

September 2012



SERVING THE COMMUNITIES OF BEAUVAL, COLE BAY, ILE A LA CROSSE & JANS BAY

Primrose Lake Economic Development Corporation

PLEDCO Newsletter

The Primrose Lake Economic Development corporation is a Not-For-Profit organization whose purpose is to promote and assist economic development in the communities affected by the takeover of land used for the Primrose Lake Air Weapons Range (Cole Bay, Jans Bay, Beauval and Ile a la Crosse) using the investment income from a \$17,500,000.00 Trust Fund. The Board of Directors, 2 from each of the four communities, are appointed to 2 and 3 year terms. For further information on PLEDCO please go to our website at pledco.com.

Board of Directors:

- Calvin Maurice—Jans Bay—President
- Maggie Natomagan—Beauval—Vice President
- Myrna Bouvier—Beauval—Secretary Treasurer
- Aldina Bouvier—Cole Bay—Director
- Camellia Couillonneur—Cole Bay—Director
- Joyce Maurice—Jans Bay—Director
- Yvonne Daigneault—Ile a la Crosse—Director
- Jansen Corrigan—Ile a la Crosse—Director
- Lorne Mysko—Saskatoon—Federal Ex-Office
- Lance Byhette—Dillon—Federal Ex-Officio
- Gerald Roy—Ile a la Crosse—Provincial Ex-Officio

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2012-2013 Strategic Planning: Work Plan Priorities

The Board of Directors met in June to plan for the current fiscal year work activities. The priorities this year are:

1. Human Resource Development

Skills training as well as addressing challenges that face training participants and workers is of concern to the Board. PLEDCO will assist individuals and companies access training programs for their workers. PLEDCO will also be looking at some of the challenges faced by training participants and workers, such as inadequate housing and childcare. More will be done to provide training in the community.

2. Investment Holding Company

PLEDCO has to do more to attract and invest in larger business projects that will create more jobs and money for our residents. Those types of investments have been started and have begun to show positive results. One example is the Primrose Resources Corporation, 100% owned by the 4 PLEDCO communities, which recently won a \$2M plus contract with AREVA and has begun work on that project. The next stage in this work is for PLEDCO to establish an Investment Holding Company through which to invest money in projects and businesses that can expand their operations in our area.

3. Industrial and Commercial Park

While new uranium mines and oil and gas exploration projects are being worked on in the region of Northwest Saskatchewan (which will be accessed through the Junction of Highways 155 and 165 near Beauval), further planning for the establishment of an Industrial and Commercial Park here is urgently needed. PLEDCO is prepared to assist financially in this project which will provide business and other economic benefits to these communities.

4. Communications

PLEDCO recognizes the need for more communication, not only on its own activities, but to provide a greater awareness of regional happenings and the challenges and opportunities we face. The Board has recommended that our NEWSLETTER be distributed at least quarterly, to keep our website up-dated, and to use other methods of stimulating dialogue and inviting community participation.

Along with the normal things we work on throughout the year.....

PLEDCO UPDATES

- 2010-2011 earnings from PLEDCO investments total \$668,880.00 after management and audit fees. \$193,258.00 will go towards operating costs and the balance has been deposited into our Economic Development and Infrastructure Program accounts.
- Two directors' terms have expired:
 - Beauval—Maggie Natomagan (Vice-President) was reappointed to the Board
 - Ile a la Crosse—Jansen Corrigan is the new Director replacing Leo Gardiner
- PLEDCO's Five year review is continuing. The main purpose of this review is to show how effective PLEDCO has been in promoting business and economic development in the 4 communities of Cole Bay, Jans Bay, Beauval and Ile a la Crosse. One early finding suggests that small grants do not have enough of an economic impact and PLEDCO should be investing in larger projects that would have a more significant impact in terms of new wealth and job creation for the PLEDCO communities.
- PLEDCO can now hold up one example of this type of project. PRIMROSE RESOURCES CORPORATION (PRC), a business corporation that PLEDCO helped finance, is 100% owned by the 4 PLEDCO communities. PRC found an established and reputable business partner to work with (Gabriel Construction), established a 50/50 Joint Venture agreement with them, and in July secured a contract with AREVA. Work on that project is now underway and PRC is actively looking for other work contracts to create more money and jobs (they need more skilled trades people!!)
- PLEDCO is planning to establish an Investment Holding Company that would enable it to make investments to earn more income and encourage business expansion in this area. This Company will in no way interfere in the work of the community and area development corporations. It's sole purpose is to invest money to make more money. Our Law firm and accountants are working with the CEO to determine the structure of this new business and to examine the proposed investments.

PRIMARY PRODUCTION

Not everyone wants to go to work in a mine or on a construction project, nor even to work for someone else! Considering the fact that we are sitting in the midst of forests, lakes and rivers in a Province with a booming economy, new people, large work camps, and with an excellent transportation network, it makes sense to re-examine some “primary production” activities that had been introduced years ago—in the days of DNS (Dept. of Northern Saskatchewan) and SIAP (Saskatchewan Indian Agriculture Program).

PLEDCO is presently pursuing research in each of these activities to determine their value as businesses, and to help supplement household incomes. Times and conditions have changed—we now have 6 days per week freight hauling with refrigerated transports going south empty on hard-surfaced roads, as one important factor in our favor.

The other factor we should not ignore is that much of this “primary” product can be sold as food locally, not everything has to be exported. Fresh fish is hard to buy locally, while berries and wild rice can be stored for off-season use. How about rabbits? Australian entrepreneurs are having an exciting time raising rabbits and selling them as food in stores....

FISH FARMING

DNS investigated farming fish and it worked. Quite a few people farmed Rainbow Trout, with large farms at Besnard Lake, for example. Different types of fish enclosures were tried including fish in steel tanks. But, as with wild rice, markets were not developed at that time and other essential factors like transportation and access to the cities and other markets were inadequate. Neither was the economy as buoyant nor with as many informed moneyed customers demanding new taste experiences as today. There could very well be adequate domestic (Saskatchewan) markets for locally produced foods when you consider the large Uranium mining camps in the North, Potash mines in the South as well as the growing city populations.

PLEDCO will determine the costs of starting Fish Farms as well as the minimum volumes of fish that will be needed to make such operations financially viable. We can follow that up with market studies to determine the potential demand and look at what advertising and promotional activities we will need to gain exposure in those markets.

WILD RICE

Back in the hey-day (early 70's) when Wild Rice plantations were introduced by DNS and SIAP throughout Northern Saskatchewan, some of the best growing areas were in Northwest Saskatchewan. These lakes remain very productive and produce the larger grains which have good color and did not break during processing or shipping, no competition from the more frail U.S. paddy rice in up-scale markets.

Again, very little work has been done to develop and expand markets so that now there may only be two established buyers in Northern Saskatchewan. PLEDCO is seeking advice from a number of sources to examine the markets for Wild Rice as well as the possibility of establishing a Wild Rice Processing Plant within this area.

We need to determine the cost of equipment, the volume of rice needed to sustain a processing plant, and to “grow” the market—we know people will buy Wild Rice but at what price and where, etc. PLEDCO is presently discouraging new growers until such time as we have determined the viability and future of the industry.

PLEDCO Annual General Meeting—September 29, 2012 at Cole Bay, Saskatchewan

BEAUVAL JUNCTION INDUSTRIAL AND COMMERCIAL PARK

PLEDCO can initiate studies and suggest development of business and other economic development opportunities, but being a non-profit Corporation, it cannot by itself get into business. Some of the larger studies we have done include a Review of Tourism in Northwest Saskatchewan, a Review of the Status of the Fort McMurray Road access, and a study to determine the feasibility of establishing an Industrial and Commercial Park at the Junction of Highways 155 and 165 near Beauval.

Industrial Parks are usually created by a municipal corporation to attract business and to avoid conflict between industrial operations and residential and commercial developments. In anticipation of new mining developments in Northwest Saskatchewan that will be accessed by roads from the Beauval Junction, an Area Structure Plan and Development Agency will need to be established fairly quickly. Most of the work to lay out permitted uses, access roads, utilities, develop zoning by-laws, etc., are time consuming and expensive. This work has to be started soon so we can avoid being caught unprepared when work begins up North.

A steering committee of stakeholders should consist of municipal leaders from the 4 PLEDCO communities as well as First Nation representatives from English River and Canoe Lake. By working together, costs such as for water and sewer can be cost-shared, and joint participation in some business opportunities and services can be encouraged. PLEDCO already has an (proposed) action plan for anyone interested in taking the lead in this work.

COLE BAY TAKING THE LEAD IN DEVELOPING A TOURISM CORRIDOR

Cole Bay will be celebrating its 50th anniversary next year. The community was started in 1962-63 after people were relocated from their homes within the Primrose Lake Air Weapons Range. Cole Bay is a progressive friendly community situated on the southeast shore of Canoe Lake and is surrounded by beautiful rolling hills and waterways. Highways 903 and 904, access to the Meadow Lake Provincial Park, converge about 55 km south of Cole Bay and another 45 km along Highway 965, it joins Highway 155 offering an opening to the other PLEDCO communities.

For many years now, the Meadow Lake Provincial Park has attracted more visitors than the Prince Albert National Park. In recent years, that Park cannot accommodate all the demand for cottages, RV parking and Tourism activities. The Mayor and Council at Cole Bay saw this as an opportunity to ensure the growth of their community, attract more businesses and services and improve road and communication infrastructure.

At present, the Hamlet has a Cottage subdivision and an all-season Recreational Plan being developed by a group of community planners and engineers. The proposal will be presented to the community this fall for further discussion and planning input. Discussions so far have been positive. Cole Bay could become a resort village and attract many more residents, visitors, businesses and services. This would in turn guarantee a bright future for the community.

RETAIL CO-OP IN ILE A LA CROSSE

There was interest expressed by some residents in Ile a la Crosse to establish their own retail Co-op store. This would benefit the community in many ways, especially through:

- keeping the business profits within the community,
- providing competition to keep other retailers in line by selling at fair prices.

Last winter, a representative from Arctic Co-op Ltd. visited the four PLEDCO communities at the invitation of PLEDCO. This was followed by Arctic Co-op providing the group at Ile a la Crosse with costs of building and equipping a store, along with financial projections to establish their own store as part of the Arctic Co-op chain.

The cost of setting up a Co-op is quite high while the dangers of failure remain. PLEDCO is prepared to work with the group in Ile a la Crosse if they wish to pursue this plan. Much work is need to develop membership in the Co-op which needs wide community support and involvement.