

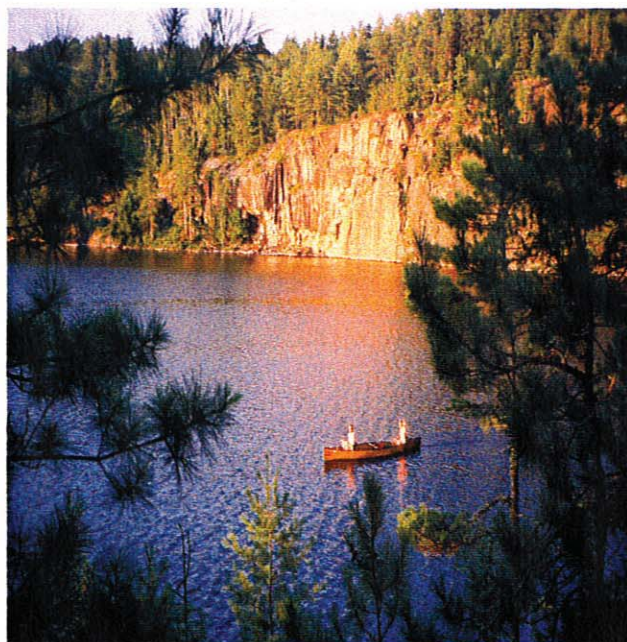
2007 – TURMOIL & TRIUMPHS

- ✧ In response to the threat of closure of the Atikokan Thermal Generating Station, and with the financial assistance of Industry Canada/FedNor, the Township of Atikokan engaged W. L. Lees and Associates and Quadra Consulting to undertake a Community Strategic Plan and a Community Economic Development Plan. During 2007, the Township and the AEDC have worked together to implement that plan.
- ✧ In June, the largest employer in Atikokan, Fibratech Manufacturing, filed for creditor protection under the Bankruptcy and Insolvency Act. They had retained the services of a capital search firm in Toronto in an unsuccessful attempt to restructure the business and reopen. With the record breaking value of the Canadian dollar being worth more than the U.S. dollar and oil topping ninety dollars a barrel, there was reason to suspect layoffs at Atikokan Forest Products. That happened in late Fall; coupled with the closure of Fibratech, the wood harvesting and transportation sector regionally was also decimated. Further, Upsala's largest employer was also in serious financial difficulty—with the current pressures on the forest sector, it is increasingly debatable if they can weather the storm.
- ✧ In response to the closures of both Fibratech and Atikokan Forest Products, we are, once again, facing the need for a Labour Adjustment Action Centre. At the end of November/07, the AEDC signed a contract with The Ministry of Training, Colleges and Universities (MTCU) to establish a Labour Adjustment Action Centre. A committee to oversee activities has been put together consisting of Union representatives from both AFP and Fibratech, a company representative from Fibratech, the Atikokan Employment Centre, Township Council, MTCU and AEDC. The objective of the Action Centre is to provide services that don't already exist within the community, which will assist displaced workers. Two employees have been hired: Lisa Lampi as Co-ordinator, and Jeremy Larson as Assistant (temporarily replaced by Peer Helpers).



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- ✧ The development of a Laminated Veneer Lumber plant in Atikokan is still a possibility. The feasibility was proven and the AEDC, with the support of the Township of Atikokan and their consultants, lobbied the province to commit the fibre to the project. The fibre was committed and although the proposed company is no longer able to provide the development, the AEDC continues to look for a viable proponent.
- ✧ The Province of Ontario's \$4 million Bio-Energy Research Centre, in conjunction with the Atikokan Generating Station, has morphed into an Ontario Centres for Excellence academic research project. Approximately \$10 million will be spent on six research projects, each contributing in some way to the body of knowledge relative to thermal electricity production. The AEDC is actively participating in certain projects and closely monitoring the progress of the others. Concurrently, the Township of Atikokan, with the support of the AEDC, has commissioned a business plan for a fully operational bio-energy research centre. Kinectrics is a highly respected consulting firm in the energy sector and they have recently completed the study. Upon delivery of the final, bound copy of the report, the municipality will commence lobbying the federal government for financial support to construct the facility.
- ✧ The Atikokan Biotechnology Centre continued to seek new opportunities within the Atikokan catchments area. The group looked into ideas like mapping of the forest to identify plant species and quantities, cedar oil operations, harvesting various mushrooms and fungus for health remedies and extraction of chemicals from birch for cancer treatment. Dr. Ross approached the group with the idea of seeking new chemical compounds from plants within the region. The group expressed their interest of working with Dr. Ross but communications ended with him, perhaps due to a lack of funding. The group continues to work with Andrew Johnson on First Nations consultations for the proper handling of new initiatives within the forest of the First Nations.



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- ✧ Mining and mineral development, staking activity, and subsequent grubbing and drilling activity, continues to be a high priority in all of northwestern Ontario, including the AEDC catchment area. Phase II of the Atikokan Mineral Development Initiative started off early in the new year. This phase of the project would hopefully result in high quality geomagnetic information on the target area. Upon release of this information there should be a flurry of hope that one or more mines will result! The drilling program continues by Brett Resources and they are in their second \$5 million program. The company has also optioned and/or purchased adjacent claims. Observers speculate that these purchases bode very well for the findings to date. This project will identify the specific information required to entice prospectors and developers to consider the area served by the AEDC as a viable target of their research. The objective of this exercise is to get more people in the bush looking at rocks in hopes that one or more mines will develop as a result. A local group of residents formed a Prospectors Association after taking a training course to meet and discuss their activities.
- ✧ The Atikokan Chamber of Commerce has identified biotechnology as a key target for their efforts in the current board year. Bio-prospecting and bio-medical research are both being pursued vigorously at this time, the latter in concert with the Northern Ontario Medical School.
- ✧ The Executive Director attended a meeting in Upsala in order to promote our services to the residents of the community. There seems to be more community co-operation and participation in projects for the enhancement of tourism in the area. Some of the groups in the community have applied for Local Initiatives Funding from the AEDC for their events.
- ✧ The Township and the AEDC met twice during this past year to discuss community planning and opportunities to combine our resources. At the first meeting, it was established that preparing our community to be investment



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ready was the #1 priority. In response to that, a working committee of the two organizations was put together, and they prepared an application to the Northern Communities Investment Readiness Program (NCIR). It was approved, and we hired Edward Hoshizaki Consulting from Thunder Bay who assisted us in completing the following initiatives:

- Economic Development Training for Township Council and staff, AEDC Board Members and staff, Upsala, Lac La Croix and Seine River. This was a seven hour session that took place on March 16/08.
- Updating the Ontario Investment website (www.2ontario.com) for Atikokan.
- Conducting a Labour Market study for Atikokan, Upsala, Lac La Croix and Seine River.
- Asset Inventory for Atikokan, Upsala, Lac La Croix and Seine River.

Now that we are equipped with this data, our communities are much more attractive to site selectors who are seeking out possible locations for business start-ups.

- ✧ Paula Sanders attended the Economic Developers Association of Canada (EDAC) Conference in Saskatoon in September. Attending these periodically is essential in order to keep her Economic Development designation current.

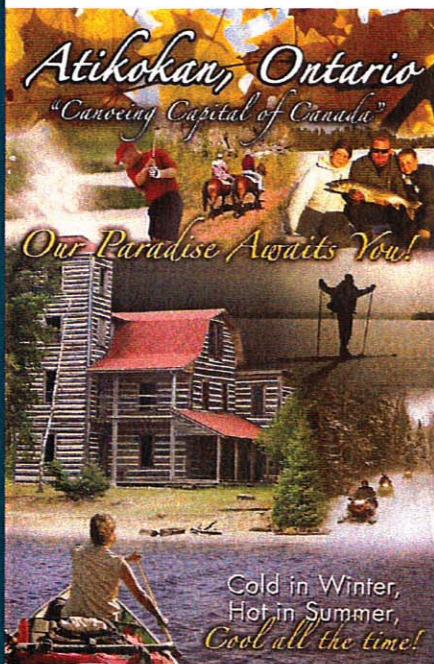
The seminar content, and colleague interaction, is always worthwhile.

- ✧ Paula is our contact person with the PARO (in Latin this means to prepare; to provide) Centre based in Thunder Bay. This is a development services and micro-loan program for women wanting to start their own business. We liaison with that organization for offering workshops and counseling.
- ✧ The Youth Treatment Centre committee continues to meet in their quest to establish a location within Atikokan where youth can be treated for drug and alcohol addiction. They are working closely with organizations within the Rainy River District, and with the Sister Margaret Smith Centre in Thunder Bay.



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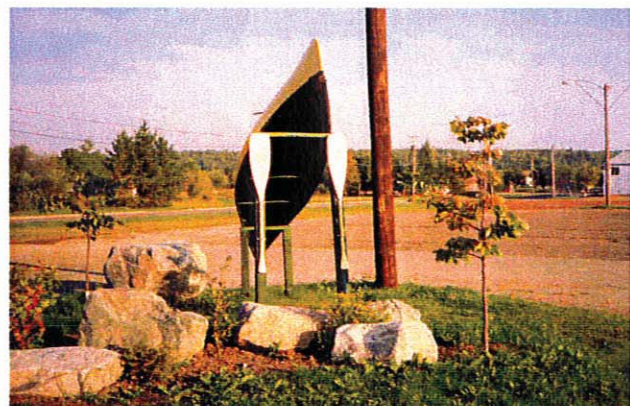
- ✧ In the Fall of '07, we received notification from the Ontario Trillium Foundation that our application for assistive hearing devices was approved. We received \$8,500 to purchase equipment that community groups could borrow enabling volunteers with hearing challenges to be involved and active in community projects. We would like to recognize Mr. Jay Leather who spent an incredible amount of time preparing the application, researching the appropriate equipment, purchasing it, and training community members regarding the proper use of it. Thanks again, Jay, for your endless commitment to this endeavour. We encourage local organizations to contact us if they would like to borrow this equipment.



- ✧ In early 2007 the Community Tourism Intern from NOHFC collected ads and information from a number of community organizations and businesses for participation in the new Atikokan Glossy Brochure. Measuring just 6 inches by 9 inches it is a well designed informational brochure highlighting the Canoeing Capital of Canada, Atikokan, Ontario. This brochure has been sent to regional tourist information centres and area Chambers of Commerce for distribution to area tourists.

✧ For the past year, the AEDC has been home for an intern for the Atikokan Renewal Committee, as part of a FedNor internship. Gord Knowles was hired in May to work with the ARC to arrange long-term plans for improving Mackenzie Avenue and the downtown mini-parks, and to formulate guidelines to help improve the committee. He has also overseen the community gardener program, as well as the 1st and 2nd annual community Arbor Days, where more than 100 trees have been planted around town.

Along the way, ARC has also become an active player of the upcoming streetscaping project planned for Main Street in 2008/2009, and worked on a number of fundraising and business-sponsored programs that have improved the quality of life in Atikokan.



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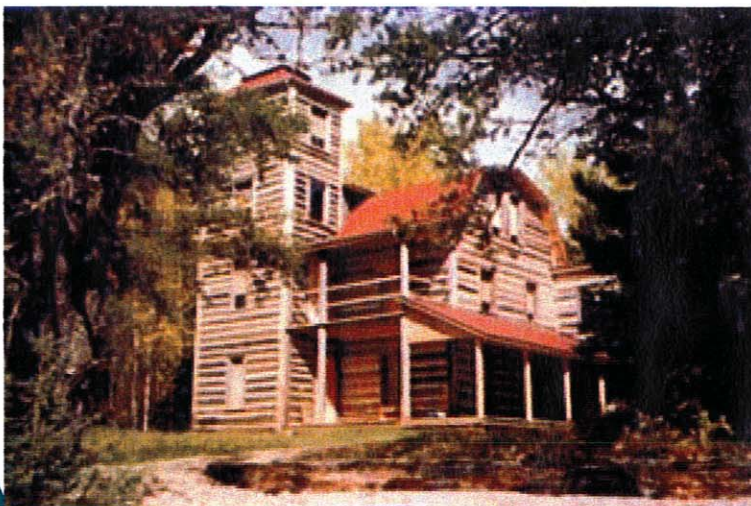
- ★ The Township of Atikokan has a new website—**atikokan.ca**— which lists all the Township services and amenities. The AEDC community website **atikokaninfo.com** is continually being updated with more and more information. People inquiring about our community are constantly being referred to our website or to the Townships site. Monthly statistics are continuing to grow. The following chart shows the increase in traffic to our site just during the past summer:

June 2006 - 23,860 hits - June 2007 - 30,459 **Increase of 6,599**

July 2006 - 21,905 hits - July 2007 - 28,696 **Increase of 6,791**

Aug. 2006 - 18,464 hits - Aug 2007 - 23,969 **Increase of 5,505**

- ★ AEDC is working closely with Thunder Bay Regional Health Sciences Centre and the Township of Atikokan to pursue knowledge based initiatives for the area. Two specific projects being undertaken are the development of a centre to train medical equipment operators on new equipment and methodologies. The second initiative in this area is to establish a medical records processing centre in Atikokan to serve the greater health sector. There are seven hundred people in medical records in Thunder Bay alone and there is great opportunity for off site contracting of these services.
- ★ The Northwestern Ontario Technology Centre (NOTC) is an underutilized asset in this part of the province. AEDC has increased our interaction with the NOTC in an attempt to develop an innovation culture in the area and to encourage greater use of technology in local businesses. Last year, we hosted an information session in our meeting room so that Atikokanites could hear about the services that NOTC offer.



- ★ We continue to work with the Friends of White Otter Castle as they press on in their efforts to preserve, protect and promote the castle. The Friends and the Township of Atikokan will have our support as they lobby to elevate the status of the Turtle-White Otter Parkway to an operating park, with park headquarters located in Atikokan.

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- ✧ The staff will complete an environmental scan of winter tourism activities and opportunities. By identifying and marketing regional opportunities to operators and potential visitors, we will continue to provide mentoring and support to new off-peak tourism enterprises.
- ✧ The AEDC Board & staff will actively work with and participate in the private sector's initiatives to develop cottage lot opportunities in the area. We will continue to actively lobby for government financial assistance for cottage lot development as an economic development opportunity for Northern Ontario.
- ✧ The Path of the Voyageur committee is working with others in the region to mark the Northwest's place in Canada and in all of North America. The Voyageurs used two main routes through the Northwest to link with the west. The northern all Canadian route starts at Fort William to the Kaministiquia River, Dog Lake, Lac Des Mille Lacs, Windigoostigwan Lake, and along the Seine river system to French Lake. This main northern route is where the committee is looking to develop the link between the east and west through historical attractions.
- ✧ The Charleson Recreation Association was formed on June 28th, 2005 in an effort to consolidate different user groups in the Charleson Recreation area. The committee is composed of volunteers representing 7 user groups: ***Sno-Ho Club, Motocross Club, Equine Trail Riders Horse Club, Bow to Stern Canoe Association, Ride for Sight, Steep Rock Mountain Bikers Club, Mudslingers 4x4 Club***
The Association received a grant for a one year intern (Danielle Cebrario) who started at the end of November 2007. Her two main priorities are marketing and site development. Danielle is working closely with the groups putting together an infrastructure grant for NOHFC for the Charleson area (which has been submitted this month) and help market the Charleson area and to enhance tourism to the area for benefit of the people and businesses of Atikokan.
- ✧ Garry McKinnon, Executive Director, as past President on the Northwestern Ontario Development Network brought the Board of Directors to Atikokan for a Board meeting as part of a visibility effort to make the members more aware and knowledgeable about the region they serve. They also traveled to Nipigon and Kenora. Mr. McKinnon is also the Northwestern Ontario representative on the Ontario Association of Community Futures Development Corporations. This associations represents all 61 CFDCs in Ontario.

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BUSINESSES/JOBS CREATED/MAINTAINED BY YEAR				
Year	Businesses Started	Businesses Maintained	Jobs Created	Jobs Maintained
2003	5	32	6	69
2004	6	29	148	203
2005	2	20	8	191
2006	8	31	139	293
2007	8	11	19	43
TOTALS	81	209	431	1,084

The Self Employment Benefit Program offered by MTCU is provided to the community by our office and is a very successful program. Each year, our office processes approximately 10 to 12 clients through the SEB program. According to an internal evaluation of Self Employment Assistance participants eight weeks after graduation from the program, 83% of their businesses were still surviving. Participants are also less likely to end up back on Employment Insurance than Employment Insurance claimants who try to start their own businesses without the SEB program. The underlying mandate is economic development within Atikokan and area. It means getting people off Employment Insurance and the possible hiring of employees of their own. Each program includes a training period in entrepreneurship and ongoing coaching from the staff at the AEDC to ensure that each business has a higher success rate.

SELF-EMPLOYMENT SERVICES		
Sector	12/31/07	Since Inception
Hospitality	0	5
Service	0	46
Tourism	0	6
Aquaculture	0	2
Manufacturing	0	9
Transportation	0	4
Retail	2	17
Forestry	0	6
Total	2	95

FINANCIALLY SPEAKING...

The AEDC has received the keys to four businesses in the past year and we expect to have at least that many more in the next twelve months. During 2007, our office disbursed new investment funds of \$603,024 towards new loans. In total, 22 loans

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were refinanced, amalgamated and/or disbursed. The seven Community Futures Development Corporations in Northwestern Ontario also formed a corporate pool for dispensing larger loans to clients in their communities with the help of the other CFDCs in the group. Atikokan currently has eight of these regional investments totaling \$559,068 in their portfolio. This partnership allows the AEDC to consider investments in excess of \$150,000 by sharing the risk for investments up to \$500,000 with the six other partners. Although the pool is an important tool for CFDCs to have available, if the NWOIP has a lot of activity, individual CFDCs may experience pressures on investment fund availability for local investment.

INVESTMENT PORTFOLIO ACTIVITY AND BALANCE FOR CURRENT YEAR

Sector		TOTAL	Current Balance
	Amount	Number	Amount
Hospitality	10,327	14	\$736,440
Mining	0	2	101,799
Service	141,017	14	536,527
Tourism	25,000	7	472,305
Manufacturing	359,977	6	559,077
Transportation	32,500	10	261,554
Retail	104,123	12	574,565
Forestry	21,000	15	415,371
Research & Development	10,000	2	72,500
Total	703,944	81	\$3,728,534

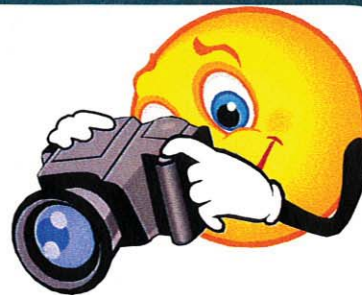
LOAN ACTIVITY FOR THE PAST 3 YEARS

Year	Loans Issued	Amount	Repayments	Portfolio Balance
2005	20	\$484,928	\$252,834	\$3,783,889
2006	25	\$603,024	\$314,722	\$3,577,917
2007	28	\$713,394	\$446,325	\$3,603,534

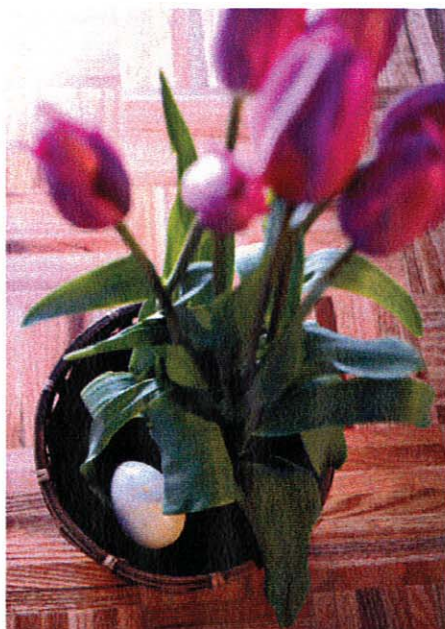
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NEW DEVELOPMENTS

We are pleased to have worked with the following clients who opened their doors for business, or expanded their business, during this past year:



¢ Perfect Touch Esthetics	Ann Marie Gouliquer
¢ Synergy Wood Products	Mike Shusterman
¢ Branch's Seine River Outfitters	Quentin Branch
¢ White Otter Productions	Patricia Lambkin
¢ White Otter Wilderness Adventures	Curtis DeGagne
¢ Nature's Path Health & Healing	Brenda Hainey
¢ Bonnie's Photography and Design	Bonnie Bjorkman
¢ Tammy Happy Cleaning Service	Tammy Happy
¢ Cameron Photography	Mike Cameron
¢ Atikokan Shuttle Service	Janis McIntyre



WORKSHOPS & SEMINARS

Throughout the year, our staff organized many well attended seminars for the business community as well as the general public. They included:

Spring Workshops for Business & Non Profit Organizations:

How to get a Loan For Your Business or Organization

— the focus of this workshop was to help entrepreneurs, existing businesses and organizations find money for their business/organization or idea.

Understanding the Labour Act—information and education to employers and employees, making it easier for people to understand and comply voluntarily.

Developing and Managing Successful Projects—effectively developing and facilitating successful projects.

Building Codes, Fire and Zoning Regulations for businesses—information concerning the regulations for your community.

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Fall Workshops for Business & Non Profit Organizations

An assortment of different seminars and workshops were available to the community of Atikokan such as the following:

- ☺ **Advertising Techniques For Small Businesses—**
Firedog Communications works with large and small companies, non-profit organizations and charities, generating integrated and needs-based communications strategies for long-term growth.
- ☺ **Protect Your Business!** - information on learning how you can protect your business now and for the future.
- ☺ **Knowing The Labour Act**—learning more about payroll and the requirements of the Labour laws.
- ☺ **Protect Your Businesses Assets**—it's important to protect your assets with the right kind of insurance.
- ☺ **Business Assistance Programs For Aboriginal Descended Entrepreneurs!** - providing support to Aboriginal entrepreneurs with a range of activities including business planning, start-up, expansion and marketing of a business.
- ☺ **Simple Bookkeeping!** - learning some basic ideas of bookkeeping.
- ☺ **Counterfeit Bills, Bad Cheques**—Information on learning to identify counterfeits and keeping your business safe from fraudulent transactions.
- ☺ **E-Commerce Workshop**—Learn the secrets of making, owning and operating a website and using the internet to increase sales, finding new customers and advertising your products or services.
- ☺ **Revenue Canada**—Information concerning taxes, payroll remittances and a GST/PST workshop.

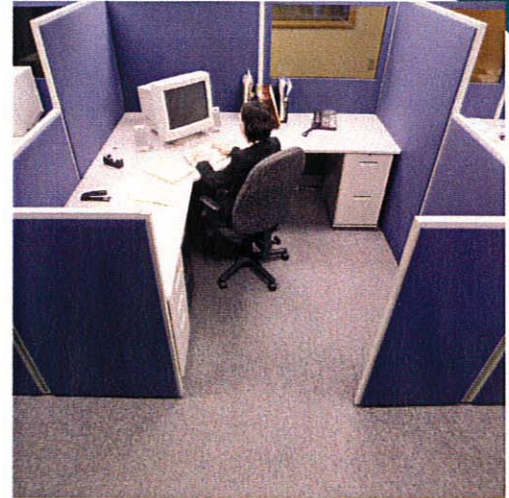


THE ATIKOKAN EMPLOYMENT CENTRE

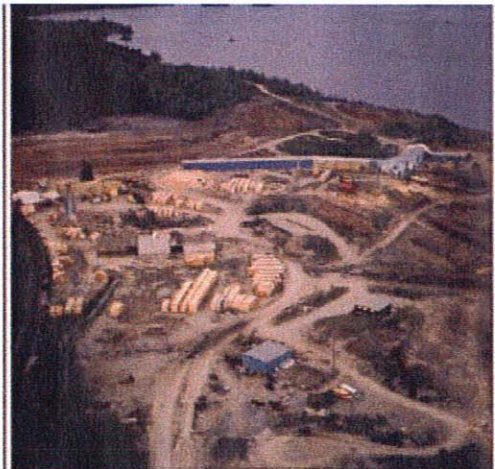
The Atikokan Employment Centre has had a busy year. We organized and held the annual Career Fair with the support of the United Native Friendship Centre. The Fair was extremely successful with 18 booths participating and over 100 people in attendance throughout the day. Feedback was positive and we look forward to next year's event.

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Throughout the year we held regular group information sessions on topics such as resume and cover letter writing, interview techniques, WHMIS and Job Searching on the 'Net. We have had participants of all ages take advantage of these sessions and gain valuable skills. We also gave the office a facelift this year by updating our hands-on resources including the textbooks, resource binders, pamphlets, handouts, bulletin boards and even updated furnishings. We feel our Resource Centre is extremely functional to the needs of clients.



The closure of Fibratex Mfg. and indefinite shutdown of Atikokan Forest Products has resulted in job loss and uncertainty for well over 300 people in the community. The impact has definitely been felt in our office. The amount of traffic and activity within the office has increased incredibly. Many displaced workers are seeking assistance with employment searches, relocation assistance and re-education services.



During the summer months we see the opening of the Service Canada Student Centre and the addition of one more person to our office. This year the Student Centre held many events to promote the hiring of students within the community of Atikokan. Most students were successful in finding opportunities and we contribute that success to the organization skills and resourcefulness of our Student Employment Officer.

THE LOCAL INITIATIVES PROGRAM is funded by Industry Canada/Fednor for the purpose of supporting local economic community development projects that contribute to the community's Strategic Plan. Last year, it was our pleasure to disburse funds to the following groups:

- ☺ **AEDC – Tourism Co-Ordinator** – Along with the community, Quetico Park, OPG, and Atikokan Forest Products, the Co-Ordinator developed a coupon booklet and worked with a printing company to produce a glossy page community brochure. (\$4,991.36)

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- ☺ **Atikokan Mineral Development Initiative** – This sub committee of the AEDC provided 2 Prospector's Training Courses to the community to stimulate mining activity. (\$5,000.00)
- ☺ **Atikokan Bass Classic** – This group purchased items used regularly for the Bass Tournament that they usually rent. (\$4,937.18)
- ☺ **AEDC – Boreal Resources Strategies** – The AEDC hired this group to attend a value added forest products trade show in China and provide a report on opportunities for the community. (\$2,700.00)
- ☺ **Atikokan Native Friendship Centre** – The ANFC conducted a workshop on budgeting and cooking on a budget for low income participants. (\$450)
- ☺ **Upsala Game & Fish Club** – This group worked on constructing an all purpose bike/walking trail south & west of Upsala to connect to the Atikokan Snowmobile trails. (\$5,000.00)
- ☺ **Atikokan Sportsmen's Conservation Club** – This club purchased 2 new nets for catching walleye to gather eggs for the walleye hatchery. (\$5,000.00)
- ☺ **Upsala Recreation Committee** – Purchased an event tent to enable the community to bring in more tourism dollars for special events. (\$5,000.00)
- ☺ **Upsala Mud Runners** – Purchased bleachers, insurance and advertising for first time event in the community. (\$3,500.00)
- ☺ **Atikokan Vintage Iron Auto Club** – The club increased the activities & hosted a dance in conjunction with Car Show & Shine, thereby increasing tourism benefits to the community. (\$4,200.00)
- ☺ **Atikokan Entertainment Series** – The AES purchased new lighting for community performances featuring out of town artists. (\$5,000.00)
- ☺ **Atikokan Public Library** - Purchased furniture and display cases for teen lounge to increase participation from the youth of the community. (\$3,645.00)



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The Board Members of the Atikokan Economic Development Corporation are a diverse and dynamic collection of men and women. Our current Chair is Dave Bjorkman, Vice Chair is Jeremy Larson, and Secretary/Treasurer is Mary Makarenko. Directors at large are Miles Brown, Bill Beyer, Dennis Brown, Wayne McAndrew, Vic Prokopchuk, Dr. Ken Sawchuk, Dave Elder, Tami Stinson, Sally Burns, Andrew Johnson from Seine River First Nation, Dan Syncox from Upsala Regional Development Association, and Bud Dickson and Charlie Viddal as the two representatives from Township Council. We have had discussions with Lac La Croix and they have agreed to join our board. We hope to have that in place soon.

COMMUNITY INVESTMENT FUND COMMITTEE

This committee is comprised of 3 members from the community at large, and 3 members from the AEDC Board. These volunteers include: Dr. Ken Sawchuk (Chair), Elizabeth MacKay, Robin Johnson, Cecil Leif, Mary Makarenko and Sally Burns.

STAFF

We have 5 full time staff positions in the office:

Garry McKinnon	Executive Director
Dawn Hayes	Administrative Assistant
Marg Thurier	Office Administrator
Paula Sanders	Community Development Advisor
Mikael Mantyla	Community Development Advisor

The Corporation also contributes half the wages of the Chamber of Commerce Office Manager in return for receptionist duties and other help as required.

The new Office Manager is Nicole Halasz. Our office also administers the Atikokan Employment Centre with a contract from Ministry of Training Colleges and Universities. Our contract with MTCU allowed us to have 2 full time positions there last year. Jodi McAllister (replaced by Lisa Marusyk in June returning from Maternity Leave) and Annette Bryk are our staff at the Employment Centre.

