

# A POLICY INSTITUTE FOR NORTHWESTERN ONTARIO: NEED, MODELS AND STRUCTURE

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*Table of Contents*

<i>Executive Summary</i>	3
<i>Introduction</i>	4
<i>Why We Need a Regional Policy Institute</i>	6
<i>Examples of Other Institutes and their Mandate</i>	12
<i>Creating Our Own: Models, Structures and Approaches</i>	20
<i>Conclusion</i>	28



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## ***Executive Summary***

Northwestern Ontario would benefit from having a regional policy institute that can analyze business, technological, scientific, economic and social issues and generate policy advice that can be applied to the region's economy and society especially in this time of economic change and transition. A *Northwestern Ontario Regional Policy Institute (NWORPI)*, as well as serving as an arm's length source of policy advice and advocacy to regional leaders, would also serve as a repository of knowledge and data on the region. The institute can take the form of a consortium of partners, can be affiliated with the region's post-secondary institutions, be free standing, funded primarily by government or be some combination of these models. All models would require partnerships with regional interests and organizations for success. A modest institute with a modest set of staff, research and outreach activities can be expected to have an annual operating budget in the range of \$375,000-\$575,000.

The following general recommendations are offered:

1. ***That a policy institute for Northwestern Ontario be created with a mission to analyze economic, business, technological, scientific, and social issues and generate policy advice that can be applied to the region's economy and society. A Northwestern Ontario Regional Policy Institute (NWORPI), as well as serving as an arm's length source of policy advice to regional leaders, would serve as a repository of knowledge and data on the region and create a regional research and advocacy voice and serve as another driver of regional enhancement.***
2. ***That an implementation committee consisting of key regional partners be struck to bring about the creation of the policy institute.*** At this stage, the North Superior Training Board should assume a leadership role in taking on the task of striking an implementation committee given its labour market policy role, its experience in organizing community events and forums, its tradition of engagement and its role in exploring the need for a policy institute. In particular, representation from First Nation's Communities is paramount at this stage. The role of the implementation committee would be to focus the mandate of the policy institute, ascertain the commitment of regional partners to the project, select an organizational and operational framework and seek funding partners.

## ***1. Introduction***

Northwestern Ontario is undergoing a process of economic change and transition and would benefit from having a regional policy institute that can analyze business, technological, scientific, economic and social issues and generate policy advice that can be applied to the region's economy and society. A *Northwestern Ontario Regional Policy Institute (NWORPI)*, as well as serving as an arm's length source of policy advice to regional leaders, would also serve as a repository of knowledge and data on the region and in essence boost its knowledge economy.<sup>1</sup> A regional policy institute dedicated to economic and social regional advancement of the region can make important contributions to the process of socio-economic development in Northwestern Ontario. Such a policy institute can also create a regional research and advocacy voice and serve as another driver of regional enhancement.

An example of such a policy institute is the Atlantic Institute for Market Studies (AIMS) which provides a unique regional voice on public policy for Atlantic Canada. AIMS is indeed a driver of the Atlantic Canadian knowledge economy by producing books, papers, reports and ideas that are freely available for dissemination. Other examples of such an institute affiliated with post-secondary institutions include Laurentian University's Institute for Northern Ontario Research and Development and the Harris Centre for Regional Development and Policy at Memorial University. The University of Windsor and McMaster are also embarking on a policy type research institute anchored with Ontario Research Chairs. Other examples of Canadian policy institutes include the C.D. Howe Institute, the Fraser Institute, the Caledon Institute, and the Canadian Centre for Policy Alternatives. All of these institutes have either specific or general policy perspectives. The Caledon Institute, for example, deals with family and social policy while the Centre for Policy Alternatives offers "progressive" perspectives to counter more market oriented views put forth by the C.D. Howe or Fraser Institute. Some fund their activities through memberships or receive grants or core funding from

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<sup>1</sup> Many policy institutes become known by very short and distinctive names. A possible name for the NWORPI given its geographic location is simply *The Northwest Institute*.

other institutions or endowments. Aside from a select few, none can be characterized as financially robust organizations.

A Northwestern Ontario Regional Policy Institute can take a number of organizational forms, but should have its own research director and staffing as well as a process for bringing in Research Associates or Fellows who would bring their expertise to bear on specific research projects or requests from the membership. As well, the institute could have its own advisory board. Its resource base would consist of core funding from memberships and donations from regional partners and possible project driven funding from corporate and public sector sources.

The NWORPI could also maintain a comprehensive socio-economic and business data base of area information that would allow it to generate semi-annual and annual economic and demographic forecasts, as well as provide the information necessary for regional municipalities, First Nations, and politicians to put together development and project proposals and materials to lobby the provincial and federal government on specific issues. The NWORPI would also engage in public outreach and communication activities by sponsoring speakers and conferences. The NWORPI would also require a process to collect proposals to embark on region specific projects and obtain the services and participation of Research Associates.

## 2. *Why We Need a Regional Policy Institute*

Northwestern Ontario is undergoing a process of massive change and transition rooted primarily in economic and demographic forces. The absence of job opportunities and youth out-migration has led to a stagnant overall population size and a declining share of Ontario's population (See Figures 1-2, Table 1). At the same time, there are areas of population growth particularly among First Nations leading to divergent needs as young remote growing populations are accompanied by declining aging populations in established centres. The most recent census reveals that population has grown in the Kenora census division while declines have been posted in Thunder Bay-Rainy River and Thunder Bay-Superior North.

**TABLE 1**

**Recent Population Change in Northwestern Ontario**

	2006	2001	Percent Change
Kenora	64291	60572	6.1
Thunder Bay- Rainy River	85153	85775	-0.7
Thunder Bay- Superior North	82589	83657	-1.3

Source: Census of Canada.

The forest sector has been hit by the perfect storm of high energy prices, declining newsprint markets and a high dollar which when combined with aging plant infrastructure and fiber shortages have resulted in the loss of thousands of jobs. This employment loss has been particularly severe given that the pulp and sawmill sector represents the core manufacturing base in the region (See Figure 3). Average monthly manufacturing employment in Northwestern Ontario dropped from 14,258 jobs in 2001 to reach 10,925 in 2006 – a decline of 23 percent. At the same time, the transitioning aspect of economic change is evident by growth in the mining sector as well as the development of a broad-based knowledge economy (See Figure 4). The knowledge economy is the best long-term diversification strategy though at present the jobs it is creating are not yet sufficient to overcome the drag of the declining forest sector.

Opportunities in education, health and scientific medical research as well as administrative services and data processing and the arts should increase the impact of the knowledge sector over time.

The process of economic and demographic transition is also complicated by external political, economic and environmental factors – all of which have been insufficiently analyzed from a Northwestern Ontario perspective. For example, what is the impact of climate change and global warming on the region's forests and wildlife? What will the impact on the region's watershed and hydroelectric generation be? How will the traditional lifestyles of the aboriginal population be affected by climate change?

In the case of economic and statistical research, there is no dedicated data facility that processes economic and social statistics and makes economic and business forecasts from a Northwestern Ontario perspective. Who is performing cost-benefit analyses on transportation or public works projects for the region from a *regional* perspective? How can First Nations boost economic growth and welfare for their communities? When the Northern Mayors or other regional politicians lobby for resources and projects in the North, where is the seminal research to support their arguments coming from?

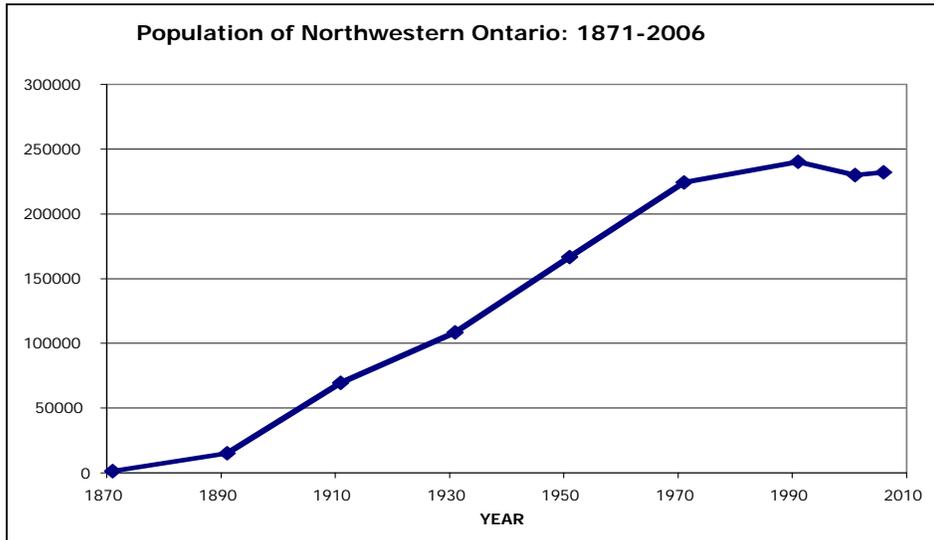
As a remote hinterland region externally dependent on governments outside the region for policy initiatives and whose economy's corporate governance is also external, most decisions and analysis are made from an external perspective. While there has been an impressive amount of policy research generated with respect to Northern Ontario (See Appendix I) and Northwestern Ontario in particular, it is usually driven by external agendas and is conducted in a piecemeal and uncoordinated fashion.<sup>2</sup> A classic example is the recent study on regional energy pricing in response to Northwestern demands for a regional energy grid.<sup>3</sup> The study was initiated by the provincial government and combined the Northwest and the Northeast into one study area even though that combination was never on the regional agenda.

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<sup>2</sup> Many of these studies can be accessed via key-word web searches. As well, some are eventually archived at the Lakehead University Centre for Northern Studies (LUCNS). The LUCNS serves as a repository and does not perform studies or analyses.

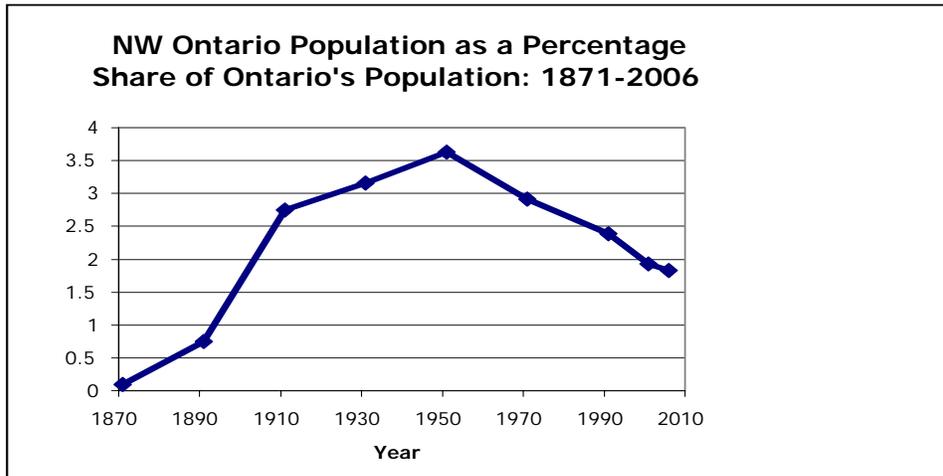
<sup>3</sup> See Navigant (2006).

**FIGURE 1**



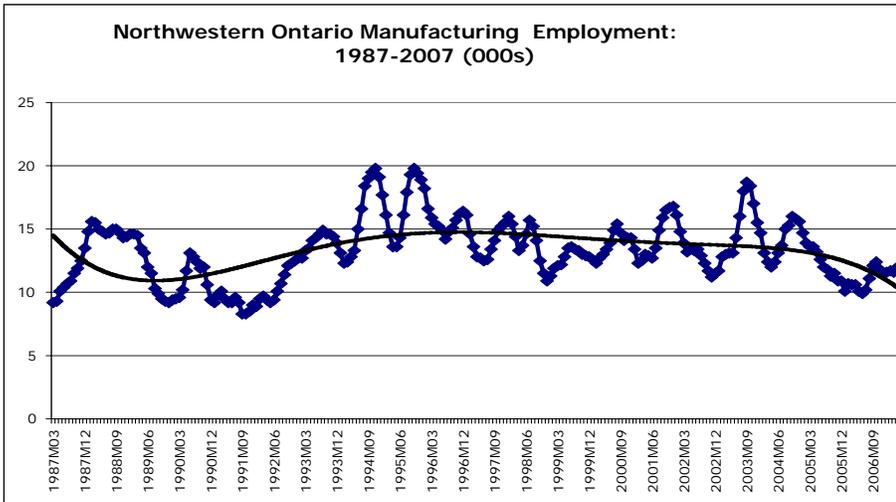
Source: Census of Canada.

**FIGURE 2**



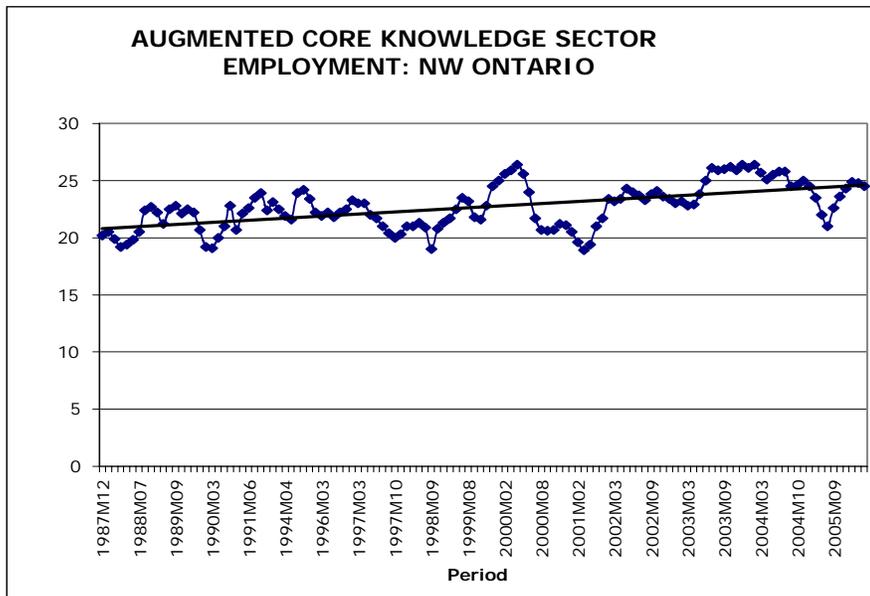
Source: Census of Canada.

**FIGURE 3**



Source: Statistics Canada

**FIGURE 4**



Source: Di Matteo (2006).

Many government ministries, quasi-government bodies and social agencies also conduct research and policy research projects driven by short-term needs. For example, the North Superior Training Board conducts important labour market analyses from a regional perspective but their mandate to date has generally been interpreted as being removed from taking broader policy and integrative analytical studies. The recent report

of the North Superior Training Board on the knowledge economy and broader policy recommendations for its growth may however represent a new stage in the policy evolution of the Local Boards.<sup>4</sup>

In the case of basic research into social and economic issues, the North as a whole is also dramatically under funded when it comes to funding by the Federal Social Sciences and Humanities Research Council (SSHRC) (See Figures 5 and 6). Standard research grant application success rates at Northern Ontario's two leading universities are a fraction of the Ontario success rate. Moreover, the program funding received by Northern Ontario in general from SSHRC's programs is substantially below its population share. Again, given that SSHRC funds research into many social and economic projects, this suggests that there is a substantial policy research gap in the region.

One definition of public policy is "a course of action or inaction chosen by public authorities to address a given problem or interrelated set of problems."<sup>5</sup> William Jenkins in *Policy Analysis: A Political and Organizational Perspective* (1978), argues that a public policy is 'a set of interrelated decisions taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within a specified situation where those decisions should, in principle, be within the power of those actors to achieve'. As a result, public policy research ultimately is used to influence decision makers whether they are in the public or the private sector.

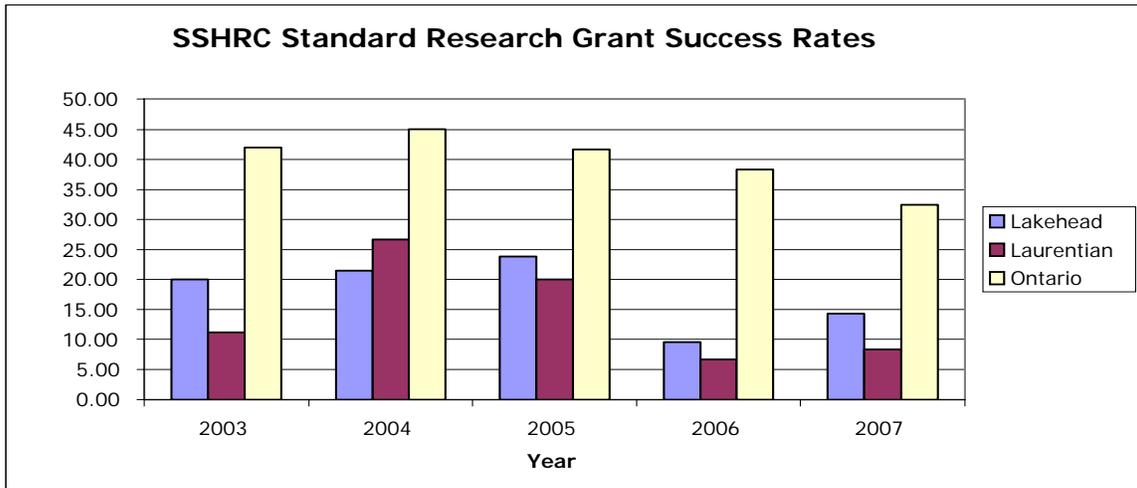
Research on our public issues is usually done from an external perspective – often driven by either the federal or provincial government. There is ultimately a need for research on public policy done for Northwestern Ontario and by Northwestern Ontarians in order to collect data, information and provide the case for advocacy on regional public policy issues. Advocacy must not only be reactive but also proactive with an eye to emerging future trends. The basic issues that need a Northwestern Ontario policy research perspective include but are not limited to the economy, social issues, health, education, housing, energy, climate change, aboriginal population, demographic change, transportation and business policy and resource management issues.

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<sup>4</sup> See Di Matteo (2006).

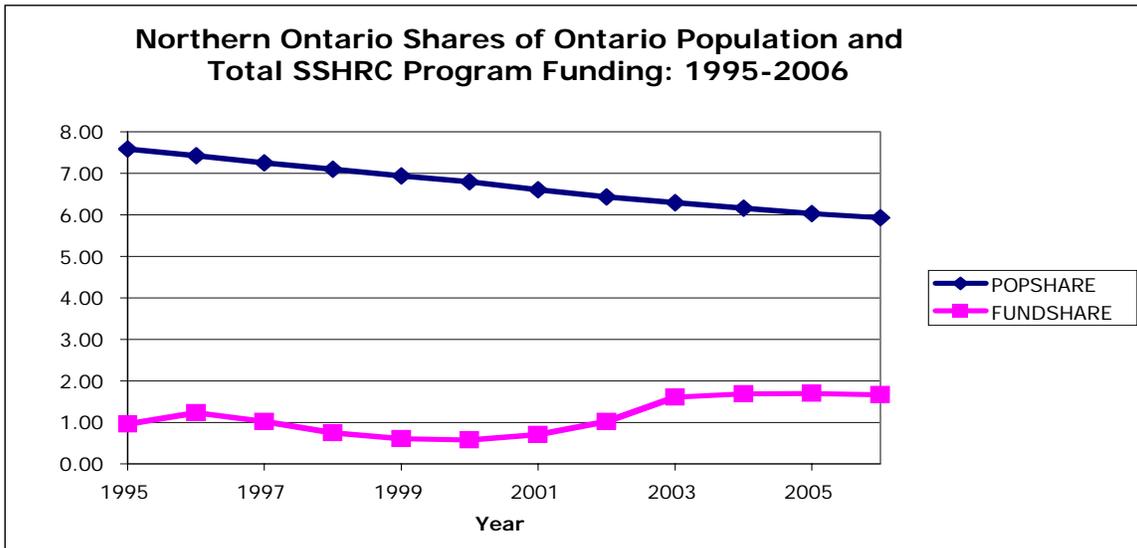
<sup>5</sup> Pal (1992: 7).

**FIGURE 5**



Raw Data Source: Social Science and Humanities Research Council Annual Reports

**FIGURE 6**



Raw Data Source: Social Science and Humanities Research Council Annual Reports, Statistics Canada

### ***3. Examples of Other Institutes and their Mandates***

Policy institutes and think tanks have become a fairly common feature of public discourse and yet are not easy to define. It has been estimated that there are about 50 think tanks and policy institutes in Canada with a collective budget of about 77 million dollars but of these only 15 to 20 have large enough budgets and staffing to maintain a high public profile. The United States easily has over 1000 policy institutes and think tanks<sup>6</sup> while the total world wide has been estimated at about 3500. In Canada, the size of these institutes ranges from the Conference Board of Canada, which has an annual budget of over 20 million dollars per year and 100 plus staff to the Pearson-Shoyama Institute which operates with a budget of under \$200,000 per year. There has been tremendous growth over the last quarter-century in these institutes because of perceived limitations of planning and policy making within government, the growing complexity of policy analysis and the desire for independent or cause-based research and policy advice.<sup>7</sup> Indeed, advocacy seems to be a major feature of many policy institutes.

A variety of definitions have been used to describe policy institutes and think tanks. A simple definition is: “a non-profit organization having a primary interest in public policy research and which is active in seeking to influence the policy making process.”<sup>8</sup> Abelson (2002) argues that public policy institute or think tanks are: “organizations that function much like private corporations but whose bottom lines are measured not by profit margins but by their impact on policy ideas. “ Another view is that the “stereotypical think tank is a large, well-funded research organization producing trenchant, multi-disciplinary studies of social problems and government policies with a view to improving the quality of public policy.”<sup>9</sup> However, given the precarious funding base of most policy institutes this last definition is probably quite idealistic. According to Plumptre and Laskin (2001), most policy institutes have fairly tenuous funding bases because they are in a crowded, competitive field with little government support and when

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<sup>6</sup> See Baier and Bakvis (2001).

<sup>7</sup> See Plumptre and Laskin (2001).

<sup>8</sup> See Plumptre and Laskin (2001: 2).

<sup>9</sup> See Plumptre and Laskin (2001: 2).

it comes to support for policy institutes, Canadian foundations are less generous than their American counterparts.

The functions of any policy institute vary but in terms of common features, they invariably involve educating policy makers and the public on issues of pressing social, economic and political concerns in a non-partisan fashion. More directly, any policy institute or think tank seeks to mold public opinion and policy choices.<sup>10</sup> This morphs directly into the role of policy advocacy that characterizes many institutes.

In creating a regional policy institute for Northwestern Ontario, it is useful to examine the experience and mandates of other Think Tank and Policy Institutes particularly in the Canadian context. Over the years, a large number of organizations have been created in Canada whose principal function is to influence the formulation and implementation of public policy in Canada. They can be classified into three broad types: 1) universities without students (e.g. The Conference Board of Canada) 2) government contractors (e.g., the now defunct Economic Council of Canada) and 3) advocacy institutes (e.g. The Fraser Institute).<sup>11</sup> In Table 2, some of the major Canadian policy institutes and organizations are listed and several of them are briefly discussed below. Most of these institutes are located in Canada's major metropolitan centres.

#### *Atlantic Institute for Market Studies*

The Atlantic Institute for Market Studies (<http://www.aims.ca/>) provides a unique regional voice on public policy for Atlantic Canada that stresses market principles.

According to its web site:

*AIMS is a Canadian, federally incorporated, non-profit, non-partisan organization with charitable status from the Canada Revenue Agency in Canada and 501 (c) 3 status from the Internal Revenue Service in Washington. Documentation of our charitable status in both countries is available on request. We are financed by contributions from individuals, corporations, foundations and other organizations, as well as by the sales of our publications. Contributions from those who support our goals are welcome. AIMS is a distinctive Atlantic Canadian voice on public policy regionally, nationally and internationally. We set the benchmark on public policy by drawing*

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<sup>10</sup> Abelson (2002: 11).

<sup>11</sup> Abelson (2002: 18-20).

*together the freshest most forward looking thinking available from some of the world's foremost experts and applying that thinking to the challenges we face.*

AIMS is indeed a driver of the Atlantic Canadian knowledge economy by producing books, papers, reports and ideas that are freely available for dissemination. It also organizes conferences and events that bring together researchers, academics, politicians and industry leaders in a manner that promotes cross-fertilization of ideas. It also funds and sponsors research in areas such as health care, energy, education and economic development issues. Such an approach would be of immense value to the economy of Northwestern Ontario during its current period of economic crisis and readjustment by providing us with our own regional voice on issues. Part of the mandate of such an institute should also be to develop and maintain indicators of the progress of the regional knowledge economy in order to measure progress and effectiveness of policy initiatives.

According to its 2005-06 annual report, AIMS is governed by a Board of Directors and has a staff of 11. Its staff includes a President and Vice-President, policy analysts, policy interns, communications staff and operations coordinators. In 2005-06, their web site recorded 4.7 million hits. AIMS operates on a budget of just over 1 million dollars per year with practically all of it being obtained from individual and corporate donations. The Donner Foundation was a major funding sponsor of AIMS.

#### *Caledon Institute for Social Policy*

According to its website, the Caledon Institute (<http://www.caledoninst.org/>) is a social policy think tank established in 1992 in Ottawa during the era of government cuts and the fraying of the social safety net. It is a private, nonprofit organization with charitable status with financial support primarily from by the Maytree Foundation, which is located in Toronto. In 2006, the Maytree Foundation provided a \$475,000 grant to enable the Caledon Institute to run its operations.<sup>12</sup>

In brief: “Caledon is an independent and critical voice that does not depend on government funding and is not affiliated with any political party. The Caledon Institute

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<sup>12</sup> Maytree Foundation 2006 Annual Report, p.20.

of Social Policy does rigorous, high-quality research and analysis; seeks to inform and influence public opinion and to foster public discussion on poverty and social policy; and develops and promotes concrete, practical proposals for the reform of social programs at all levels of government and of social benefits provided by employers and the voluntary sector. Caledon's work covers a broad range of social policy areas including income security (e.g., pensions, welfare, child benefits, employment Insurance, and benefits for Canadians with disabilities), community capacity-building, taxation, social spending, employment development services, social services, disability supports and health.”

The Caledon Institute operates with a President and Vice-President, one senior scholar, three research associates, one office manager and one project officer. Their current annual operating budget according to Director Ken Battle is \$776,000. Every month, a number of publications dealing with social issues are released and their website maintains an archive of research reports going back to 1993.

*Canadian Centre for Policy Alternatives*

According to its web site, the Canadian Centre for Policy Alternatives (<http://www.policyalternatives.ca/>) is: “an independent, non-partisan research institute concerned with issues of social and economic justice. Founded in 1980, the CCPA is one of Canada’s leading progressive voices in public policy debates. By combining solid research with extensive outreach, we work to enrich democratic dialogue and ensure Canadians know there are workable solutions to the issues we face. The CCPA offers analysis and policy ideas to the media, general public, social justice and labour organizations, academia and government.”

The CCPA produces an assortment of research studies, policy briefs, books, editorials and commentary, and other publications, including *The Monitor*, a monthly magazine with availability at no cost on their web site. The studies range from tax and fiscal policy to resource policy, health, education, trade and social policy. The CCPA is unique as a policy institute as it maintains a national office in Ottawa and provincial offices in Nova Scotia, Ontario, Manitoba, Saskatchewan and British Columbia. This allows them to address local and national issues.

The CCPA is a registered non-profit charity and its main support comes from its 10,000 members across Canada. There is a range of memberships from \$1000 dollars annually to as low as \$35 for students. A total budgetary figure for the organization from an annual report is not readily available on their web site though the membership size and fee schedule suggest that it is likely a multi-million dollar figure.

The CCPA is governed by a Board of Directors and each regional office also has a board of directors. The National Office has a staff of 11 including communications, development and coordination officers as well as an economist and several research fellows with research associates producing the work for the Ontario office. The British Columbia office has nine staff, the Saskatchewan office has one staff member, the Manitoba office has two staff members while the Nova Scotia office has one staff member.

#### *C.D. Howe Institute*

The C.D. Howe Institute is one of Canada's leading economic and social policy institutes and is based in Toronto. The Institute sponsors roundtables and discussions and maintains an extensive publication series on monetary, fiscal, economic growth, international and trade policy, governance and public institutions, and social policy. In many respects, it is the quintessential public policy institute focusing on economic issues. According to the institute, its mission is:

“to improve Canadian's standard of living by fostering sound economic and social policies. The Institute promotes the application of independent research and analysis to major economic and social policy issues affecting the quality of life of all Canadians in all regions of the country. It takes a global perspective by considering the impact of international factors on Canada and bringing insights from other jurisdictions to the discussion of Canadian public policy. Policy recommendations in the Institute's publications are founded on quality research conducted by leading experts and subject to rigorous peer review.”

The C.D. Howe Institute is governed by a Board of Directors with a Chair and Vice-Chair with the actual operations run by a President and CEO (Dr. Jack Mintz) and a staff of consisting of a Senior Vice-President and Director of Research (Bill Robson) and

sixteen other workers including office coordinators, policy analysts, event planners, and development officers. As well, there are a number of scholars and research fellows who are contracted to conduct specific studies and research projects. In 2005, there were 48 such individuals –mainly academics at universities across the country. The revenues required to support such activity is about 3 million dollars and all of it comes from corporate and individual donations and memberships. The income from publication sales and interest on investments only accounts for about 10 percent of revenues. The Institute’s members are a veritable Who’s Who of Canada’s corporate and business sector as well as universities and individuals.

*Leslie Harris Centre of Regional Policy and Development, Memorial University*

The Harris Centre is a relatively new policy entity having been created in 2004 from the merger of the former Public Policy Research Centre and the Centre of Regional Development Studies previously in operation at Memorial University in Newfoundland. The Harris Centre is “tasked with coordinating and facilitating the university’s educational, research and outreach activities in the areas of regional policy and development. It works with all faculties and departments within the university and serves as a reliable point of access for all stakeholders seeking to work with the university in activities related to regional policy and development.” The Harris Centre is run by Memorial University though there is a 13-member advisory board consisting of members of the broader provincial community drawn from education, business and government.

The Harris Centre receives its core funding from Memorial University and this is supplemented with program funds from the federal and provincial levels of government. Key funding sources include the Atlantic Canada Opportunities Agency, the provincial Department of Innovation, Trade and Rural Development, The Crosbie Group of Companies, Industry Canada and the Department of Fisheries and Oceans. Its core funding totals approximately \$200,000 per year and this has been leveraged with public and private sector contributions to obtain an additional 1.5 million dollars. There are approximately 12 staff at the Harris Centre including Director, research assistants, clerical staff and co-op students.

The Harris Centre maintains a substantial slate of programs, research and outreach activities. It maintains a set of Regional Workshops, public lectures and publishes research reports on current issues and sponsors conferences. The Harris Centre is also responsible for the Newfoundland quarterly, a 102-year old journal focused on the arts, culture and history of Newfoundland. Recent research reports include a self-evaluation of Atlantic Canada, a report on the federal government presence in Newfoundland and Labrador and a report on recent medical graduates.

*The Institute for Northern Ontario Research and Development (INORD)*

INORD is primarily a social science based economic development institute that according to its web site “was established in 1986 by Laurentian University to promote economic and social research on Northern Ontario. The Institute is headed by a Director selected by the INORD Council, which has representatives appointed by University departments engaged in social scientific research related to Northern Ontario. There are representatives from Economics, Geography, History, Political Science, and Sociology and the Faculty of Commerce.” INORD has supported research by providing funds, by supporting applications for funds, by conducting annual conferences the proceedings of which have been published in book form and as occasional papers.

The main activities of INORD are facilitating academic research serving as a point of contact between the community and university based research expertise and promoting the active study of Northern Ontario. For example, INORD has helped put together research teams to work on regional economic development studies such as the Elliot Lake Tracking Study. Recent activities include labour market commentaries, a research data centre, a toolkit for municipal councilors<sup>13</sup> and a compendium of various publications, notes and presentations on economic development. The focus of INORD is primarily on economic development and its geographic scope appears to be more Sudbury-Northeastern Ontario in orientation. Budgetary information on its operations is not readily available on its web site.

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<sup>13</sup> The toolkit consists of a series of articles on simple economic ideas that can be applied to policy issues. One of the articles, for example, is on economic impact assessment. Another is on the economics of property taxation.

**TABLE 2****Some Selected Canadian Policy Institutes, Research Networks and Think Tanks**

Name	Web Address	Foundation Date	Location
Atlantic Institute for Market Studies	<a href="http://www.aims.ca/">www.aims.ca/</a>	1994	Halifax
Caledon Institute of Social Policy	<a href="http://www.caledoninst.org/">www.caledoninst.org/</a>	1992	Ottawa
Canadian Centre for Policy Alternatives	<a href="http://www.policyalternatives.ca/">www.policyalternatives.ca/</a>	1980	Ottawa
Canadian Policy Research Networks	<a href="http://www.cprn.com/">www.cprn.com/</a>	1994	Ottawa
The Conference Board of Canada	<a href="http://www.conferenceboard.ca/">www.conferenceboard.ca/</a>	1954	Ottawa
C.D. Howe Institute	<a href="http://www.cdhowe.org/">www.cdhowe.org/</a>	1973	Toronto
Fraser Institute	<a href="http://www.fraserinstitute.ca/">www.fraserinstitute.ca/</a>	1974	Vancouver
Institute for Research on Public Policy	<a href="http://www.irpp.org/">www.irpp.org/</a>	1972	Montreal
Institute for Northern Ontario Research and Development, Laurentian University	<a href="http://inord.laurentian.ca/">http://inord.laurentian.ca/</a>	1986	Sudbury
Leslie Harris Centre of Regional Policy and Development, Memorial University	<a href="http://www.mun.ca/harriscentre/index.php">www.mun.ca/harriscentre/index.php</a>	2004	St. John's
Public Policy Forum	<a href="http://www.ppforum.ca/en/">www.ppforum.ca/en/</a>	1987	Ottawa

#### ***4. Creating Our Own: Models, Structures and Approaches***

A Northwestern Ontario Regional Policy Institute (NWORPI) can take a number of forms and must include partnership links to regional organizations. It could be affiliated with the region's post-secondary sector or it could be free standing. It would likely have its own research director and staffing as well as a process for bringing in Research Associates who would bring their expertise to bear on specific research projects or requests from the membership. As well, the institute could have its own advisory board. Its funding could consist of core funding from memberships and donations from regional partners and project driven funding from corporate and public sector sources. However, based on the evidence from the experience of other policy institutes, it will ultimately not be self-sustaining in terms of revenue generation and will require major patrons.

##### **Research Mandate & Functions**

The mission of the NWORPI should be to conduct research and advocacy into policy issues that affect the land and people of Northwestern Ontario. A NWORPI can be expected to conduct its activities in six broad areas:

- 1) Economic and Business Policy Research– including economic research and forecasting, economic evaluations, impact analysis, economic development issues. Examples:
  - Economic diversification
  - First Nations Economic Development
  - Forestry policy
  - Mining policy
  - Transportation policy
  - Energy policy
  - Natural resource policy
  - Labour market measurement and analysis
  - Taxation policy
  - Resource rents
  
- 2) Health and Demographic Policy Research –Examples:
  - Aboriginal population growth
  - Climate change and disease incidence
  - Migration and Immigration
  - Public health

- Water quality health impacts
  - Mental health
  - Health policy
- 3) Science, Natural Resource and Technology Policy Research – including commercialization and innovation, transportation, environmental policy.  
Examples:
- Climate change
  - Forest regeneration
  - Air and Water quality
  - Pollution
  - Technology transfer
  - Innovation policy
  - Mining and geologic research issues
- 4) Social, Arts and Cultural Research Activities-Examples:
- Art and cultural policy issues
  - Waterfront development
  - Education and Literacy policy
  - Housing
  - Recreation policy
  - Urban and rural issues
  - Poverty
- 5) Policy Formulation and Reaction  
Policy formulated by Northwesterners for Northwesterners; reaction to issues and policies affecting the region. There is a role for a “rapid response” type policy report to pressing issues that have been flagged by regional leaders.
- 6) Communication and Outreach-Examples:
- Media releases
  - Published reports
  - Web reports
  - Conferences
  - Workshops
  - Public speakers

These activities would create a broadly based institute with parallels to INORD and the Harris Centre in terms of mandate. Indeed, the Harris Centre, with its blended mandate of economic development, regional development and cultural issues is an excellent model of the type of mandate and activity scope for Northwestern Ontario. The activities listed above may also be too broad given the ultimate financial capacity of the institute and it may be necessary to more narrowly define the scope of activities at the implementation

stage. A focus on economic and business policy research would be an appropriate area for initial development of the institute.

The NWORPI could also maintain a comprehensive socio-economic and business data base of area information that would allow it to generate semi-annual and annual economic and demographic forecasts, as well as help provide the information necessary for organizations such as NOMA and NOACC. The NWORPI would also engage in public outreach and communication activities by sponsoring speakers and conferences. The NWORPI also requires a process to collect proposals to embark on region specific projects and obtain the services and participation of Research Associates.

### **Broad Organizational Framework**

There is no unique way to structure a policy institute but based on an examination of other institutes, as well as the unique environment of Northwestern Ontario, four broad organizational paths are likely. It should be kept in mind that these approaches are not mutually exclusive and indeed the final outcome could well be a blend of two or more of these approaches. These approaches are:

#### *Consortium Model*

This can be termed a “United Way” approach to establishing the institute and essentially involves bringing together a set of funding partners. For this approach to be successful, one organization would need to take the lead and provide some type of administrative framework and direction. Such a lead organization could be one of the regional post-secondary institutions or one of the policy oriented community groups such as the Training Boards, Thunder Bay Ventures or the Northwestern Ontario Development Network.

Without a lead organization or partner, the consortium approach will be difficult to implement and almost impossible to sustain. The survey of policy institutes found no major policy institute organized and funded in such a manner, which would make this a very innovative approach. Its success would ultimately require a great deal of cooperative

behaviour on the part of regional groups akin to what transpired during the “NWORDA”/”Common Voice” process. Indeed, it was the excitement created by this process and the strong community spirit of Northwestern Ontario that is the inspiration for a consortium approach.

### *Post-Secondary Based Model*

Basing the policy institute at a post-secondary institution is a logical approach for an entity that is required to mobilize expertise and research and it would be natural for the region’s post-secondary institutions to take the lead in providing core funding and housing the institute. Moreover, the research expertise that is inherent in post-secondary education would provide an instant degree of credibility for the new organization. Confederation College would be ideal in terms of providing a nimble administrative framework and the College has a reputation for being a leader when it comes to creating new programs. Lakehead University is better equipped in terms of research capacity and indeed one can envisage a cooperative venture between the two institutions with each providing elements of their comparative advantage. A possible cooperative solution would be for Confederation College to provide the administrative framework and university based researchers and graduate students to provide the expertise.

In terms of program fit, neither Lakehead nor Confederation College currently have a program in policy analysis or a school of policy studies and such an institute, particularly if accompanied by endowed chairs, could become a major program enhancement. A School of Policy Studies with graduate and diploma programs in public administration and policy could be linked to a policy institute. The main candidates for policy-oriented work at Lakehead are the Departments of Political Science and Economics but both are extremely small departments with limited resources.

The Economics Department already has a history of involvement in regional economic research and development issues as well as a successful graduate program in Economics yielding M.A. degrees. Linking the institute to a policy oriented graduate program in economics and policy studies would also help create a pool of graduate students who could serve as interns for the policy institute. Also, a combination of one or two key

community organizations such as the North Superior Training Board or the new City of Thunder Bay Economic Development Commission in partnership with the two post-secondary institutions in a scaled down consortium model could also be a viable option.

### *Free Standing Model*

This approach would involve a completely independent entity to be established with its own funding source. Ideally, core funding would come from an endowment provided by a foundation or philanthropic organization and remaining funds could come from either a project-based approach or a process of continual fund-raising and donor courtship. Public memberships could also be a method of generating some revenues – that indeed is the approach used by the Canadian Centre for Policy alternatives.

Such an approach is probably viable in the long run only if a donor organization provides core funding as in the case of the Maytree Foundation for the Caledon Institute or the Donner Foundation for the Atlantic Institute for Market Studies. Even in the case of the Canadian Centre for Policy Alternatives, there are major institutions and labour organizations that hold memberships. In the case of Northwestern Ontario, either FEDNOR or the Heritage Fund could also play a role in providing seed funding for such an institute as well as project based funding.

### *Government Based Model*

This approach would have either the provincial or federal government take the lead by creating and housing the institute within a relevant ministry. However, such an institute could not be independent and would serve merely as an extension of a government agency or ministry. Therefore its effectiveness in researching and articulating regional issues would be severely circumscribed. While direct government support for an institute via a Ministry or indirectly via an agency such as FEDNOR to establish a free-standing institute is attractive, care must be taken to ensure that the day to day operations are independent. Government assistance would be best as seed money to establish the institute rather than as continual operating grants.

FEDNOR has an innovation mandate to increase competitiveness in the north by fostering links between science and industry particularly with respect to bringing new products and services to market. A possibility to create economic assessment capacity for new technologies and products might be one of the roles FEDNOR could play in bringing about a policy institute.<sup>14</sup> Increasing research capacity in business services and economic development might also provide a role for the Northern Ontario Heritage fund in assisting the implementation of a policy institute.

### **Potential Key Stakeholders**

Whatever model is selected, the resulting policy institute will require support from partners and organizations in order to become viable. The role of the partners can be directly financial as well as supportive in terms of subscribing to research publications or membership purchases. Some of these potential partners may include and are not limited to the following examples:

- Bombardier
- Bowater
- Buchanan Group
- City of Dryden
- City of Kenora
- City of Thunder Bay
- Confederation College
- Dougall Media
- Federal Government (FEDNOR, Ministry of Natural Resources)
- Grand Council Treaty No. 3
- Independent Provincial Territorial Organization Affiliation First Nations Communities
- Keewatin-Patricia District School Board
- Lakehead Catholic District School Board
- Lakehead District School Board
- Lakehead Social Planning Council
- Lakehead University
- Lakehead University Innovation Management Office (LU IMO)
- Métis Nation of Ontario
- Nishnawbe-Aski Nation
- North Superior Training Board

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<sup>14</sup> See <http://fednor.ic.gc.ca/epic/site/fednor-fednor.nsf/en/fn02364e.html>.

Northern Ontario School of Medicine  
Northern Ontario Technology Centre (now the Northwestern Ontario Innovation Centre NOIC)  
Northwest Catholic District School Board  
Northwestern District Health Unit  
Northwestern Local Health Integration Network  
Northwestern Ontario Associated Chambers of Commerce  
Northwestern Ontario Development Network  
Northwestern Ontario Municipal Association  
Ontario Mineral Industry Cluster  
Ontario Provincial Government (Ministry of Research & Innovation, Ministry of Northern Development and Mines, Northern Ontario Heritage Fund, Ministry of Training, Colleges & Universities)  
Paterson Foundation  
St. Joseph's Care Group  
Superior-Greenstone District School Board  
TBaytel  
Thunder Bay Community Foundation  
Thunder Bay District Health Unit  
Thunder Bay Economic Development Commission  
Thunder Bay Hydro  
Thunder Bay Regional Health Sciences Centre  
Thunder Bay Ventures  
Union of Ontario Indians

### **Potential Operating Budget**

A detailed operating budget ultimately depends on the scope of the proposed activities. There will be a need to obtain facilities to house the institute as well as capital equipment such as computer and office equipment. The sums below are examples of the type of funding involved. The institute could expect to need at the outset a budget that runs the range of *\$375,000 - \$575,000 per year*. It would be assumed that the cost of publications, reports, etc... could be covered by revenue generation and subscriptions but ultimately the financial success of the institute depends on external sponsors. Keep in mind that the CD Howe Institute, which is based in Toronto and operates nationally, has about 18 staff, about 50 research fellows or scholars-in-residence and an annual operating budget of about 3 million dollars. In terms of size, a Northwestern Ontario Regional Policy Institute would be closer to the size of the Pearson-Shoyama Institute which

operates with a staff of 2 and a budget well under 1 million dollars. Without the support from a private foundation or committed core funding from a leadership partner, the funding for any institute will be precarious.

*Budget Items*

- Research Director (minimum of an M.A. in a social science or policy related discipline). The Research Director's role would be to lead the activities of the organization and manage its profile and activities.  
\$75,000-\$125,000
- Administrative Support (Clerical staff)  
\$100,000-\$150,000
- Computer/Database Specialist and Statisticians/Policy Analysts  
(1-2 staff positions depending on how data intensive the organization becomes.)  
\$60,000-\$120,000
- Equipment, Supplies, Rent, Heat, Light etc...  
\$30,000-\$50,000
- Research Associate/Scholar in Residence Awards  
5 projects per year at about \$20,000 each.
- Outreach and Communications Activities  
Newsletters, quarterly reports, media activity, workshops, conferences and public lectures. \$10,000-\$30,000.

## 5. *Conclusion*

There is a demonstrated need for independent policy research and advocacy on behalf of issues in Northwestern Ontario. Research on public issues in Northwestern Ontario has traditionally been driven by external perspectives and agendas. There is ultimately a need for research on public policy done for Northwestern Ontario and by Northwestern Ontarians in order to collect data, information and provide the case for advocacy on regional public policy issues. Issues that require a Northwestern Ontario policy perspective include but are not limited to the economy, social issues, health, education, housing, energy, climate change, aboriginals, demographic change, transportation and business policy and resource management issues.

A regional policy institute can become a major addition to the region's growing knowledge economy sector. A Northwestern Ontario Regional Policy Institute (NWORPI) can take a number of forms all of which must include partnership links to regional organizations. It can be a consortium of partners, it can be affiliated with the region's post-secondary sector, it can be free-standing or sponsored by government or some combination of these approaches. It would have its own research director and staffing as well as a process for bringing in Research Associates who would bring their expertise to bear on specific research projects or requests from the membership. As well, the institute should have its own advisory board. Its funding could consist of core funding from memberships and donations from regional partners and project driven funding from corporate and public sector sources.

The Institute could be expected to have a core budget in the range of \$375,000 to \$575,000 to start, which would make it a very modest institute by Canadian standards. At the same time, this would represent a major pooling of funds by the standards of Northwestern Ontario.<sup>15</sup> It is probably also astute to focus the initial mandate and scope of the institute on economic and business policy and then add policy areas as the resource

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<sup>15</sup> For example, the "Common Voice" strategy, which was the outcome of the Enhancing the Regional Economy of Northwestern Ontario Committee appears to be proceeding with a planned budget of approximately \$286,500. See *Towards a Common Voice*, Volume 1, Issue 1, August 2007.

base expands. The next step in the creation of a policy research institute for the region requires that stakeholders and partners form an implementation committee to build support for the initiative, explore the options and to pull together the resources to create the institute.

The following general recommendations are offered:

1. ***That a policy institute for Northwestern Ontario be created with a mission to analyze business, technological, scientific, economic and social issues and generate policy advice that can be applied to the region's economy and society.*** A *Northwestern Ontario Regional Policy Institute (NWORPI)*, as well as serving as an arm's length source of policy advice to regional leaders, would serve as a repository of knowledge and data on the region and create a regional research and advocacy voice and serve as another driver of regional enhancement.
  
2. ***That an implementation committee consisting of key regional partners be struck to bring about the creation of the policy institute.*** At this stage, the North Superior Training Board should assume a leadership role in taking on the task of striking an implementation committee given its labour market policy role, its experience in organizing community events and forums, its tradition of engagement and its role in exploring the need for a policy institute. In particular, representation from First Nations communities is paramount at this stage. The role of the implementation committee would be to focus the mandate of the policy institute, ascertain the commitment of regional partners to the project, select an organizational and operational framework and seek funding partners.

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## **Appendix I**

### ***Some Recent Examples of Research Studies and Projects Dealing with Northwestern Ontario***

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