economy Goal of Vision 2026.

"In 2026 York Region will be renowned for its advanced technology, innovative businesses, supportive business infrastructure and highly skilled resident workforce."

In a previous report adopted by Planning and Economic Development Committee in September this year on the Consultation for Economic Strategy, staff were directed to prepare a Discussion Paper as part of the Economic Development Strategy Initiative. The Discussion paper is to identify the strengths, weaknesses and challenges facing the Region's economy and will encourage focussed stakeholder discussion of issues such as the role and accountability of the Region and its economic partners in economic development initiatives.

A Competitive Assessment Study of York Region was undertaken and completed in 2002. The final report "*A Competitive Assessment of York Region, Analysis, November 2002,*" was presented to the Planning and Economic Development Committee on February 5, 2003. The study was initiated to reassess York Region's competitive position in the investment market place and to attract investment relative to other comparable national and international jurisdictions. Three key factors, namely transit, housing, and a skilled workforce that were identified as important to maintaining the Region's competitiveness and ensuring its future economic vitality and competitiveness.

The Discussion Paper attached to this Report highlights previous research and attempts to provide a basis for debate and discussion about the evolving role of the Region in developing a more comprehensive approach to measuring the performance of the Region's economy. The most important element of this process will be to better understand the economy of the Region and to better define the linkages and relationships that impact on economic competitiveness. The Paper will also prompt discussion on the accountabilities for various stakeholders in economic promotion and business support.

At their September 3, 2003 meeting, the Planning and Economic Development Committee indicated their support to the program and expressed a desire to be more involved in the issue identification and consultation process.

4. ANALYSIS AND OPTIONS

Economic competitiveness is the key to sustaining economic vitality. York Region faces a number of challenges that impact its ability to maintain economic competitiveness. They include:

- Fostering an environment to encourage the creation of 300,000 new jobs over the next 25 years.
- Maintaining a cost-competitive and supportive regulatory climate for business. Labour shortages in key skills areas that will drive the need for recruitment and retraining initiatives.
- Integration and accreditation of immigrants will be critical factor in sustaining the labour force.
- The availability of diverse and affordable housing choices will directly affect the retention of workers.
- Transit and transportation must be provided in a different, more innovative way to meet workforce needs.
- Ensuring the health of the natural environmental which is a key element of maintaining quality of life, which in turn is a prerequisite for attracting an educated and skilled workforce.

In light of these issues and the need to work in partnership with the private sector and local municipalities a series of questions need to be addressed.

What is the role of the Regional Municipality of York in helping achieve "A Vibrant Economy"?

How do we ensure the Region's infrastructure and human services strategies meet the needs of a growing economy?

How does the Region respond to the needs of business in a global economy?

What new partnerships are needed?

The Discussion Paper outlines the Region's success and strategic direction in the provision of both physical infrastructure and human services. Both are fundamental to creating an environment to attract and retain corporate investment and jobs. It will form the basis for consultations with other stakeholders in the development of an economic strategy to realize and sustain the *Vibrant Economy* goal of Vision 2026.

4.1 Input on the Consultation Process

The consultation work program for the Economic Strategy will be managed by the Director of Economic Strategy working under the direction of a Strategy Steering Committee comprised of members of the Senior Management Group.

The Strategy Steering Committee will provide overall direction for the process by ensuring that appropriate staff are included in the consultation and action plan development phases of the Strategy work program. The Steering Committee will also ensure that area municipal staff and representatives of outside agencies are included in the process.

It is recommended the Planning and Economic Development Committee oversee the process, receive regular reports and convene Committee workshops as required to focus on the issues raised during the process. In this way, Committee will be able to provide input to staff as part of the broader consultation process involving the economic partners, business and the public that will lead to the creation of a new Economic Strategy for the Region.

Regional Council has approved the consultation process that will involve scheduling a series of Sector Workshops and an Economic Strategy Forum early next year. Participants will be asked to review the Discussion Paper and to provide input for discussion in the creation of action plans for the Strategy. Key players will be identified for further participation in the drafting of action plans and to act as champions in the implementation and monitoring phase of the Strategy.

4.2 Vision 2026

Vision 2026 is an overall blueprint for York Region. It outlines key areas of focus for the Region and its partners for the future. It sets the context and provides the framework for more detailed corporate and business plans that will be undertaken by the Region.

Vision 2026 includes a vision statement, eight goal areas within each goal that describe what people have said they want the Region to be.

The goal and action areas for *A Vibrant Economy* outlined in Vision 2026 are listed in *Attachment 1* to this report. The Discussion Paper, attached to this report as *Attachment 2*, and the consultation program for the development of the Economic Strategy, support the fulfilment of Vision 2026.

The Strategy will also integrate and complement other strategic Regional initiatives and programs already in place such as the Housing Initiatives, the Human Services Strategy, Transportation and Infrastructure Planning and the Greening Strategy.

5. FINANCIAL IMPLICATIONS

The costs to undertake the Economic Strategy consultation process are provided for in the approved 2003 budget of the Planning and Development Services Department.

6. LOCAL MUNICIPAL IMPACT

The Region and the area municipalities have a complimentary role to play in attracting and nurturing economic development. Throughout the consultation, development and implementation stages of the Regional Economic Strategy, area municipal councils and their staff will be called upon for their active involvement. The establishment of an Economic Strategy will serve to define the Region's role to compliment the economic development efforts of the area municipalities and better define accountabilities for specific program areas.

7. CONCLUSION

The Discussion Paper outlines current challenges, initiatives, programs and strategies relating to maintaining a vibrant economy. The Discussion Paper attempts to stimulate dialogue on the most appropriate role for the Region to foster economic competitiveness, assist regionally based companies and complement local economic development efforts. The Discussion Paper will be used as a focus for discussion during the consultation process for the economic strategy.

The Senior Management Group has reviewed this report.

(A copy of the attachments referred to in the foregoing is included with this report and is also on file in the Office of the Regional Clerk. A copy of the slide presentation is also on file in the Office of the Regional Clerk.)