

August 3, 2010

WindsorEssex Economic Development Corporation – Regional Economic Roadmap

Dear Friend:

During the course of the last three and a half months, I, along with members of the Board of Director's and leadership team at the WindsorEssex Economic Development Corporation, have focused on reaching out into our communities and meeting with key stakeholders and partners. These meetings were designed to gain valuable insight into what we need to do more of to promote regional economic prosperity and a high quality of life in Windsor and Essex County.

In most cases, these discussions have provided a forum for frank, honest, and constructive feedback on the direction of our region and the role of the WEEDC. In our many discussions, the theme which emerged most frequently was the need to continue promote, enhance and strengthen our regional approach to economic development by increasing the intensity of regional collaboration and engagement. As you are likely aware, these discussions were part of a more coordinated effort to update and enhance the current WEEDC regional economic roadmap and strategic plan.

I am delighted to share this document with you, which in a very significant way, was shaped and formed by the nearly 200 community leaders, stakeholders, and partners who were involved in this process.

As a key regional stakeholder, you may ask - ***"what does this document really mean?"***

Let's focus on what this document seeks to achieve...

- This roadmap deliberately focuses on the need for improved regional collaboration, communication, outreach and partnership. This document represents the "what" as it respects an improved catalytic approach to regional economic development.
- This document reflects a synthesis of data, thoughts, opinions and ideas collected as part of a broad based consultation process with almost 200 key community stakeholders, partners, and leaders.
- This document acknowledges current and past progress of the WEEDC and regional partners in efforts to diversify our regional economy, and builds upon those successes and helps to refocus our communities on these "wins".
- This document recognizes our regional strengths, but more importantly helps to highlight our weaknesses so that we can collectively focus more attention on setting the bar higher and achieving more.
- This regional roadmap leverages the best of what we have today and marries it with a more robust framework for achieving economic success in the future.

What this document is NOT...

This document does NOT represent an organizational strategic plan for the WEEDC, nor is it a plan that is the sole responsibility of the Economic Development Corporation. This document does not seek to reinvent the wheel, and in many cases doesn't tell us things which we do not already know in terms of what sectors we need to focus on to enhance prosperity and regional economic diversification. Further, this document is not a workplan of specific operational actions outlining current or future economic development initiatives or programming.

What's next?

The Board and staff at the WindsorEssex Economic Development Corporation will continue to work with all community stakeholders and partners to enhance and strengthen our economic development workplan. This workplan will enhance existing initiatives, business development projects, and strategic programming.

The WEEDC will continue to move forward to promote greater regional marketing, communication, collaboration, and strategic engagement. As we continue to enhance our workplan, and collect feedback on this roadmap, we will actively seek out your commitment and participation. Our goal is to ensure that our actions are aligned with this regional strategy.

I would like to encourage you to take an active and positive role in “taking charge of change” and helping to promote the Windsor-Essex region as the best location in Canada to ‘prosper, build, connect, and achieve’.

Sincerely,

Ron Gaudet
Chief Executive Office
WindsorEssex Economic Development Corporation

The WEEDC is the catalyst for economic development in the Windsor-Essex region. The WEEDC has as part of its mandate to lead economic development efforts, foster the growth of strategic industries and promote the region as a location for business investment and retention. Further, the WEEDC plays an important part in identifying key gaps in the value proposition for investing in the region (workforce, infrastructure, etc.) and collaborates with related stakeholders to address these gaps and build a strong case for businesses to grow (new entrepreneurs, local company expansions and the attraction of companies to the region).

The ten strategic building blocks in the economic development roadmap fall under the four themes of the WEEDC:



WindsorEssex

ECONOMIC DEVELOPMENT CORPORATION

Windsor-Essex: **prosper**
TAKING CHARGE **build**
OF CHANGE **connect**
achieve

Five Year Economic Development Roadmap

May 2010

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Executive Summary

These are both challenging and exciting times for the Windsor-Essex region. The global recession has hit the area particularly hard because of the region's high concentration of automotive manufacturing activity. The Windsor Census Metropolitan Area (CMA) continues to have the highest unemployment rate among all CMA areas across Canada. Post recession, there are significant structural changes taking place in the automotive manufacturing sector that will redefine the scope and scale of that industry in North America for the next generation. The Windsor-Essex region and local industry need to be out front adapting to these new realities and embracing a shift toward more high-performance and high-value opportunities in this sector. Despite the global softening, there remains considerable opportunity in the automotive manufacturing sector for firms in Windsor-Essex.

It is clear that emerging industries tied to advanced manufacturing also hold significant opportunity for the Windsor-Essex region. The renewable energy sector is already becoming a major force with five new investment projects during the last eight months (as of May 2010), as is aerospace manufacturing. New developments in the health and life sciences sector as well as continued strengthening of the region's IT and back office operations bode well for growth on a go forward basis. In total, there are ten industry groups that hold potential for the Windsor-Essex region:

-
- | | |
|---|--|
| • Advanced Manufacturing | • Health & Life Sciences |
| • Automotive Manufacturing | • Professional Services/Back-Office Operations |
| • Renewable Energy and Related Technologies | • Education |
| • Creative Industries/Digital Media | • Logistics/Warehousing |
| • Agri-Business | • Tourism |
-

Taking full advantage of, and exploiting opportunities in these sectors are enhanced greatly by cooperative efforts between a much broader group of community, regional, provincial and even national stakeholders. These stakeholders include government, educational institutions, industry groups/associations, major infrastructure assets such as the Windsor International airport, the Windsor Port Authority, local media, and community groups. Many of these stakeholders are already grappling with how they will respond to the changing economic landscape in the Windsor-Essex region.

That is the underpinning of this economic development roadmap. To provide a broad framework for economic development that is based on a collaborative model where the WindsorEssex Economic Development Corporation (WEEDC) is the lead organization promoting economic development efforts by actively collaborating with a wide group of stakeholders.

There are 10 strategic building blocks that will guide the WindsorEssex Economic Development Corporation (WEEDC) and its community partners as they work to create prosperity and economic growth in the next five years. Each building block addresses a specific component that is a critical path item to support the economic development in the region. The ten building blocks are:

Building Block:

- ⇒ Promoting Windsor-Essex
- As a region
 - At the firm level

Objective:

- At a regional level, the objective is to raise the profile of Windsor-Essex for business investment, tourism and people attraction. At an industry level, the objective is to support the region's exporters as they build new product and geographic markets.

Executive Summary (cont.)

Building Block:

⇒ Enhancing collaboration

⇒ Targeting key industries

⇒ Fostering an innovative economy

⇒ Building the talent pipeline

⇒ Supporting entrepreneurship

⇒ Leveraging cross border relationships

⇒ Cultivating an excellent quality of life

⇒ Leading the development of world-class infrastructure

⇒ Fostering best practices in economic development

Objective:

- The objective is to build a team approach to economic development where key stakeholders are sharing information and collaborating on projects with mutually beneficial outcomes.
- The objective is to develop specific and targeted efforts to help support the development and growth of key industries in the region. This growth comes from new entrepreneurs, local company expansions and the attraction of firms into the region.
- The objective is to foster a culture of innovation and commercialization among the region's industries.
- The objective is to be proactive in helping to build an environment that is turning out qualified workers from the education system and attracting talent from outside the region.
- The objective is to be a region where entrepreneurs thrive and grow and those with export-oriented business models are supported.
- The objective is to build this unique relationship into further economic development opportunities.
- The objective is to be a region that is known across Canada for its high quality of life.
- The objective is fostering understanding and nurturing the direct link between high quality economic development-related infrastructure and economic growth.
- The objective is to build the WEEDC into a national leader by providing innovative and targeted economic development services and activities.

The Windsor-Essex region has numerous distinct competitive advantages that can be leveraged to attract, retain, and grow both the industries and the talent needed to drive the regional economy forward. The area has one of the highest concentrations of engineering professionals in Canada, and the largest machine, tool, die and mould (MTDM) clusters in North America. According to the recent KPMG Competitive Alternatives report, Windsor-Essex scores very high on an operating cost basis compared to similar urban centres in a number of important sectors including automotive, aerospace, medical device manufacturing, IT and back-office operations.

The Windsor-Essex region has strong and vibrant post-secondary educational institutions in the University of Windsor and St. Clair College. They have been very successful in attracting international talent to the region and function as catalysts for advanced research and development activities.

The quality of life in the area is among the best in Canada. The climate is among the most temperate in the country. The overall cost of living, driven by affordable housing costs, is very competitive compared to other Ontario communities. Crime rates, particularly violent crime, are well below most other urban centres in Canada and residents of Windsor-Essex have the benefit of a large urban area and all of its amenities at their doorstep.

Executive Summary (cont.)

However, there are challenges that could stunt the economic growth opportunities in the region. Stakeholder consultations completed for the development of this economic development roadmap indicated a number of potential impediments to the growth potential of the Windsor-Essex region including a self-image problem, a lack of collaboration among industry and among key economic development stakeholders, the perception of a divisive environment between management and labour, some talent retention issues, and the broader issue of promoting skilled trades to young people coming into the workforce.

Leading the economic development effort will be the skilled, capable, engaged and well resourced team of economic development professionals at the WindsorEssex Development Corporation. The board of directors and the CEO need to be focused on ensuring that the team remains motivated, engaged, trained, and has the tools required to achieve its objectives.

In addition, the WEEDC needs to create an annual work plan and an activity measurement process . The organization must clearly define and communicate WEEDC's role as a leader and facilitator of economic development in the Windsor-Essex region. It must ensure a consistent and focused approach as it provides services to businesses and to the communities in the Windsor-Essex region.

1. Introduction

1.1 The Economic Development Roadmap

In 2008, the WindsorEssex Economic Development Corporation (WEEDC) went through a broad-based process of research and consultations - the result of which was a comprehensive strategic plan for the organization. The strategic plan included a new vision and mission for the organization as well as strategic objectives, industry growth sectors and specific projects for which the WEEDC would play a leadership role. Many of the strategic objectives in that plan have been implemented or are underway.

However, since the launch of the strategic plan in 2008 the economic development environment facing the Windsor-Essex region has been profoundly impacted. The global recession has had a disproportionately negative impact on the manufacturing sector and has been specifically challenging for the North American auto manufacturing industry. The Windsor Census Metropolitan Area (CMA)¹ is the most dependent on manufacturing employment of any urban centre in Canada and as a result, the unemployment rate rose to the highest among metropolitan areas in Canada peaking at 13.8% in 2009.

Beyond the short term impact of the recession, the global economic upheaval has led to some significant structural changes to the North American economy that have specific implications for the Windsor-Essex region. At the same time, the WindsorEssex Economic Development Corporation has undergone some internal restructuring. The WEEDC has a new CEO and a new board of directors.

As a result of these changes, the leadership at the WEEDC decided to revisit the strategic plan to determine if the focus needs to be recalibrated and if the targeted industry growth sectors are aligned with the economic realities in the national and international context. In addition, the WEEDC decided the strategic plan concept needs to be expanded to focus on a *broader roadmap* for the economic development in the Windsor-Essex region.

There is an important distinction between an internal strategic plan for the WEEDC and a broader economic development roadmap for the Windsor-Essex region.

While the WEEDC is mandated to lead economic development efforts, successful and sustained economic growth over time will be enhanced greatly by cooperative efforts between a much broader group of community, regional, provincial and even national stakeholders. These stakeholders include government, educational institutions, industry groups/associations, major infrastructure such as airports, ports, the local media, community groups, among others. Many of these stakeholders are already grappling with how they will respond to the changing economic landscape in the Windsor-Essex region.

This document is that roadmap. It is built on a wide variety of consultations with industry, government and other local and regional stakeholders as well as a broad review of economic data and recent reports/publications. It contains ten broad building blocks to focus the efforts of the WEEDC and its partners. It highlights the case for investing and living in the Windsor-Essex region and it lists the expected outcomes from a successful five year effort to build the economy of the area out of these challenging times.

¹ Throughout this document the terms Windsor-Essex region and Windsor CMA are used interchangeably. Essex, Leamington and Kingsville are not included in the CMA area.

1.2 Current Economic Context (May-June 2010)

There is no question the deep recession that hit North America was particularly hard on manufacturing regions such as Windsor-Essex. The unemployment rate in the region spiked to 13.8% in 2009 and the number of persons collecting employment insurance benefits more than doubled. The ripple effect was felt throughout the economy as housing starts plummeted and new construction - both residential and commercial/industrial dried up. The Windsor CMA was one of only three urban centres in Canada that lost population in the past three years. Total employment in 2009 had dropped back to the level of almost 10 years ago.

However, there are a number of encouraging signs that the Windsor-Essex region (and Ontario as a whole) is emerging from the recession. The value of new building permits issued in the first two months of 2010 was more than triple the 2009 level and the highest January/February level since 2006. Building permits are a leading indicator of economic recovery.

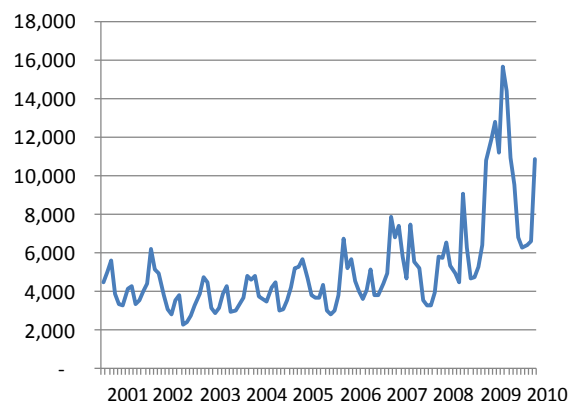
The monthly unemployment rate has also dropped back and the total number of people employed in the Windsor-Essex region has stabilized. As Table 1a shows, total employment is up year over year (June 2010) and unemployment has dropped by almost 4,000 people reducing the seasonally adjusted unemployment rate to The number of persons receiving regular employment insurance benefits dropped by 36% from February 2009 to February 2010 - the steepest decline among Census Metropolitan Areas in Canada.

An important statistic for the Windsor-Essex region, manufacturing sales from Ontario are up nearly 11% from February 2009 to February 2010 - the second fastest growth rate among the 10 provinces across Canada.

It is also encouraging to note the employment losses were primarily concentrated in manufacturing and related sectors (Table 1b below). First quarter 2010 manufacturing employment in Essex County was down 20% from first quarter 2008. Construction employment also was down sharply - as a result of the drop off in residential and commercial/industrial construction. The service sector was not hit as hard and some service-related industries have made employment gains in the past two years. The business, building and other support services, information, culture and recreation industry as well as other services and public administration have all added employment in the past two years.

This is an important trend because it means the recession was primarily concentrated in the manufacturing sector which is already starting to make a comeback as inventory levels across North America are at record low levels and consumers are starting to spend again on large ticket items such as automobiles.

Employment Insurance Beneficiaries
(Receiving regular benefits)



Source: Statistics Canada Table 276-0009 - Employment Insurance Program (E.I.), beneficiaries by province, census metropolitan areas, census agglomerations and sex, monthly (persons).

Table 1a: Labour Force Characteristics - Windsor CMA

Seasonally Adjusted

	Jun 2009	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010
Labour force (x 1,000)	178.8	178.8	176.3	173.9	171.2	170.0	170.4	170.8	172.3	172.5	174.9	175.8	176.8
Employment (x 1,000)	152.9	151.7	150.5	149.6	148.6	148.2	148.8	149.1	150.9	151.4	152.9	153.5	154.7
Unemployment (x 1,000)	26.0	27.1	25.7	24.3	22.7	21.8	21.6	21.8	21.4	21.1	22.0	22.4	22.1
Unemployment rate(%)	14.5	15.2	14.6	14.0	13.3	12.8	12.7	12.8	12.4	12.2	12.6	12.7	12.5

Source: Statistics Canada. Table 282-0090 - Labour force survey estimates (LFS), by census metropolitan area, 3-month moving average, seasonally adjusted, monthly (persons unless otherwise noted) (table), CANSIM (database), .

Table 1b: Employment by Industry (000s) - Q1 Comparison

Essex County

	Q1 2007	Q1 2008	Q1 2009	Q1 2010	Q1 2008 to Q1 2010
Total Industries	182.9	195.0	179.1	178.3	-9%
Goods-producing sector	54.7	57.2	48.4	47.4	-17%
Agriculture	4.6	3.0	3.3	3.4	13%
Forestry Fishing, Mining and Oil and Gas Extraction	-	-	-	-	n/a
Utilities	-	-	-	1.6	n/a
Construction	8.5	8.2	7.1	6.3	-23%
Manufacturing	40.4	44.6	36.1	35.9	-20%
Services-producing sector	128.2	137.8	130.6	130.8	-5%
Trade	24.7	29.4	28.7	25.8	-12%
Transportation and Warehousing	8.2	9.5	7.8	7.4	-22%
Finance and Insurance real estate and leasing	8.5	7.9	9.4	7.9	0%
Professional Scientific and Technical Services	10.3	8.9	8.6	8.2	-8%
Business, building and other support services	6.8	5.4	5.6	5.7	6%
Educational Services	11.6	16.3	14.6	15.2	-7%
Health Care and Social Assistance	23.2	25.8	19.7	24.6	-5%
Information and Cultural and Recreation	7.4	7.0	10.3	8.1	16%
Accommodation and Food Services	14.4	13.9	13.0	12.0	-14%
Other Services (except Public Admin)	7.2	7.0	7.9	9.0	29%
Public Administration	5.8	6.8	4.9	6.9	1%

*Average employment in the first three months of each year. Source: Statistics Canada. Custom tabulation from the Labour Force Survey prepared for the WindsorEssex Economic Development Corporation.

Note: No data means an estimate with less than 1,500 employed.

2. Objectives of the Economic Development Roadmap

There are strategic building blocks that will guide the WindsorEssex Economic Development Corporation (WEEDC) and its community partners as they work to move the economy ahead over the next five years. Each building block addresses a specific issue that is critically important to support the economic development of the region. The ten building blocks are:

- Promoting Windsor-Essex
- Enhancing collaboration
- Targeting key industries
- Fostering an innovative economy
- Building the talent pipeline
- Supporting entrepreneurship
- Leveraging cross border relationships
- Cultivating an excellent quality of life
- Leading the development of world-class infrastructure
- Fostering best practices in economic development

Building Block:

- ⇒ Promoting Windsor-Essex
 - As a region
 - At the firm level
- ⇒ Enhancing collaboration
- ⇒ Targeting key industries
- ⇒ Fostering an innovative economy
- ⇒ Building the talent pipeline
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- ⇒ Leveraging cross border relationships
- ⇒ Cultivating an excellent quality of life
- ⇒ Leading the development of world-class infrastructure
- ⇒ Fostering best practices in economic development

Objective:

- At a regional level, the objective is to raise the profile of Windsor-Essex for business investment, tourism and people attraction. At an industry level, the objective is to support the region's exporters as they build new product and geographic markets.
- The objective is to build a team approach to economic development where key stakeholders are sharing information and collaborating on projects with mutually beneficial outcomes.
- The objective is to develop specific and targeted efforts to help support the development and growth of key industries in the region.
- The objective is to foster a culture of innovation and commercialization among the region's industries.
- The objective is to be proactive in helping to build an environment that is turning out qualified workers from the education system and attracting talent from outside the region.
- The objective is to be a region where entrepreneurs thrive and grow and build export-oriented business models.
- The objective is to build this unique relationship into further economic development opportunities.
- The objective is to be a region that is known across Canada for its high quality of life.
- The objective is fostering understanding and nurturing the direct link between high quality economic development-related infrastructure and economic growth.
- The objective is to build the WEEDC into a national leader by providing innovative and targeted economic development services and activities.

3. Building the Windsor-Essex Economy

This section provides a summary of the key building blocks and the rationale for inclusion in the economic development roadmap. It also provides action items for the WEEDC and its partners to effectively address each building block.

3.1 Promoting Windsor-Essex

It is clear from both a review of primary research sources and consultations with key stakeholders that the Windsor-Essex region needs to do a much better job of promoting itself. This need exists both at the firm/organization level and at the community level as a whole.

Firm Level

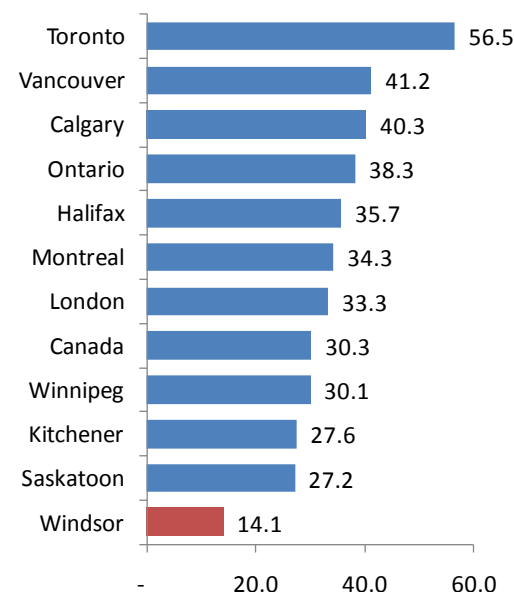
Historically, the Windsor-Essex region has not had to do much promotion. While the region is arguably the most manufacturing export intensive region in Canada, there has been very little promotion or marketing required because local firms were part of deep and well developed supply chains in Canada and the United States. The only marketing was associated with relationship building within the supply chains. Now, as local manufacturers look to diversify and build new markets (both product and geographic) there is a much greater need to be deliberate and intentional about sales and marketing.

A review of the sales and marketing-related workforce in the Windsor-Essex region reveals this deficit. While the Windsor-Essex region has an average number of retail sales/front line sales workers serving retail customers in the region, it has substantially less employment in all other advanced sales and business development occupations.

From the 2006 Census, for every 10,000 employed persons in the labour market, there were 14.1 persons working as economic development, market researchers or related consultants. That was over 60% fewer than the Ontario average and by far the lowest among the benchmark locations. In fact across all specialized sales and marketing occupations, Windsor has the lowest concentration of workers of any of the benchmark locations.

Persons employed as economic development officers or marketing researchers and consultants (2006)

*Per 10,000 persons in the workforce**



Source: Statistics Canada.

Table 2: Sales & Marketing Employment - Benchmark Comparison (2006)

	Economic development officers and marketing researchers and consultants		Sales, marketing and advertising managers		Sales representatives, wholesale trade		Technical sales specialists, wholesale trade	
	Per 10k	% Change	Per 10k	% Change	Per 10k	% Change	Per 10k	% Change
Calgary	40.3	75%	124.4	102%	97.2	-20%	46.5	-31%
Canada	30.3	92%	91.9	49%	89.1	-15%	33.2	-24%
Halifax	35.7	75%	108.0	77%	97.0	-13%	44.4	-19%
Kitchener	27.6	37%	102.1	53%	95.9	-9%	34.7	-32%
London	33.3	117%	87.4	52%	94.7	-18%	32.1	-29%
Montreal	34.3	187%	103.4	13%	121.1	-10%	48.4	-13%
Ontario	38.3	81%	113.4	54%	91.7	-19%	34.0	-28%
Saskatoon	27.2	47%	88.0	65%	105.3	-14%	40.4	-15%
Toronto	56.5	75%	160.1	60%	111.3	-20%	42.7	-32%
Vancouver	41.2	139%	134.3	57%	117.0	-13%	40.7	-27%
Winnipeg	30.1	73%	92.4	50%	96.8	-24%	28.8	-38%
Windsor	14.1	68%	57.8	72%	57.2	-14%	23.1	3%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

Community/Regional Level

Similarly, the Windsor-Essex region has not been as deliberate and intentional about marketing itself collectively for new business investment, tourism or people attraction. Part of the challenge is the geographic context in which Windsor-Essex finds itself. The Windsor-Essex CMA ranks seventh for population size among urban centres just in Ontario. As a consequence many of the provincial and national rankings do not extend to Windsor-Essex even though it is much larger than many other urban regions across Canada including Regina, Moncton and St. John's to name a few. In other words, many of the third party organizations that rank Canadian cities skip over Windsor.

In addition, the economic success of the region in the past meant there was not a perceived need to promote the region collectively in a significant way.

In recent years that has been changing. Windsor-Essex has become more deliberate about promoting itself more broadly and in strategic niche areas.

Action Areas for WEEDC and its Partners:

- Promote Windsor-Essex for business investment both to national and global markets. This can include broad channel marketing as well as highly targeted niche promotional activities. An example of channel marketing would be better leveraging the over 100 Ontario and federal government offices world-wide (that work on trade and investment opportunities).
- Encourage local firms to invest in broadening their marketing capabilities and look for opportunities for joint promotion.
- Support key economic development related institutions - education, airport, port, cultural/artistic, tourism, industry associations, etc. in their efforts to promote their groups and the region as a whole.

3.2 Enhancing Collaboration/A Team Approach

Another key finding from the research for this roadmap is that most stakeholders believe there is substantial opportunity for more mutually beneficial collaboration. Historically there has not been as much need to build these collaborative efforts but the economic realities and the emerging opportunities necessitate a new approach.

Collaboration is not just about building new relationships. It is about building new relationships that lead to mutually beneficial outcomes. As an example, the development of the Windsor International Airport will open up new potential for a number of industries and other organizations in the community. In addition, new industry development activity require better linkage between key regional organizations. For example, the University of Windsor will be a catalyst for the development of the health and life sciences sector in the region and related companies should be looking for collaborative opportunities. St. Clair College is also a key asset graduating talent for the health and life sciences sector.

Much more work can be done to foster collaboration between industries. The automobile-related manufacturing sector could generate more opportunities from other manufacturing such as renewable energy, aerospace and medical devices. The region's software firms could find partnership opportunities with the manufacturing or other sectors.

Even within industries that have been quite competitive in the past, there is a need to become more collaborative on industry wide challenges and opportunities. Firms should compete vigorously at a firm to firm level but at an industry level they should be looking at areas of common concern such as building the talent pipeline, promoting the industry, developing more R&D capacity, etc.

At the broader community and regional level, it is important for the key stakeholders (government, economic development, education, infrastructure providers, etc.) to share information and look for synergies in their activities. The education system should be aligned to emerging workforce needs. Provincial government departments and agencies should have a clear understanding of the priorities of the Windsor-Essex region.

Action Areas for WEEDC and its Partners:

- Foster more information sharing and collaboration among key stakeholders (government, industry and institutional)
- Promote more industry collaboration. This should include:
 - Intra-industry - firms in the same industry looking for opportunities (i.e. the region's mould makers). There is also opportunity to benefit from the scale associated with working together.
 - Inter-industry - finding ways to build opportunities between industries (i.e. the software development and manufacturing sectors)
 - Industry and education - aligning workforce needs, research opportunities, value proposition development, etc.
 - Industry-government
- Nurture more collaboration with economic development partners - regional, provincial and federal.
- Enhance collaboration within the broader Ontario and Canadian context. Building this connection is an important part of developing the Windsor-Essex brand regionally, nationally and internationally.

3.3 Targeting Key Industries

An important part of the economic development roadmap is the focus on specific industries that hold particular opportunity for the Windsor-Essex region. This does not mean that other sectors do not have merit or opportunity but these specific industries hold significant potential for development through coordinated and specific efforts from the WEEDC and its partners.

Most of these sectors were initially identified for development in the 2008 strategic planning process. The review in 2010 confirms they are still valid with two modifications. The WEEDC and its partners should focus specifically on the renewable energy sector. There is potential for significant new business investment and high value job creation in this sector. The other new focus area is creative industries/digital media. While this sector is underdeveloped in the Windsor-Essex region, there is considerable potential for growth.

Alignment with Provincial/Federal Industry Targets

The provincial government, through the Ministry of Economic Development and Trade, has identified a number of industries that have high potential for new business investment and growth. The federal government also has developed priority sectors that it is promoting across the world for investment into Canada. It is important, where possible, for Windsor-Essex to be aligned with federal and provincial partners in order to leverage their significant economic development resources and programs.

As Table 3 reveals, all but two of Windsor-Essex targeted industries are aligned with both provincial and federal priorities.

Table 3: Targeted Industry Alignment (Investment Focus)

Targeted Industry:	Windsor-Essex	Ontario	Canada
Advanced Manufacturing	✓	✓	✓
Automotive Manufacturing	✓	✓	✓
Renewable Energy and Related Technologies	✓	✓	✓
Creative Industries/Digital Media	✓	✓	✓
Agri-Business	✓	✓	✓
Health & Life Sciences	✓	✓	✓
Professional Services/Back-Office Operations	✓	✓	✓
Education	✓	-	-
Logistics/Warehousing	✓	-	-
Tourism	✓	✓	✓

Sources: Invest in Canada and Invest in Ontario (2010).

Rationale for Target Industry Selection

The following provides a short summary of the rationale for selecting each of the target industries. Much of the groundwork for the development of the target industries was done in 2008 and remains valid in 2010. In Section 4 below, a summary profile on each of the sectors is presented.

Industry Group:	Rationale for Selection:	Opportunity:
Advanced Manufacturing	Advanced manufacturing involves high value added opportunities and can include leading-edge computer numeric control (CNC), computer-integrated manufacturing (CIM), robotics, automation and visioning systems, as well as advanced methodologies like lean manufacturing.	<p>The goal is to ensure that Windsor-Essex remains a top location in North America for advanced manufacturing:</p> <ul style="list-style-type: none"> • Diversify into new, high value manufacturing areas such as aerospace, medical devices, defence. Energy systems is a top priority given the region's strengths in both nuclear energy and natural gas. There is also potential to exploit existing strengths into the construction, mining and forestry equipment manufacturing sector. Water-related technologies and systems also represent an opportunity. • Develop technical and support services such as maintenance, repair and overhaul (MRO) and global engineering and design services. • Build new product and geographic markets. • Foster more research, innovation and commercialization.
Automotive Manufacturing	Automotive manufacturing has been a critical driver of the Windsor-Essex economy. There are structural changes taking place in the industry and that will lead to new opportunities in high value, high performance areas of the new globalized auto sector.	<p>The Windsor-Essex region needs to capture next generation automotive manufacturing opportunities such as higher margin technologies, tooling, robotics and integration will drive growth in Ontario and in the Windsor-Essex region.</p> <p>The automotive manufacturing should remain a vital part of the regional economy for decades ahead.</p>
Renewable Energy and Related Technologies	The potential impact of the green economy has been compared to the impact of the Internet after its initial development in the early 1990s. Ontario's Green Energy Act is considered to be among the most aggressive in North America with its focus on building the green energy industry in the province.	The Windsor-Essex region is well positioned to take advantage of this opportunity both as a location for green energy projects and a source for green energy systems manufacturing.
Creative Industries/Digital Media	These two industry segments (developed in detail in Section 4.3 below) are both high growth opportunities in Ontario and across Canada. While they are both under-developed in the Windsor-Essex region there is potential for future growth.	The opportunity is to attract high value jobs in creative occupations that help support the creative/ cultural side of the Windsor-Essex economy.

Industry Group:	Rationale for Selection:	Opportunity:
Agri-Business	The Windsor-Essex region features the most growing degree-days of any area in Canada and has been using this mild growing environment as a competitive advantage since its first settlement. The greenhouse and winery sectors in Essex County have been growing strongly in recent years.	The opportunities include organic production, niche export markets, automation, manufacturing of equipment, nutraceuticals, processing /packaging and fostering more buy local.
Health & Life Sciences	One of Ontario's fastest growing industries, there is significant potential in the Windsor-Essex area to develop more life sciences-related research and development, attract specialized services and find cross-pollination opportunities between the manufacturing and health/life sciences sectors. The new medical school at UoW and the Health Centre at St. Clair College are also key catalysts.	The opportunity is for Windsor-Essex to carve off a large part of this important and growing industry in Ontario.
Professional Services/ Back-Office Operations	The Windsor-Essex region has a much lower concentration of economic activity in this area than most other urban centres in Canada but has many attractive business case elements for the industry.	More deliberate promotion and focus should yield opportunity.
Education	The two main post-secondary education infrastructure assets - the University of Windsor and St. Clair College - have been expanding. The private training and education sector has also been growing in recent years. The Windsor-Essex region has a below average percentage of university-educated people in the population (among its peer group).	Given the structural shifts in the economy, there is a need for increased uptake of post-secondary education. In addition, the region has been successful attracting international students - which represents a significant economic opportunity as well as a pipeline for future workers.
Logistics/ Warehousing	A historically important industry for the region, Windsor has more than double the percentage of persons employed as customs, ship and other brokers compared to all other urban centres in Canada.	The Windsor-Detroit corridor is already the busiest cargo corridor in Canada. There is potential to generate even further opportunities. The new focus on developing the Windsor International Airport opens up potential logistics/warehousing opportunities.

Industry Group:	Rationale for Selection:	Opportunity:
Tourism	The Windsor-Essex region has a number of attributes that make it attractive to the tourism market. Its geographic position, mild weather, proximity to Detroit, the casino, eco-tourism potential and many outdoor recreational opportunities are just some of the attributes and indicate potential for growth.	There are opportunities to find niche new tourism products to enhance the value proposition and attract more tourists.

The Team Approach to Industry Development

The WEEDC cannot develop successful industry clusters alone. The most important role for the WEEDC is to identify the team of organizations and key champions that can collectively work to build successful industry clusters in the Windsor-Essex region. Successful industry development is led by industry stakeholders and supported by other groups in the community.

The WEEDC does have a critical role to play with its business retention efforts, support for local expansion and corporate after care services. The WEEDC has built a reputation for providing value added services in this area that will be a key part of efforts to grow targeted industries moving forward.

The Role of the WEEDC:	Assembling and Cultivating the Team:	Group Activities:	Outcomes:
⇒ Facilitator and catalyst	⇒ Private sector champions ⇒ Community champions ⇒ Educational institutions ⇒ Provincial and federal government partners ⇒ Providers of industry support services ⇒ Key infrastructure players*	⇒ Attract business investment ⇒ Support retention and expansion ⇒ Foster trade opportunities ⇒ Encourage entrepreneurship ⇒ Build the talent pipeline ⇒ Promote innovation and R&D ⇒ Build wider industry linkages ⇒ Support existing companies ⇒ Identify and develop key new sectors.	✓ High value job creation ✓ Good mix of firms ✓ Well developed supply chain ✓ Increased tax revenue to government

**Where appropriate these players will include the airport, port, cargo transportation sector, education, R&D, etc.*

Action Areas for WEEDC and its Partners:

- Support and participate in sector committees
- Align WEEDC business retention and expansion efforts with the targeted industries
- Look for joint promotional opportunities - community and industry segments
- Develop targeted investment attraction strategies for each industry
- Foster trade development within the targeted industries
- Support entrepreneurship development within the targeted industries

3.4 Fostering an Innovative Economy

The Windsor-Essex region needs to increase its focus on research and development and foster a culture of innovation. The structural changes taking place in the auto sector mean that successful firms in the future will need to be adding more value and becoming more productive through innovation and the deployment of new technology. For Windsor-Essex's manufacturers to diversify into new sectors (renewable energy, medical devices, aerospace, etc.), there will need to be deliberate firm and industry-level efforts. The culture of innovation extends beyond the manufacturing sector. Other sectors of the economy are in competition for investment and will need to be innovative to compete.

As shown in Section 4 below there has been a sharp increase in the number of engineers and engineering technicians and technologists in the region over the past decade or so. That is a positive sign the required changes have been underway for some time. The number of firms involved in engineering, technical consulting and R&D in Windsor-Essex is up strongly over the past six years² - which is another sign the region is adapting and becoming more sophisticated in its product development.

The new University of Windsor's Centre for Engineering Innovation will be an important catalyst for fostering this culture of innovation and commercialization.

Table 4: Engineering and R&D-Related Establishments in the Windsor CMA

NAICS:	2003	2009	# Change
621510 - Medical and Diagnostic Laboratories	21	24	3
541330 - Engineering Services	181	199	18
541380 - Testing Laboratories	20	17	-3
541420 - Industrial Design Services	20	24	4
541620 - Environmental Consulting Services	4	9	5
541690 - Other Scientific and Technical Consulting Services	40	64	24
541710 - R&D in the Physical, Engineering and Life Sciences	18	20	2
541720 - R&D in the Social Sciences and Humanities	1	5	4
Total Engineering and R&D and Related Establishments	284	338	54

Source: Statistics Canada Canadian Business Patterns (July 2009).

Action Areas for WEEDC and its Partners:

- Promote the importance of R&D and innovation within the targeted industry sectors.
- Work with key R&D partners such as the University of Windsor to attract more research dollars to the region (federal, provincial and private sector).
- Position Windsor-Essex as a research intensive and friendly place.
- Encourage commercialization of innovative ideas and products.

² Firms specifically offering services in these areas.

3.5 Building the Talent Pipeline

The battle for business investment and economic development across North America is increasingly focused on the talent pipeline. Communities with a demonstrated ability to provide a skilled labour pool are far better positioned for growth. The talent pipeline comes from two sources: the post-secondary education system and through workforce migration into the community.

The Post-Secondary Education System

As shown elsewhere in this report, the post-secondary education system (public and private) is expanding in the region. The University of Windsor is an important catalyst and has been particularly important supplying top engineering talent into the local workforce. St. Clair College and its four campuses in the region is also a critical part of the talent pipeline. There are also several dozen private sector colleges and training institutions that serve niche training and education needs in the regional market.

In-Migration

Despite the fact Windsor-Essex has a relatively high unemployment rate, the medium and longer term economic development success of the region will hinge in large part on its ability to attract and retain talent. Windsor-Essex's recent track record attracting people into the community compared to the benchmark locations is shown in Table 5.

The table shows the percentage of the total population in 2006 (aged 5 years and up) that did not reside in the community in 2001. In the Windsor CMA, a total of 14.3% of the population 5+ did not reside in the area five years before. Based on this five year period, Windsor-Essex has a relatively good record attracting immigrants (external to Canada) but not as good a record attracting either intraprovincial migrants (from other parts of Ontario) or interprovincial migrants (from other parts of Canada). Among the benchmark locations, only Montreal attracted a smaller percentage of people from other provinces.

Table 5: Five Year In-Migration by Source (2006)

	Intraprovincial migrants	Interprovincial migrants	External migrants	Total in- migrants
Vancouver	12.0%	3.0%	8.3%	23.4%
Toronto	11.2%	1.3%	8.6%	21.0%
Calgary	5.7%	8.0%	6.3%	19.9%
Kitchener	13.9%	1.6%	4.3%	19.8%
Montreal	13.5%	1.1%	4.8%	19.5%
Ontario	12.3%	1.6%	5.0%	18.9%
Canada	12.1%	2.9%	3.9%	18.9%
Saskatoon	10.4%	4.9%	2.5%	17.7%
London	11.7%	1.4%	3.5%	16.6%
Windsor	8.8%	1.1%	4.4%	14.3%
Halifax	3.8%	7.5%	2.3%	13.6%
Winnipeg	4.5%	3.5%	4.2%	12.3%

Source: Statistics Canada.

Companies need to feel comfortable they will be able to attract specialized management, research and other talent into the community.

There are specific ways that the WEEDC and its partners can work on the talent pipeline. The promotion of the Windsor-Essex region should extend to include people attraction. There should be specific efforts to align educational programming to workforce needs. University of Windsor features a higher percentage of international students than any other university in Canada. This pipeline for international students should be leveraged to feed local workforce needs and attract more students and investment to the Windsor-Essex region.

Action Areas for WEEDC and its Partners:

- Develop and promote a compelling case for moving to the Windsor-Essex region. The case should be founded on both the career opportunities as well as the high quality of life.
- Work with municipal partners on a relocate to Windsor strategy. This should include an assessment of spousal/partner employment opportunities - a key roadblock for many relocations.
- Work closely with the key stakeholders in post-secondary education to ensure alignment of educational opportunities and workforce needs.
- Work closely with provincial and federal organizations mandated to support people attraction into Ontario.
- Work closely with international students at UoW and St. Clair college to attract more of them to the region.

3.6 Supporting Entrepreneurship

The Windsor-Essex region has traditionally been less reliant on the small entrepreneur as an engine of the economy. In 2003, 81.2% of all business establishments in the region had less than 20 employees and by 2009 that had jumped to nearly 85% - approaching the national level of 86.5%³. There has been a 17% drop in the number of business establishments with at least 200 employees in just the six year time frame (2003-2009).

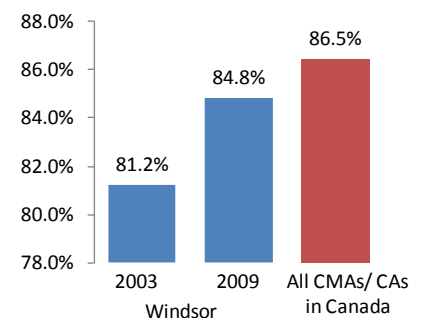
There are considerable economic development implications arising from this shift. Larger firms tend to have more established business development networks, spend more on R&D and offer employees more career opportunities. Smaller firms tend to face higher barriers to capital and have more challenges building export markets.

WindsorEssex Small Business Centre is a key player in building small business capacity in the region by providing a wide variety of support services from business planning to accessing finance.

Action Areas for WEEDC and its Partners:

- Continue to support entrepreneurship with a focus on building export-oriented start-ups.
- Promote Windsor-Essex as a great place to launch innovative new businesses.
- Support business incubation.

Business Establishments with <20 Employees (% of Total)



Source: Statistics Canada Canadian Business Patterns (June 2003 & June 2009).

³ Among all Census Metropolitan (CMA) and Census Agglomeration (CA) regions.

3.7 Leveraging Cross Border Relationships & Opportunities

There are a number of Canadian jurisdictions that are located near the U.S. border but none are located in close proximity to an urban centre the size of the Detroit metropolitan area. At the time of the Census in 2006, there were over 7,000 persons living in the Windsor CMA who were working outside of Canada. That is over three times more than any other jurisdiction in Canada - adjusted for the size of the workforce. Almost 5% of all workers in the Windsor CMA earn their employment income across the river in the Detroit area.

Table 6: Place of Employment: Outside Canada (2006)

Urban Region:	Total Area Workforce	Persons working outside Canada	Per 10,000 in Workforce
Windsor	152,995	7,195	470.3
St. Catharines - Niagara	192,400	2,030	105.5
Sarnia	43,050	560	130.1
Abbotsford, BC	79,665	430	54.0
Sault Ste. Marie	36,720	345	94.0
Kingston	74,930	335	44.7
Cornwall	25,410	95	37.4

Source: Statistics Canada.

This has a significant economic impact. If these persons earn just the median employment income⁴, that translates to over \$350 million worth of employment income earned in the United States but spent primarily in the Windsor-Essex region.

Beyond the employment impact, there are long standing business linkages, personal and institutional relationships and other business and cultural ties that are unique to the region. The strong relationship between the WEEDC and the Canadian Consulate in Detroit is one powerful example of these linkages. In addition, as summarized above, the close proximity to Detroit offers quality of life benefits as well.

More cargo is shipped through the Windsor-Detroit corridor than any other border crossing in Canada.

The uniqueness of this relationship can and should be exploited for economic development opportunities.

Action Areas for WEEDC and its Partners:

- Continue to cultivate a good relationship with the Canadian Consulate
- Support efforts to enhance the Windsor-Detroit corridor
- Look for niche opportunities arising from the unique Windsor-Detroit relationship
- Investigate opportunities for partnership with related-organizations in Metropolitan Detroit.

⁴ Based on the median employment income for a full time, full year worker.

3.8 Cultivating an Excellent Quality of Life

It is very important for stakeholders in the Windsor-Essex region to be cultivating and promoting its quality of life. The battle for workforce talent will be won by jurisdictions that can offer both high quality career opportunities and an excellent quality of life. The linkage between quality of life and economic development will be even more important in the years to come.

Measuring quality of life is a complicated task because it means different things to different people. There are some general community attributes that can indicate quality of life including the cost of living relative to income, the climate, crime rates, access to education, recreation/entertainment opportunities, etc. For most quality of life attributes, the Windsor-Essex region rates very well when compared to peer communities across Canada.

Climate

The climate in the Windsor-Essex region is one of the area's top quality of life attributes. According to an Environment Canada review of 100 cities⁵ across Canada, Windsor ranked third in Canada for hottest summer, 86th for coldest winter, 8th for warmest year-round, 5th for most days above 30°C, first for the warmest fall and first in Canada for the most growing degree-days. The warm climate is particularly interesting to immigrants moving into Canada.

Housing Costs

The Windsor-Essex region is one of the most competitive regions in Canada for new home values. Statistics Canada's New Housing Price Index (NHPI) measures changes over time in the selling prices of new residential houses agreed upon between the contractor and the buyer at the time of the signing of the contract. It is designed to measure the changes in the selling prices of new houses where detailed specifications pertaining to each house remain the same between two consecutive periods. The most recent edition of this index (February 2010) shows that the Windsor CMA has an index of 104 - meaning the price for a new house in the area is only slightly higher than it was back in 1997.

Table 7: New housing price indexes (February 2010)

1997=100

Urban Region:	Index:	Urban Region:	Index:
Regina	258.1	Halifax	151.3
Calgary	234.6	London	147.9
Saskatoon	216.6	Toronto and Oshawa	147.8
Edmonton	208.6	Kitchener	143.8
St. John's	188.9	Saint John, Fredericton and Moncton	121.1
Winnipeg	188.8	Charlottetown	119.6
Ottawa–Gatineau	174.6	Vancouver	119.2
Québec	170.4	Greater Sudbury and Thunder Bay	113.3
Montréal	167.7	Victoria	106.0
St. Catharines–Niagara	157.2	Windsor	104.0
Hamilton	152.7		

Source: Statistics Canada.

⁵ For the full study, visit: <http://www.on.ec.gc.ca/weather/winners/city.cfm?lang=e>.

For people looking to purchase a new home in Ontario, the cost of housing in Windsor-Essex is a significant advantage over many other jurisdictions. This can have a significant impact on cost of living. A \$50,000 lower mortgage cost can save a home owner upwards of \$500/month.

Crime Rates

Crime rates in the Windsor-Essex Region are lower compared to many mid and large sized urban centres in Canada - particularly regarding violent crime. The most recent data from Statistics Canada gives the Windsor CMA a 67.1 rating on the Violent Crime Severity Index - lower than Hamilton, Toronto, Greater Sudbury, Ottawa and London. Robberies and homicides are both below the national average. However, the robbery level is above most of Windsor-Essex's peer group in southwestern Ontario.

Table 8: Crime Rates (2008)

	Robberies <i>rate per 100,000 population</i>	Homicides <i>rate per 100,000 population</i>	Violent Crime <i>Severity Index</i>
Saskatoon	212.0	1.6	212.2
Regina	222.0	3.8	185.1
Winnipeg	233.0	4.1	183.4
Thunder Bay	131.0	0.0	140.2
Edmonton	171.0	1.4	131.7
Vancouver	171.0	2.4	128.6
Halifax	122.0	0.9	125.3
Saint John	78.0	1.0	108.8
Montréal	151.0	1.1	108.1
Abbotsford–Mission	127.0	4.7	103.3
Hamilton	117.0	3.4	96.7
Toronto	133.0	1.9	95.0
Calgary	108.0	2.9	92.8
Greater Sudbury	73.0	0.0	91.7
Victoria	73.0	1.4	81.2
Ottawa	95.0	1.2	77.4
St. John's	62.0	0.6	76.4
Gatineau	63.0	1.2	69.6
Saguenay	25.0	0.0	69.3
London	73.0	0.0	68.6
Windsor	83.0	2.1	67.1
Sherbrooke	47.0	0.0	65.3
St. Catharines–Niagara	76.0	1.4	64.6
Kitchener	47.0	0.4	64.5
Kingston	30.0	0.8	62.9
Québec	48.0	1.1	56.7
Canada	97	3.44	n/a

Source: Statistics Canada.

Large Urban Access/Small Community Feel

Another important and relatively unique advantage for residents of Windsor-Essex is access to the large urban centre across the river in Detroit. This allows residents of Windsor-Essex to live and work in a smaller urban centre with limited traffic congestion, crime, etc. but access the amenities of the large urban centre (professional sports, etc.) at their convenience.

Proximity

Another important advantage for residents of Windsor-Essex is the relatively close proximity to a wide variety of tourism, recreation and entertainment assets. Windsor-Essex is located within an eight hour's drive from almost half the population base in North America.

Action Areas for WEEDC and its Partners:

- Promote the region's high quality of life - with specific attributes - to target audiences.
- Work to redress some of the region's perceived negative quality of life elements (i.e. smog, distance from Toronto, etc.)
- Continue to educate local stakeholders about the important linkage between quality of life and economic development.

3.9 Leading the Development of World-Class Infrastructure

In the long term, economic development-related infrastructure is critically important to the economic growth and vibrancy of a regional economy. There is a direct link between the quality of economic development-related infrastructure and economic growth. Arguably, most infrastructure in a community - from hospitals to walking trails - can be linked to economic development but there are a few infrastructure areas that are critically important. These include (among others):

- Airport
- Port
- Road and rail infrastructure
- Cross-border infrastructure (a specific Windsor advantage)
- Telecommunications and energy infrastructure
- Post-secondary education infrastructure
- Research and development infrastructure
- Business and industrial park infrastructure

It is important for the WEEDC and its partners to understand the opportunities associated with the development of this infrastructure and work with each of the organizations involved in its development. The border crossing between Windsor and Detroit is one of the most strategically important infrastructure projects in the region's history. The development of the Windsor International Airport and its carving out a strong niche in the region's air transportation system is also very important for the long term economic health of Windsor-Essex. Similar conclusions could be drawn in other infrastructure areas.

Action Areas for WEEDC and its Partners:

- Build strong relationships with each organization leading the development of strategic economic development-related infrastructure. The WEEDC should be an important partner in developing infrastructure.
- Help promote this infrastructure. Build it into the value proposition for the community.

3.10 Fostering Best Practices in Economic Development

There is no question that a strong, engaged and well resourced team of economic development professionals can have a positive impact on the economic potential of the in the Windsor-Essex region. The Windsor Essex Development Corporation is such a team but the organization's leadership needs to be focused on ensuring this team is motivated, engaged, trained and has the tools required to achieve its objectives.

The objective should be to build the WEEDC into a national leader by providing innovative and targeted economic development services and activities.

Action Areas for WEEDC:

- Build on the strong team of professionals with appropriate training and tools to achieve their objectives. Encourage innovative thinking and a willingness to try new ideas.
- Create an annual work plan and activity measurement process as well as a formalized plan for individual staff member career development.
- Clearly define and communicate WEEDC's role as a leader and facilitator of economic development in the Windsor-Essex region.
- Ensure a consistent and authentic approach as it provides services to businesses and communities in the region.
- Focus on consensus building. There are many competing interests and the WEEDC has a unique role to unite the various interests where there is potential for stronger economic development outcomes.

4. Targeted Industries: Summary Profiles

This section provides a summary of the key industries that have growth potential for the Windsor-Essex region and where there is clear opportunity for key stakeholders to work with the WEEDC to foster new investment and employment growth.

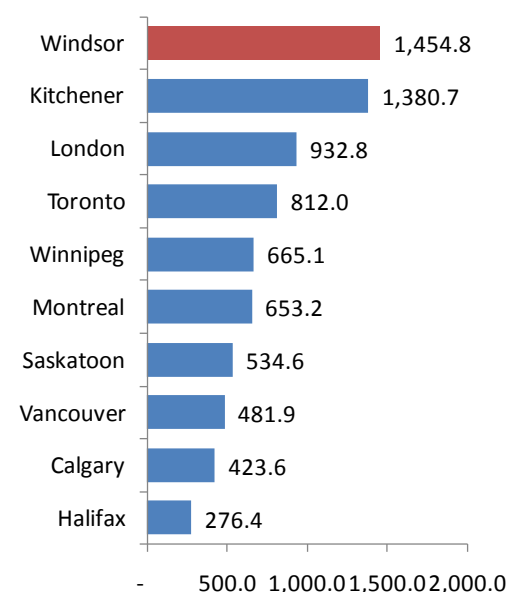
4.1 Advanced Manufacturing (including automotive)

Even after the impact of the recession, the Windsor-Essex region is still the most manufacturing intensive region in Canada. In the first quarter 2010, almost 20% of all employed persons were working in the manufacturing sector. Using the 2006 Census, we can determine the intensity of manufacturing employment in the Windsor-Essex region by specific occupations and compare the community to provincial, national and benchmark community data. Please note that employment in manufacturing *occupations* is different than employment in the manufacturing *industry*. Manufacturing occupations are those that are unique to the manufacturing sector such as machine tool operators, assemblers, etc. The manufacturing industry would include non-manufacturing occupations such as secretarial, administrative, sales, etc.

Even before the current recession, the number of manufacturing workers in the workforce has been declining in the Windsor-Essex region. The number of machine operators and assemblers dropped by 2% and 5% respectively from 1996 to 2006.

However, the manufacturing sector in the region is adding more engineering talent. Over the 10 year period, the number of industrial and manufacturing engineers is up 58% and employment of industrial engineering and manufacturing technologists and technicians jumped 112%. Overall, there are more industrial and manufacturing engineers in the Windsor-Essex workforce than any other urban area in Canada (adjusted for workforce size).

Persons Employed in Manufacturing Occupations (2006) - Per 10,000 persons in the workforce*



*Included occupations listed in Table 9.

Source: Statistics Canada.

Table 9: Persons Employed in Manufacturing Occupations (2006)

	Per 10,000 in the Workforce			10 Yr % Change	
	WIN	ONT	CAN	WIN	ONT
A391 Manufacturing managers	75.8	53.5	45.0	45%	18%
C041 Industrial and manufacturing engineers	34.5	14.8	11.3	58%	95%
C133 Industrial engineering and manufacturing technologists and technicians	21.0	13.5	10.0	112%	122%
J0 Supervisors in manufacturing	73.7	47.1	44.7	-23%	-22%
J1 Machine operators in manufacturing	383.8	296.6	286.0	-2%	-3%
J2 Assemblers in manufacturing	715.4	243.0	152.5	-5%	17%
J3 Labourers in processing, manufacturing and utilities	150.7	166.9	155.5	12%	6%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

The number of manufacturing establishments in the Windsor-Essex region has been declining in recent years. In 2003, there were 1,030 companies involved in the manufacturing of goods and by 2009 that number had dropped to 851. Table 10 shows a list of a number of the manufacturing sub-sectors that have been declining over the past few years. There are some sectors that have been growing the total number of establishments.

Table 10: Manufacturing Establishments by NAICS Industry (2009)*

	2003	2009	# Change
All Manufacturing Establishments	1030	851	-179
333519 - Other Metalworking Machinery Manufacturing	85	85	0
332710 - Machine Shops	89	69	-20
333511 - Industrial Mould Manufacturing	82	61	-21
326198 - All Other Plastic Product Manufacturing	52	37	-15
339110 - Medical Equipment and Supplies Manufacturing	28	28	0
333990 - All Other General-Purpose Machinery Manufacturing	22	24	2
326193 - Motor Vehicle Plastic Parts Manufacturing	24	23	-1
336370 - Motor Vehicle Metal Stamping	22	21	-1
332810 - Coating, Engraving, Heat Treating and Allied Activities	22	18	-4
332319 - Other Plate Work and Fabricated Structural Product Manufacturing	14	16	2
334512 - Measuring, Medical and Controlling Devices Manufacturing	18	14	-4
337110 - Wood Kitchen Cabinet and Counter Top Manufacturing	16	14	-2
332999 - All Other Miscellaneous Fabricated Metal Product Manufacturing	15	12	-3
332210 - Cutlery and Hand Tool Manufacturing	18	10	-8
332329 - Other Ornamental and Architectural Metal Product Manufacturing	14	10	-4
333310 - Commercial and Service Industry Machinery Manufacturing	5	10	5
336390 - Other Motor Vehicle Parts Manufacturing	9	10	1
339950 - Sign Manufacturing	20	9	-11
327390 - Other Concrete Product Manufacturing	6	8	2
336310 - Motor Vehicle Gasoline Engine and Engine Parts Manufacturing	8	8	0
333220 - Rubber and Plastics Industry Machinery Manufacturing	6	7	1
333299 - All Other Industrial Machinery Manufacturing	6	7	1
333920 - Material Handling Equipment Manufacturing	12	7	-5
336360 - Motor Vehicle Seating and Interior Trim Manufacturing	6	7	1
325999 - All Other Miscellaneous Chemical Product Manufacturing	5	6	1
327320 - Ready-Mix Concrete Manufacturing	9	6	-3
337123 - Other Wood Household Furniture Manufacturing	14	6	-8
339920 - Sporting and Athletic Goods Manufacturing	6	6	0
321999 - All Other Miscellaneous Wood Product Manufacturing	6	5	-1
332118 - Stamping	10	5	-5

**Not including food manufacturing.*

Source: Statistics Canada Canadian Business Patterns (June 2009)

4.2 Renewable Energy and Related Technologies

Ontario's Green Energy Act is considered to be among the most aggressive in North America with its focus on building the green energy industry in the province. The Windsor-Essex region is well positioned to take advantage of this opportunity both as a location for green energy projects and a source for green energy systems manufacturing.

In recent months, the WEEDC has been pursuing a number of projects in this sector and a number have led to significant new business investment in the region. In the past eight months (to May 2010), five new renewable energy companies have started operations in the Windsor-Essex region. In addition, there are a number of MTDM that have begun to offer services to this industry. This bodes well for the formation of a cluster of companies and the development of a wider supply chain in the region.

For example, Brookfield Renewable Power recently broke ground on a \$150 million wind turbine project near Cottam. The company is also starting an even larger \$460-million project in the Comber area of Lakeshore.

The region is also attracting manufacturing investment. Schletter Inc., a German manufacturer of support racks for solar panels, has opened a Windsor plant that could eventually employ up to 100 people.

Solar Source Corporation (SSC) has also announced a new manufacturing facility in Windsor to produce crystalline silicon Solar PV panels. Solar Source Corporation's 45,000 square foot production facility will be located at the Windsor International Airport and will serve as SSC's and their manufacturing partner's beachhead investment in North America. The first phase of the 30MW manufacturing project is expected to result in 150 full-time jobs, while the second phase is expected to create an additional 50 jobs for a total of 200.

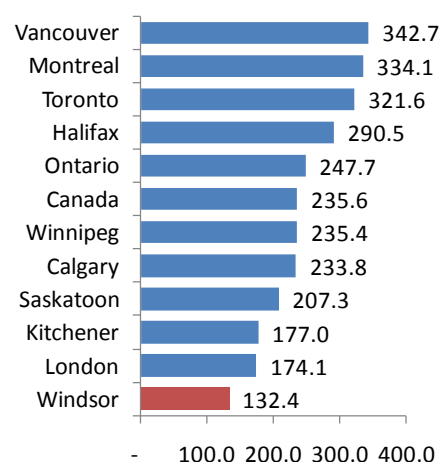
4.3 Creative Industries/Digital Media

The Windsor-Essex region has a lower concentration of persons employed in creative occupations than all of the other benchmark locations reviewed. Table 11 shows the list of occupations included in this calculation.

The 10 year timeframe shows some interesting trends - both positive and negative. On the positive side, the Windsor-Essex region is growing its audio and video employment at a much faster rate than Ontario as a whole. In fact, employment growth was faster in Windsor-Essex in the majority of these creative occupations compared to Ontario as a whole (although Windsor-Essex still has a much lower concentration of workers).

There has been a relatively sharp decline in the number of journalists residing in the Windsor-Essex region.

Persons Employed in Arts & Culture Occupations (2006) - Per 10,000 persons in the workforce



Source: Statistics Canada.

Table 11: Concentration of Employment in Creative/Cultural Industries (2006)

	Per 10,000 in the Workforce			10 Yr % Change	
	WIN	ONT	CAN	WIN	ONT
F125 Audio and video recording technicians	3.3	6.5	5.7	450%	35%
F122 Film and video camera operators	2.7	2.8	2.8	350%	64%
F127 Support occupations in motion pictures, broadcasting and the performing arts	2.4	4.3	4.0	300%	64%
F036 Painters, sculptors and other visual artists	8.7	10.5	10.7	164%	41%
F031 Producers, directors, choreographers and related occupations	6.0	13.9	13.2	122%	44%
F143 Theatre, fashion, exhibit and other creative designers	3.3	6.5	6.7	120%	21%
F142 Interior designers	6.3	9.1	8.4	75%	70%
F022 Editors	3.6	11.5	9.5	71%	71%
F011 Librarians	5.4	7.9	7.0	64%	0%
F112 Technical occupations related to museums and galleries	0.9	2.9	3.3	50%	33%
F144 Artisans and craftspersons	10.8	10.2	10.3	38%	1%
F111 Library and archive technicians and assistants	6.6	8.7	9.0	38%	13%
F141 Graphic designers and illustrating artists	20.7	36.9	30.3	35%	53%
F131 Announcers and other broadcasters	4.8	4.3	4.9	33%	-6%
F126 Other technical occupations in motion pictures, broadcasting and the performing arts	2.1	4.8	6.1	17%	-4%
F033 Musicians and singers	14.4	21.1	19.9	14%	27%
F024 Professional occupations in public relations and communications	9.3	22.7	21.5	3%	33%
F021 Writers	3.6	16.8	14.6	-8%	25%
F025 Translators, terminologists and interpreters	3.9	7.4	9.5	-13%	23%
F034 Dancers	3.9	4.7	4.2	-13%	37%
F121 Photographers	3.6	8.7	7.8	-25%	19%
F023 Journalists	4.8	7.3	7.8	-33%	2%
F032 Conductors, composers and arrangers	0.6	1.7	1.3	-33%	16%
F035 Actors	0.9	6.5	6.0	-40%	51%
F132 Other performers	4.2	2.4	2.0	-50%	-23%
F123 Graphic arts technicians	1.5	1.7	4.4	-58%	-49%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

Digital Media/Information Technologies

The Windsor-Essex region has one of the lowest concentrations of workers in computer and information technology occupations. As of the time of the Census, the region had 161.8 persons working in these occupations per 10,000 in the workforce - only Saskatoon had a lower concentration of workers in this area. The growth rate from 1996 to 2006, however; is encouraging. During the 10 year period, the number of persons working in these occupations grew by 123% - faster than both the Ontario and Canadian average.

Table 12: Concentration of Employment in Computer and IT Occupations (2006)

	Per 10,000 in the Workforce	10 Yr Growth Rate
Toronto	440.6	115%
Calgary	365.9	129%
Kitchener	344.0	139%
Vancouver	333.7	163%
Ontario	333.3	113%
Montreal	328.6	104%
Canada	265.7	117%
Halifax	259.9	137%
Winnipeg	256.3	87%
London	251.5	131%
Windsor	161.8	123%
Saskatoon	154.4	121%

**For SOC C07 Computer and information systems occupations.*

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

There are over 250 firms in the Windsor-Essex region involved in the software and computer services industry. The bulk of them are in the computer systems design and related services sector which is primarily involved in servicing local industry and residential markets. There are only 12 companies categorized as software publishers in the region but that number is up strongly since 2003. There is a significant opportunity for software companies to tap the growing renewable energy industry and offer custom developed products. The Softech Alliance will be an important catalyst to support the growth of the industry in the Windsor-Essex region.

Table 13: Software, Computer Services & Related Establishments (2009)

	2003	2009	# Change
511210 - Software Publishers	5	12	7
518210 - Data Processing, Hosting and Related Services	5	7	2
519130 - Internet Publishing and Broadcasting and Web Search Portals	8	5	-3
541490 - Other Specialized Design Services	4	11	7
541510 - Computer Systems Design and Related Services	221	222	1
Total Firms	243	257	14

Source: Statistics Canada - Canadian Business Patterns (June 2009)

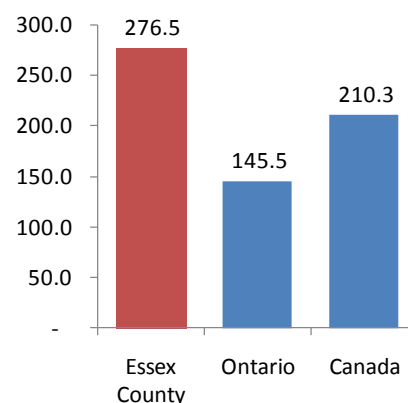
4.4 Agri-Business

As mentioned above, according to Environment Canada long term trending the Windsor-Essex region features the most growing degree-days of any area in Canada. The agri-food sector has been an important economic engine in the region since its initial settlement. Essex County has almost double the number of workers in agriculture-related occupations compared to the rest of the province (as of the 2006 Census).

As Table 14 reveals, the Windsor-Essex region has a very high concentration of establishments in "Other Vegetable and Melon Farming" and has 44% of the province's "Other Food Crops Grown Under Cover" establishments. Floriculture is also a dominant sector.

There is also considerable food manufacturing in the region. There are 88 food manufacturing establishments in Essex County led by the winery sector. There are also 10 establishments in the "Fruit and Vegetable Canning, Pickling and Drying" sector.

Persons Employed in Agriculture-Related Occupations (2006) - Per 10,000 persons in the workforce*



*NOC 10 Occupations unique to agriculture, excluding labourers.
Source: Statistics Canada.

Table 14: Selected Agri-Business Establishment Counts - Essex County

	Essex			Per 10,000 Business Establishments		
	County	Ontario	Canada	Essex County	Ontario	Canada
Total Farming Establishments	1,021	29,702	134,941	507	347	589
112991 - Animal Combination Farming	171	6,132	29,804	85.0	71.5	130.2
111190 - Other Grain Farming	160	2,603	20,244	79.5	30.4	88.4
111999 - All Other Miscellaneous Crop Farming	141	2,586	9,132	70.1	30.2	39.9
111219 - Other Vegetable and Melon Farming	102	743	1,980	50.7	8.7	8.6
111419 - Other Food Crops Grown Under Cover	91	207	440	45.2	2.4	1.9
111422 - Floriculture Production	51	489	1,353	25.3	5.7	5.9
112120 - Dairy Cattle and Milk Production	46	5,873	20,132	22.9	68.5	87.9
111110 - Soybean Farming	35	331	458	17.4	3.9	2.0
111120 - Oilseed (except Soybean) Farming	34	127	841	16.9	1.5	3.7
111993 - Fruit and Vegetable Combination Farming	31	397	1,199	15.4	4.6	5.2
111330 - Non-Citrus Fruit and Tree Nut Farming	27	673	2,971	13.4	7.9	13.0
111421 - Nursery and Tree Production	23	457	1,592	11.4	5.3	7.0
111140 - Wheat Farming	20	248	9,525	9.9	2.9	41.6
112110 - Beef Cattle Ranching/Farming, including Feedlots	18	2,993	16,588	8.9	34.9	72.5
115110 - Support Activities for Crop Production	17	613	2,879	8.4	7.2	12.6
Total Food Manufacturing Establishments	88	3,216	9,602	44	38	42
312130 - Wineries	17	258	489	8.4	3.0	2.1
311811 - Retail Bakeries	11	532	1,275	5.5	6.2	5.6
311420 - Fruit and Vegetable Canning, Pickling and Drying	10	152	339	5.0	1.8	1.5
311511 - Fluid Milk Manufacturing	6	212	788	3.0	2.5	3.4
311814 - Commercial Bakeries & Frozen Bakery Products	6	318	835	3.0	3.7	3.6

Source: Statistics Canada - Canadian Business Patterns (June 2009)

4.5 Health & Life Sciences

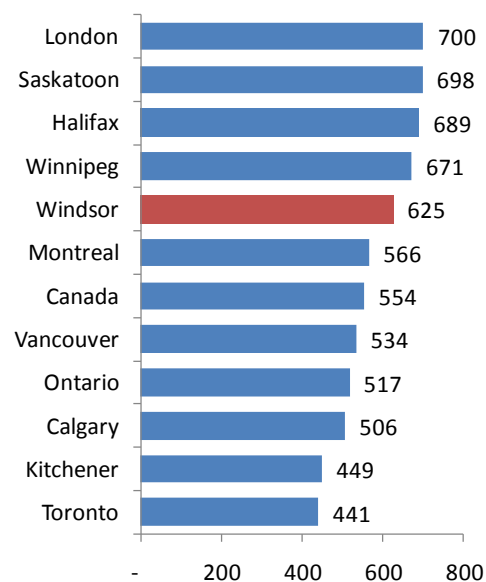
The Windsor-Essex region has a relatively high concentration of workers in the health sector. At the time of the Census, there were 625 people employed in health-related occupations per 10,000 in the workforce well above the provincial level of 517 workers. The region has a lower percentage of specialist physicians but the growth rate from 1996 to 2006 was more than double the provincial growth rate. The Windsor-Essex region has a much higher percentage of medical technologists and technicians compared to both the provincial and national levels.

Table 15 below shows the substantial increase in health-related establishments in the Windsor-Essex region from 2003 to 2009. There has been significant growth in the number of out-patient care centres, dentists and chiropractors.

Windsor-Essex has a considerably lower concentration of persons employed in life sciences professional occupations (biologists, agricultural specialists, conservation officers and horticulturalists) compared to both the provincial and national levels. This is due in part to the high level of marine-related life sciences professionals on Canada's east and west coasts.

Persons Employed in Health-Related Occupations (2006)

Per 10,000 persons in the workforce*



Source: Statistics Canada.

Table 15: Concentration of Employment in Health and Life Sciences Occupations (2006)

	Per 10,000 in the Workforce			10 Yr % Change	
	<u>WIN</u>	<u>ONT</u>	<u>CAN</u>	<u>WIN</u>	<u>ONT</u>
C02 Life science professionals	4.8	10.9	17.2	33%	50%
C12 Technical occupations in life sciences	5.7	16.0	25.7	-10%	18%
D Health occupations	625	517	554	28%	31%
D21 Medical technologists and technicians	62.0	49.3	50.4	27%	19%
D011 Specialist physicians	15.6	19.7	19.2	136%	56%
D012 General practitioners and family physicians	24.6	24.1	25.0	28%	11%
E034 Health and social policy researchers, consultants	8.1	28.0	24.8	-16%	67%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

Table 16: Health Sector-Related Establishments (2009)

	<u>2003</u>	<u>2009</u>	<u># Change</u>
621110 - Offices of Physicians	294	362	68
621210 - Offices of Dentists	143	174	31
621310 - Offices of Chiropractors	49	62	13
621320 - Offices of Optometrists	22	25	3
621330 - Offices of Mental Health Practitioners (except Physicians)	8	12	4
621340 - Offices of Physical, Occupational, and Speech Therapists and Audiologists	25	31	6
621390 - Offices of All Other Health Practitioners	34	41	7
621410 - Family Planning Centres	4	4	0
621420 - Out-Patient Mental Health and Substance Abuse Centres	7	4	-3
621494 - Community Health Centres	11	12	1
621499 - All Other Out-Patient Care Centres	10	34	24
621510 - Medical and Diagnostic Laboratories	21	24	3
621610 - Home Health Care Services	12	11	-1
621911 - Ambulance (except Air Ambulance) Services	2	1	-1
621990 - All Other Ambulatory Health Care Services	0	1	1
622111 - General (except Paediatric) Hospitals	4	2	-2
622310 - Specialty (except Psychiatric and Substance Abuse) Hospitals	3	1	-2
623110 - Nursing Care Facilities	17	16	-1
623210 - Residential Developmental Handicap Facilities	3	3	0
623221 - Residential Substance Abuse Facilities	2	2	0
623222 - Homes for the Psychiatrically Disabled	1	2	1
623310 - Community Care Facilities for the Elderly	10	10	0
623991 - Transition Homes for Women	1	1	0
623992 - Homes for Emotionally Disturbed Children	1	1	0
623993 - Homes for the Physically Handicapped or Disabled	1	0	-1
623999 - All Other Residential Care Facilities	5	4	-1
624110 - Child and Youth Services	7	6	-1
624120 - Services for the Elderly and Persons with Disabilities	16	13	-3
624190 - Other Individual and Family Services	29	39	10
624210 - Community Food Services	1	2	1
624220 - Community Housing Services	1	3	2
624230 - Emergency and Other Relief Services	0	2	2
624310 - Vocational Rehabilitation Services	<u>10</u>	<u>8</u>	<u>-2</u>
Totals	754	913	159

Source: Statistics Canada - Canadian Business Patterns (June 2009)

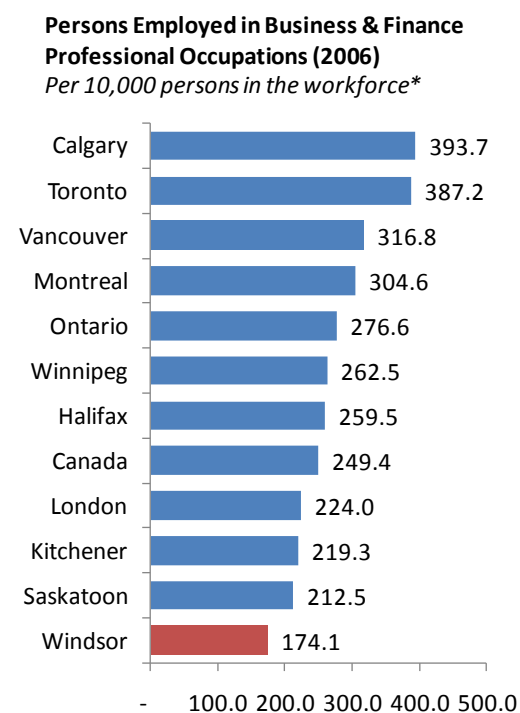
4.6 Professional Services/Back-Office Operations

This sector is broadly defined including both the professional level and support level activities related to finance, human resources and business services.

The Windsor-Essex region has considerably fewer professional occupations in this area (accountants, auditors, financial analysts, etc.) than the benchmark locations and 37% less than the overall Ontario average. This is a sizeable gap.

Similarly, the region has fewer back office/customer contact centre employees relative to the size of the workforce. As Table 17 shows, there are less than half as many customer service, information and related clerks in the Windsor-Essex area compared to the provincial average. Less than 1% of the workforce is employed in contact centres (low saturation) and there is a higher percentage of multilingual workers compared to other Ontario communities.

Since the 2006 Census, several new customer contact centres have established in the region.



Source: Statistics Canada.

Table 17: Concentration of Employment in Customer Contact Centre-Related Occupations (2006)

Customer Contact Occupations:	Per 10,000 in the Workforce			10 Yr % Change	
	WIN	ONT	CAN	WIN	ONT
B522 Data entry clerks	23.4	35.2	30.9	-46%	-42%
B524 Telephone operators	3.6	4.0	7.0	20%	-29%
B553 Customer service, information and related clerks	62.3	135.5	119.6	19%	91%
B554 Survey interviewers and statistical clerks	3.6	11.6	13.0	-52%	-17%
Totals	92.9	186.3	170.4		

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

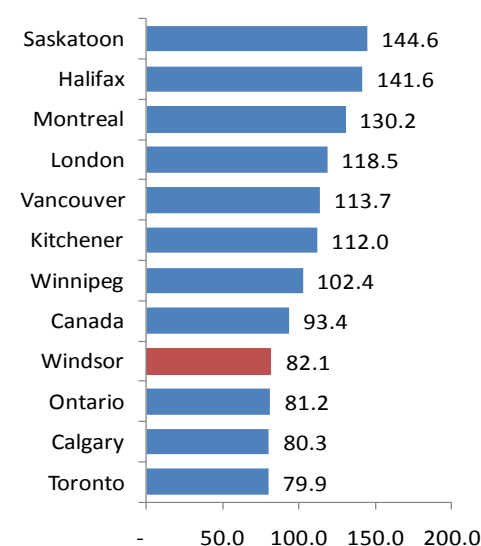
4.7 Education

The Windsor-Essex region has a higher concentration of people employed in education occupations compared to the provincial and national levels but it is primarily due to the higher concentration of elementary school and kindergarten teachers relative to the size of the population. The region has a lower concentration of university professors and college instructors in the workforce compared to most of the benchmark locations but slightly higher than the Ontario level.

There has been a steep increase in the number of post-secondary teaching and research assistants which is a positive indicator of expanding research and post-graduate opportunities in the region.

Table 19 shows the increase in the number of establishments in the Windsor-Essex region that provide education-related services. There has been an increase in the number of private sector educational institutions - particularly in the area of athletic instruction.

Persons Employed as University Professors or College/Vocational Instructors (2006)
Per 10,000 persons in the workforce*



Source: Statistics Canada.

Table 18: Concentration of Employment in Education Occupations (2006)

	Per 10,000 in the Workforce			10 Yr % Change	
	WIN	ONT	CAN	WIN	ONT
Total Employed in Education Occupations	429.0	401.8	396.1	41%	66%
A322 Administrators in post-secondary education & vocational training	4.5	6.5	6.5	15%	47%
E1 Teachers and professors	424.5	395.3	389.6	26%	20%
E11 University professors and assistants	95.9	73.4	73.1	64%	65%
E111 University professors	41.0	31.6	33.2	1%	20%
E112 Post-secondary teaching and research assistants	54.8	41.8	40.0	205%	130%
E12 College and other vocational instructors	41.0	49.6	60.2	-5%	2%
E121 College and other vocational instructors	41.0	49.6	60.2	-6%	2%
E13 Secondary and elementary school teachers and counsellors	287.3	272.3	256.3	22%	15%
E131 Secondary school teachers	91.7	98.6	94.0	4%	9%
E132 Elementary school and kindergarten teachers	189.3	165.8	152.6	33%	17%
E133 School and guidance counsellors	6.9	7.9	9.7	28%	51%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

Table 19: Education-Related Establishments (2009)

	2003	2009	# Change
611210 - Community Colleges	7	7	0
611310 - Universities	5	4	-1
611410 - Business and Secretarial Schools	1	1	0
611420 - Computer Training	7	7	0
611430 - Professional and Management Development Training	8	7	-1
611510 - Technical and Trade Schools	13	19	6
611610 - Fine Arts Schools	13	9	-4
611620 - Athletic Instruction	17	35	18
611630 - Language Schools	2	1	-1
611690 - All Other Schools and Instruction	43	39	-4
Totals	116	129	13

Source: Statistics Canada - Canadian Business Patterns (June 2009)

4.8 Logistics/Warehousing

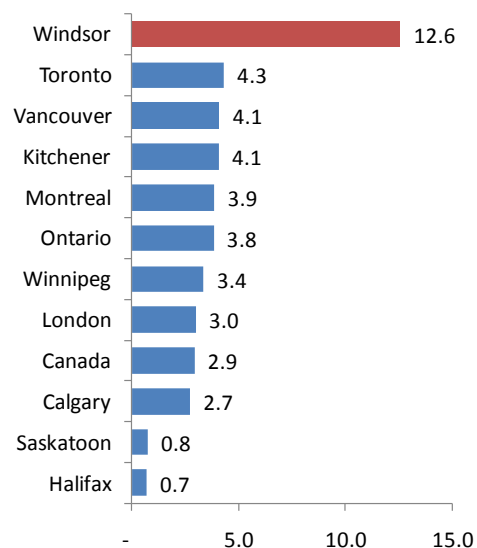
The Windsor-Detroit border crossing is the business cargo crossing between Canada and the United States along the border. There are slightly more truck drivers and material handlers in the Windsor-Essex workforce than the province as a whole. There are significantly more people working as customs, ship and other brokers. In fact, no other urban centre in Canada comes close to Windsor-Essex for employment concentration in this area.

However, there is evidence that the significant flow of cargo traffic through the Windsor-Detroit corridor is not generating as much economic benefit as might be possible. There are only 31 wholesale trade agents and brokers located in the Windsor-Essex area - adjusted for population this is the lowest concentration of this type of firm of any major urban centre in Canada. Across the board, Windsor-Essex has fewer wholesale/distribution establishments compared to the benchmark locations.

There has been growth in the transportation sector. As Table 20 below reveals, the number of freight trucking companies is up substantially between 2003 and 2009.

Persons employed as customs, ship and other brokers (2006)

Per 10,000 persons in the workforce*



Source: Statistics Canada.

Table 20: Concentration of Employment in Logistics/Warehousing Occupations (2006)

	Per 10,000 in the Workforce			10 Yr % Change	
	WIN	ONT	CAN	WIN	ONT
A373 Transportation managers	13.2	15.0	14.5	132%	58%
B57 Recording, scheduling and distributing occupations	138.4	171.9	161.8	11%	16%
B571 Shippers and receivers	55.4	78.3	71.6	-13%	-2%
B572 Storekeepers and parts clerks	23.4	15.4	22.6	13%	10%
B573 Production clerks	14.7	16.3	14.6	58%	67%
B574 Purchasing and inventory clerks	21.0	37.9	30.1	17%	36%
B575 Dispatchers and radio operators	21.9	20.9	19.8	74%	39%
B576 Transportation route and crew schedulers	1.8	3.1	3.1	50%	182%
H711 Truck drivers	179.2	168.3	177.8	64%	48%
H72 Train crew operating occupations	5.4	4.3	5.6	-5%	-27%
H73 Other transport equipment operators and related	3.9	8.3	11.3	-32%	-15%
H812 Material handlers	122.8	119.1	106.5	4%	35%
B115 Assessors, valuers and appraisers	6.3	6.3	7.3	40%	20%
B116 Customs, ship and other brokers	12.6	3.8	2.9	0%	22%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

Table 21: Transportation-Related Business Establishments (2009)

	2003	2009	# Change
481110 - Scheduled Air Transportation	1	3	2
481214 - Non-Scheduled Chartered Air Transportation	0	2	2
481215 - Non-Scheduled Specialty Flying Services	1	3	2
482112 - Short-Haul Freight Rail Transportation	1	1	0
483115 - Deep Sea, Coastal and Great Lakes Water Transportation (except by Ferries)	1	0	-1
483116 - Deep Sea, Coastal and Great Lakes Water Transportation by Ferries	1	1	0
483214 - Inland Water Transportation by Ferries	2	1	-1
484110 - General Freight Trucking, Local	160	207	47
484121 - General Freight Trucking, Long Distance, Truck-Load	122	351	229
484122 - General Freight Trucking, Long Distance, Less Than Truck-Load	10	21	11
484210 - Used Household and Office Goods Moving	13	13	0
484221 - Bulk Liquids Trucking, Local	4	5	1
484222 - Dry Bulk Materials Trucking, Local	23	23	0
484223 - Forest Products Trucking, Local	3	2	-1
484229 - Other Specialized Freight (except Used Goods) Trucking, Local	13	27	14
484231 - Bulk Liquids Trucking, Long Distance	1	1	0
484232 - Dry Bulk Materials Trucking, Long Distance	1	8	7
484233 - Forest Products Trucking, Long Distance	7	6	-1
484239 - Other Specialized Freight (except Used Goods) Trucking, Long Distance	<u>24</u>	<u>59</u>	<u>35</u>
Total Transportation	388	734	346

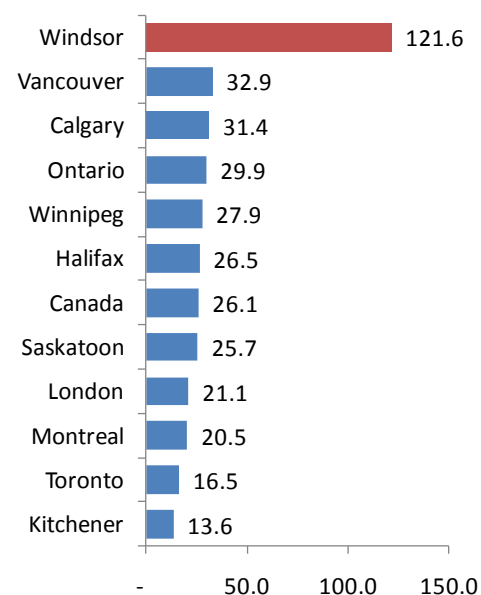
Source: Statistics Canada - Canadian Business Patterns (June 2009)

4.9 Tourism

The casino in Windsor has anchored a tourism sector that has historically generated above average economic activity. However, competition in the casino industry has limited this sector's activities. The recession has hurt the industry as well. As shown in Table 1 above (Page 5), employment in the accommodation and food services sector is down 20% in the past three years (2007 to 2010).

Much of the tourism activity has been centered around the casino and related services. As of the 2006 Census, there were significantly more people working as chefs and cooks and bartenders in the Windsor-Essex region when compared to the provincial level.

Persons employed as attendants in amusement, recreation and sport (2006)
Per 10,000 persons in the workforce*



Source: Statistics Canada.

Table 22: Concentration of Employment in Tourism-Related Occupations (2006)

	Per 10,000 in the Workforce			10 Yr % Change	
	<u>WIN</u>	<u>ONT</u>	<u>CAN</u>	<u>WIN</u>	<u>ONT</u>
F03 Creative and performing artists	34.5	58.4	55.4	35%	36%
F1 Technical occupations in art, culture, recreation and sport	119.5	171.0	165.2	34%	32%
G5 Occupations in food and beverage service	201.0	140.0	156.7	-2%	-2%
G71 Occupations in travel and accommodation	25.2	42.1	47.4	-16%	10%
G731 Attendants in amusement, recreation and sport	121.6	29.9	26.1	55%	86%
G4 Chefs and cooks	154.3	122.6	144.0	21%	15%
G512 Bartenders	37.4	22.4	24.5	-5%	-2%
G715 Hotel front desk clerks	10.5	10.2	13.8	6%	21%

Source: Statistics Canada 1996 and 2006 Censuses. Using the 1991 Standard Occupational Classification.

5. The Value Proposition for Windsor-Essex

There has been considerable work done to hone the value proposition for business investment and economic development in the Windsor-Essex region. The stakeholder forum held by the WEEDC in March 2010 confirmed many of the elements of the value proposition.

The case for business investment into Windsor-Essex is based on six broad elements:

- Competitive Cost Environment
- Labour Pool
- Geographic Access
- Deep Supply Chain Opportunities
- Cross-Border Leverage
- Supportive Business Environment (including business incentives)

5.1 Competitive Cost Environment

In addition to a strategic geographic position, the Windsor-Essex region is a mid-sized urban centre in Canada that offers a competitive cost location for most industries. The cost of real estate, taxation, labour and other overhead is lower here when compared to larger urban centres in Canada and the United States. This advantage was recently confirmed by the global consulting firm KPMG. The KPMG 2010 Competitive Alternatives report found that Windsor-Essex was a below average cost jurisdiction when compared to other Canadian, U.S. and European urban centres. The region's cost advantage is tied to slightly lower wage costs, lower fringe benefit costs (non-wage labour costs such as health insurance), cheaper land and facilities costs among the 100+ jurisdictions compared.

Table 23 below shows the cost advantage for the main industries compared by KPMG across 10 benchmark locations in southern Ontario, Ohio, Michigan, New York, Illinois and Indiana.

It is important to point out that the KPMG study only looks at static cost elements in a static operating cost model. While the location sensitive costs of manufacturing in Windsor-Essex are slightly higher than certain benchmark locations, the impact of productivity and critical mass are not factored into the model. With these factors, it is likely the true costs of business would be much lower.

Table 23: Total Location Sensitive Costs - Selected Industries

Auto Parts			Plastic Products		
	US\$000s	Cost Rank:		US\$000s	Cost Rank:
Detroit, MI	\$12,963	10	Windsor-Essex, ON	\$13,197	10
Chicago, IL	12,962	9	Chatham-Kent, ON	13,013	9
Buffalo, NY	12,687	8	Kingston, ON	12,956	8
Indianapolis, IN	12,680	7	St. Catharines, ON	12,873	7
Windsor-Essex, ON	12,496	6	Toronto, ON	12,870	6
Kingston, ON	12,475	5	Detroit, MI	12,794	5
Toronto, ON	12,464	4	Chicago, IL	12,676	4
St. Catharines, ON	12,368	3	Indianapolis, IN	12,587	3
Chatham-Kent, ON	12,345	2	Buffalo, NY	12,331	2
Youngstown, OH	12,283	1	Youngstown, OH	12,006	1

Table 23: Total Location Sensitive Costs - Selected Industries (cont.)

Medical Device Manufacturing		
	<u>US\$000s</u>	<u>Cost Rank:</u>
Detroit, MI	\$13,037	10
Chicago, IL	13,020	9
Indianapolis, IN	12,814	8
Buffalo, NY	12,580	7
Toronto, ON	12,472	6
Youngstown, OH	12,419	5
Kingston, ON	12,410	4
St. Catharines, ON	12,358	3
Windsor-Essex, ON	12,300	2
Chatham-Kent, ON	12,167	1

Web Content Development		
	<u>US\$000s</u>	<u>Cost Rank:</u>
Chicago, IL	\$14,526	10
Detroit, MI	14,206	9
Indianapolis, IN	13,889	8
Buffalo, NY	13,762	7
Toronto, ON	13,260	6
Youngstown, OH	13,200	5
St. Catharines, ON	12,733	4
Windsor-Essex, ON	12,522	3
Kingston, ON	12,486	2
Chatham-Kent, ON	12,351	1

Shared Services Centre		
	<u>US\$000s</u>	<u>Cost Rank:</u>
Chicago, IL	\$12,036	10
Detroit, MI	11,821	9
Toronto, ON	11,774	8
Indianapolis, IN	11,069	7
St. Catharines, ON	11,065	6
Buffalo, NY	10,874	5
Windsor-Essex, ON	10,774	4
Kingston, ON	10,763	3
Chatham-Kent, ON	10,641	2
Youngstown, OH	10,369	1

Software Development		
	<u>US\$000s</u>	<u>Cost Rank:</u>
Chicago, IL	\$16,160	10
Detroit, MI	15,799	9
Indianapolis, IN	15,469	8
Buffalo, NY	15,337	7
Youngstown, OH	14,754	6
Toronto, ON	14,437	5
St. Catharines, ON	13,891	4
Windsor-Essex, ON	13,666	3
Kingston, ON	13,644	2
Chatham-Kent, ON	13,440	1

Biomedical R&D		
	<u>US\$000s</u>	<u>Cost Rank:</u>
Detroit, MI	\$8,744	10
Chicago, IL	8,675	9
Toronto, ON	8,280	8
Indianapolis, IN	7,981	7
Buffalo, NY	7,975	6
St. Catharines, ON	7,401	5
Youngstown, OH	7,300	4
Kingston, ON	6,903	3
Windsor-Essex, ON	6,839	2
Chatham-Kent, ON	6,792	1

Clinical Trials Management		
	<u>US\$000s</u>	<u>Cost Rank:</u>
Chicago, IL	\$5,116	10
Detroit, MI	5,035	9
Buffalo, NY	4,910	8
Indianapolis, IN	4,848	7
Toronto, ON	4,757	6
Youngstown, OH	4,737	5
St. Catharines, ON	4,508	4
Windsor-Essex, ON	4,436	3
Kingston, ON	4,403	2
Chatham-Kent, ON	4,321	1

Source: KPMG Competitive Alternatives (2010 Edition).

5.2 Other Value Proposition Elements

Labour Pool

As shown elsewhere in this report, the workforce in the Windsor-Essex region has a very strong manufacturing and engineering focus. This is a particular advantage for many of the targeted industry sectors. St. Clair College and the University of Windsor are graduating talent to support the creative industries, health and life sciences and professional services/back office sectors.

Wage and salary costs in the Windsor-Essex region are competitive with other mid-sized urban centres across Canada and in the U.S. In addition, Ontario workers are loyal - staying on average with an employer twice as long as the average U.S. employee.

Geographic Access

As summarized in Section 3.7, very few locations in North America offer the population catchment area of Windsor-Essex. Half the population of Canada and the United States lives within an eight hour drive.

Deep Supply Chain Opportunities

This is a particular advantage for manufacturing companies who will find in the Windsor-Essex region mould makers, machining firms, R&D expertise and other specialized service providers to the manufacturing sector.

Cross-Border Leverage

The Windsor-Essex economy is strongly tied to the metro Detroit economy opening up a market of some 5 million people within the commute area. There are long standing ties between the two business communities and many linkages that can be exploited.

Supportive Business Environment (including business incentives)

The Province of Ontario is the economic engine of Canada. It has and will continue to be a magnet for international business investment. The Windsor-Essex region is actively seeking business investment to help drive economic growth and support community and social objectives.

6. Challenges/Impediments to Growth

During the stakeholder consultations completed for the development of this economic development roadmap, a number of important challenges were highlighted by local leaders that could stunt the growth potential of the Windsor-Essex region. The WEEDC and its partners need to address these impediments to growth. The top mentioned challenges include:

⇒ **Self-Image Challenges**

This was among the top cited challenges mentioned by stakeholders. There is a perception that some local stakeholders do not appreciate the positive elements of the business environment and living environment in the Windsor-Essex region and this self image challenge is communicated outside the region.

⇒ **Lack of Collaboration among Industry**

For historical reasons, industries have not had to collaborate in the past. While there is a recognition that collaboration is needed, old habits are hard to break.

⇒ **Lack of Collaboration among Key Economic Development Stakeholders**

This includes municipalities, various agencies, educational institutions, etc. Collaboration at this level is very important to ensuring alignment of effort.

⇒ **Perception of a divisive environment between management and labour**

This can be an impediment to new investment.

⇒ **People Retention**

There has been population out-migration in recent years - particularly among a younger demographic. Some of this issue is the lack of alignment between education system output and career opportunities. Many young people leave to find work.

⇒ **Skilled Trades Sector Not Properly Promoted**

Even in the Windsor-Essex region, the career potential of a skilled trade in the manufacturing sector is not promoted among young people. This could lead to a talent bottleneck in the sector - particularly once it rebounds.

7. The Role of the WEEDC

The WindsorEssex Economic Development Corporation is the lead economic development agency in the region. It provides a number of services to help the business community grow including specific entrepreneurial support services and business retention and expansion activities.

The WEEDC is also actively pursuing business investment attraction through direct investment lead development and through its relationships with the provincial and federal government partners.

The role of the WEEDC in the regional economic development roadmap goes beyond just the provision of specific services to the business community. Its role becomes one of catalyst and network developer.

WEEDC is the organization best positioned to bring together the various stakeholders - industry, government, education, R&D, etc. There is ample evidence this collaboration building role is vitally important to a community's long term economic development particularly in a region such as Windsor-Essex where there is a demonstrated need for more collaboration.

WindsorEssex Economic Development Corp.

Mission Statement:

Maximize economic diversity, growth and prosperity in the Windsor-Essex Region.

Vision Statement:

WEEDC will be the business-driven, business-led organization focused on creating prosperity and recognized for generating economic value and a high quality of life throughout the Windsor-Essex Region.