MANITOBA IN THE CENTRAL NORTH AMERICAN TRADE CORRIDOR

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MANITOBA IN THE CENTRAL NORTH AMERICAN TRADE CORRIDOR

A Strategic Plan

by

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1.0 THE PLAN - EXECUTIVE SUMMARY

The Central North American Trade Corridor (CNATC) was organized at the international level in 1991. CNATC-Manitoba joined formally as a chapter in 1994. Owing to a history of involvement, the Rural Development Institute was asked to produce a strategic plan for CNATC-Manitoba. Following extensive consultation with stakeholder organizations throughout CNATC-Manitoba, on-going networking with CNATC-International, and reviews of relevant economic development documents and trade corridor literature, four key principles were identified for the strategic plan:

- Business networking is the best operational structure for CNATC-Manitoba
- Focus should be placed on specific sectors in which Manitoba has strategic advantages and a high level of activity
- Strengthen existing trade linkages is a preferred option
- CNATC-Manitoba’s primary functions is that of coordination of agreed upon activities.

Five major areas of emphasis were identified for activities. These were defined by stakeholder organizations, provincial policy, on-going CNATC activities and review of regional potentials in light of the key principles outlined above:

- Exporting
- Transportation
- Tourism
- Awareness and training
- Linkages

Within this framework the strategic plan is organized into a standardized format that includes 1) review and background for each area of emphasis, 2) overall goal(s), and 3) specific objectives and activities designed to achieve goals.

Goals and Objectives by Area of Emphasis

Exporting

CNATC-Manitoba’s major goal is to increase north-south trade for Manitoba companies. The main premise is that for trade to occur businesses must be able to network along the corridor.

Eight objectives are defined to achieve the goal of increased export trade:

1. **Information dissemination** is needed to provide increased access to export-relevant information, particularly relating to programs and resources available through senior governments.

2. **A Profile of Exporters** will be created to provide a clear picture of who currently is exporting what to where from the CNATC-Manitoba region.
3. A Match-making Program will be designed to provide opportunities for export-oriented companies to make contact with potential allies, partners, suppliers and customers throughout the corridor.

4. The CATALYST Program utilized in the Pacific Northwest region will be adopted to provide an opportunity for export-oriented companies to find new markets for their products.

5. A Rural Exporting Mentorship Program will be instituted to provide information and guidance to companies considering exporting.

6. A series of Exporting in the CNATC Seminars will be organized to provide potential exporters with information on how to increase export trade within the corridor.

7. A Trade Development Network will be established throughout the CNATC to provide ongoing high level and quality information to companies seeking export assistance.

8. CNATC-Manitoba will assist in Coordinating Efforts to Access Government Programs to provide export-ready and export-curious businesses with additional information, resources and finance.

Transportation

The overall goal for transportation is to ensure that exports from the CNATC-Manitoba region are moved effectively and efficiently.

Four objectives are defined to achieve this goal:

1. CNATC-Manitoba will join the Can/Am Border Trade Alliance to provide a forum for addressing border trade issues between the United States and Canada.

2. Inter-provincial trade issues will be addressed by active participants of CNATC-Manitoba with the Committee of Ministers on inter-provincial trade.

3. CNATC-Manitoba will work cooperatively with CNATC-North Dakota to establish a Canada-United States Business Alliance to ensure efficient and effective movement of Manitoba exports into the United States via North Dakota.

4. CNATC-Manitoba will coordinate activities with the Mid-Continent Trade Corridor to ensure utilization of all available transportation routes for exports from the region.

Tourism

The overall goal is to increase revenue from international tourism. CNATC-Manitoba's primary role is to facilitate tourism activities in the region.
Manitoba in the Central North American Trade Corridor: A Strategic Plan

Seven objectives are defined to achieve this goal:

1. An International Tourism Conference will be hosted by CNATC-Manitoba to provide an opportunity for members of the tourism industry to explore opportunities in joint marketing, projects and promotion.

2. CNATC-Manitoba will work with CNATC-International to organize an International Tourism Commission focused on the corridor.

3. Support will be provided to existing Community-based International Tourism initiatives to capitalize on events and activities to attract international tourists to the region.

4. Targeted Joint Marketing activities will be encouraged to increase collaborative tourism marketing among CNATC-International partners.

5. Project Back Home initiatives will be encouraged to expand the number of visitors to the region.

6. CNATC-Manitoba will serve as a Tourism Clearinghouse to ensure distribution of relevant information to appropriate industry participants.

7. CNATC-Manitoba will facilitate the establishment of a Regional Tourism Advisory Council to ensure efficient and effective use of international tourism marketing efforts by communities and businesses in the CNATC-Manitoba region.

Awareness

The primary goal is to increase awareness of CNATC members, partners, goals, and objectives among residents of the region.

Three objectives and actions are defined to achieve this goal:

1. Initiate an Electronic Twin Community Project to create awareness by providing opportunities for school-aged children to have cross culture exchanges.

2. CNATC-Manitoba will institute a Millennium Park Project to provide opportunities for communities to coordinate activities focusing on the trade corridor concept.

3. A Habitat Bike Ride will be organized as an international activity to increase awareness of CNATC throughout the corridor.

Linkages

All CNATC activities focus on establishing linkages that are essential to achieving increased north-south trade in all economic sectors.
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Three objectives are designed to achieve the goal:

1. Increased organizational efforts will result in increasing efficiency in providing information and resources to the members and potential members of CNATC-Manitoba.

2. Improving the knowledge of, and coordinating liaison between organizations with existing alliances, will expand partnerships between CNATC Manitoba and other members of CNATC-International.

3. A collaborative post-secondary education program will be established to provide research support for members throughout the corridor.

Background information is provided for each goal and objective. In most cases, existing organizations, strategies and programs are identified and will serve as models for the design of CNATC-Manitoba initiatives. The goal of achieving greater awareness and establishment of functional partnerships should flow naturally from efforts to institute corridor programs. In this manner, the over-riding goal of increasing linkages for business activity and tourism will be attained through cumulative actions.
2.0 INTRODUCTION

The Rural Development Institute was asked to develop a Strategic Plan for the Manitoba Chapter of the Central North American Trade Corridor. The purpose of the project is to produce a document highlighting the patterns and potentials of the region for export/import trade, tourism and related economic activities. Emphasis is placed on Western Manitoba, owing to the positioning of the corridor, but both data presented and intent are to accrue benefit to all of Manitoba.

The main participants on the project were community-minded individuals (elected municipal officials and volunteers) and resource personnel (paid staff of organizations and departments) whose mandate complemented that of the organization. As an umbrella organization led by volunteers, stakeholders in CNATC-Manitoba often found it difficult to identify with all the components of the strategic plan, but each provided valuable input for specific aspects.

The lengthy process of developing this plan has been of benefit to CNATC-Manitoba. It is now clear that one consistent element in the activities of both CNATC-International and its jurisdictional affiliates (such as CNATC-Manitoba) is a lack of overall direction. Depending upon one's point of departure, either CNATC-Manitoba is a microcosm of CNATC-International or CNATC-International is a macrocosm of CNATC-Manitoba. Regardless, all parts of the organization require agreed-upon direction in order to fulfill their mandates.

The Key Principles presented herein function as guidelines for future activities and direction for the organization. The networks and projects identified reflect some of the existing opportunities.
2.1 Impact of NAFTA on Rural Areas

Change is affecting rural areas in profound ways. We now live in a global village – where products are just as likely to come from around the globe as from down the street. These changes and their effect on rural areas are being identified and addressed by a number of organizations and studies.

2.1.1 The Aspen Institute

A 1993 report from the Institute for Policy Research and Evaluation entitled "Global Squeeze on Rural America: Opportunities, Threats and Challenges From NAFTA, GATT and Processes of Globalization" identified four global trends affecting rural America. Their relevance to the situation in rural Canada and rural Manitoba are clear. These trends are:

**Trade Liberalization.** The opening of markets worldwide through ever lower tariff and non-tariff barriers has reduced the protection long enjoyed by many firms located in Europe, Japan and the United States. Virtually every plant, mill, or nonfarm business in Rural America now faces greater competition from abroad.

**Technological Change.** The revolutionary reductions over the past 20 years in the costs of transportation and communication (whether measured in terms of the cost and reliability of "overnight" shipping or the cost and reliability of facsimile communications) have lessened the need for manufacturing plants or major service centres to be close to either their headquarters or their markets.

**Corporate Restructuring.** There is has been dramatic change in the internal structures of some transnational firms, the "primary globalizing force". They have been moving away from "vertical integration" of all stages of production and moving toward more flexible patterns of "multi-source" international production that require less ownership and more reliance on strategic alliances, short-term contracts, and the shipment of components from many different international sources to as many different markets.

**Competitive Government Policy.** National governments around the world are becoming increasingly - and more consciously - competitive in the design and implementation of policies to enhance their economic growth. Macroeconomic policy in general and industrial policy in particular are now the day-to-day instruments of governments as they seek to encourage economic growth and attract international investment (Glasmeier and Conroy, 1993: 6).

A summary of the same report presents a series of recommendations necessary for "Transforming Rural America for the Age of Globalization". They are:

- Recognize that changes from globalization will be profound.
- Understand the regional impacts of international trade policies.
- Review the effects of federal policy on global competitiveness.
Continuously re-evaluate the conditions under which access to markets is allowed.
Discourage trade that implements the "low road".
Develop a new national information system on global competitiveness.
Encourage the formation of new institutions to enhance productivity.
Stimulate the research most needed for designing global competitiveness strategies.
Redesign national training systems.
Train to benchmark standards, not just to local production needs.
Re-evaluate the local economy.
Redesign state and local economic development policies.
Encourage regional cooperation on new and retained industrial locations.
Involve local community groups in the development decisions.
Integrate comprehensive local assistance efforts.

2.1.2 The Northern Great Plains Development Commission (NGPDC)

The NGPDC was established in 1994 by an Act of Congress of the Government of the United States. This was the third time such a Commission was established for the Northern Great Plains region.\(^1\)
The NGPDC was established to develop a ten-year plan for the development of the Northern Great Plains Region.

The Northern Great Plains Rural Development Act required that the Commission address the growing lack of opportunities in the region for young people; identify actions the region could take to diversify its economy overall and more specifically to strengthen its traditional, natural resource based industries; and assess the role that interactive communications technologies could serve to offset the geographic distance from traditional markets and the isolation that the region has faced (NGPDC, 1996: 3).

The NGPDC identified three challenges facing the region: the increasingly integrated global economy; the technological change to farm practices; and the demand for skilled workers to support growing urban economies.

The work of the NGPDC is important to the CNATC because of the five states that make up the Northern Great Plains Region (Iowa, Minnesota, Nebraska, North Dakota, and South Dakota). Nebraska, South Dakota and North Dakota are part of the CNATC. The similarities between rural Manitoba and the states in the Northern Great Plains also makes the NGPDC work relevant to the CNATC-Manitoba region.

\(^1\) The previous two efforts focused on the Depression of the 1930s and the drought of the 1950s.
The NGPDC completed its work in 1996 and presented a report to Congress in early 1997. The final result of the findings presented...

a picture of a region actively participating in a global economy, a region whose primary marketplace sectors are diverse and thriving in the global marketplace, a region where young people want to work, live and raise families, a region respected for the efficiency, quality and innovation of its governments, and most importantly, a region where all people are sharing in its prosperity and living, working and thriving together as partners (NGPDC, 1996: 1).

2.1.3 Working for Value Task Force and Framework for Economic Growth

The Working for Value Task Force was established in early 1996 by the Manitoba government (Province of Manitoba, 1997). The Task Force’s mandate was to “solicit views from rural Manitobans on increasing value-added exports from rural Manitoba.” The Task Force travelled to 26 rural communities to ask rural Manitobans how they might add value to their local resources and primary products. Through the Task Force meetings, it became apparent that rural Manitobans possess both the awareness of the need to change and the enthusiasm necessary to change successfully.

The Task Force recognized that a number of events have unfolded and trends emerged which are profoundly changing the rural economy. They are:

- Rural population loss
- Reduced farm subsidies
- Western grain transportation and pooling reform
- Trade liberalization
- Effect of trade liberalization on supply-managed commodities
- Dependence on bulk exports

At the same time, the Task Force identified a number of strengths and key opportunities that will form the foundations upon which Manitoba’s rural economy will be restructured. They are:

- Opportunities in key emerging markets
- New trade rules and their effect on competitive position
- Winnport Logistics Ltd.
- Role of marketing boards in producer-owned value-added initiatives
- Livestock expansion and other potential value-added activities.

The Working for Value Task Force was an outgrowth of the Manitoba government’s Framework for Economic Growth: Policy Directions for Manitoba document released in 1993. As the Province’s blueprint for development, the document spends considerable time identifying the global economic trends affecting Manitoba. They are (Province of Manitoba, 1993:2):
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- Globalization of Markets
- Paradox of Global Trade
- Worldwide Trade
- Worldwide Production and Investment
- Growth of the Service Sector
- Rapid Technological Change / Shorter Production Cycles
- Systems/Policy Friction
- Knowledge-Based Competitive Advantage
- Strategic Alliances
- Firm-Created Competitive Advantage
- Environmental Concerns

Many factors, such as the loss of the Crow benefit, the reduction in farm subsidies and the advent of new world trade agreements are creating challenges and necessitating change for the rural Manitoba economy.


In total, the ever-increasing and intricate linkages between global economies and local economies support the need for innovative approaches to rural development. As stated in the Aspen Institute document (Glasmeier and Conroy, 1993: 15) "... rural America will need to develop wholly new approaches to 'selling itself' in the global arena". Rural Canada faces the same challenges.
2.2 Strategic Planning

Strategic planning is an integral part of economic development. It provides government with information essential to making decisions on investment in people, places and activities, with the goal of gaining greatest returns in terms of economic and social development. It also provides stakeholders with a common vision and blueprint for coordinated action. Strategic planning is a complicated exercise that must be completed in an atmosphere of flexibility in design, have a defined and focused mandate, and be accompanied by the will to implement agreed upon policies or programs.

Traditional public sector planning focuses on specific programs. Strategic planning, however, differs in that, although focused on an issue, a holistic approach is used to filter information from a variety of sources in a manner that provides the new insight necessary to adjust to changing circumstances. "Good strategic planning leads people to re-examine their basic premises for decision-making and action..."(Ehrensaft, et al. 1991:29).

A recent exercise involving the Area Development Districts (ADDs) in the State of Kentucky is instructive (Taylor and Freshwater, 1997). The purpose of the planning exercise was to coordinate future economic development in Kentucky's rural areas and communities. Although not considered successful, the lessons learned are important in that failure is ascribed to four overriding factors:

- The regional plans were never melded into a state-wide plan, partially owing to the fact that each government cabinet (department) also devised strategic plans without inter-departmental consultation or integration with ADDs.
- Each separate ADD's plan included an environmental scan and SWOT (strengths, weaknesses, opportunities, threats) analysis, but no over-riding mission statement was forthcoming.
- All strategic plans failed to prioritize goals, producing glorified "wish lists".
- No implementation structure was imposed, and no benchmarks established, obviating monitoring and accountability.

The following "functional lessons" evolved from Kentucky's attempt to create a strategic plan for rural (regional) development (Taylor and Freshwater, 1997):

- A mission statement is an integral component of the strategic plan. Without it, planners do not know what they are striving for, much less how to attain it.
Strengths-weaknesses-opportunities-threats analyses and environmental scans are important, but are rendered ineffective without the prioritization of goals and the creation of benchmarks to assess progress towards goals.

Promoting citizen participation in public decision-making must be accompanied by a commitment to provide more than a token role, and to follow-through on the results. Failure to do so harms future public participation in planning efforts.

All parties involved, including all levels of government, the business community and interested citizens must "buy into" strategic planning.

Not all strategic plans devised in Kentucky measured up to the philosophy or definition of strategic planning. Also, the plans were competitive, incongruent and never coordinated at the state level. Devising a single unified and acceptable strategic plan requires both a sincere commitment at all levels, and incentives to support the exercise and implement the results.
2.3 Trade Corridors

2.3.1 Introduction

If one defines trade as the process of buying and selling goods and services, the place where transactions occur is a corridor of commerce. Accordingly, trade corridors are as old as commerce itself, with many historical examples dating back for millennia. Complex local, regional, nation-state and international trade routes are the norm of human history. Trade patterns change each time geo-political boundaries change, new products or markets are discovered or new alliances are formed. Recent formalization of trade agreements and political alliances such as CUSTA, NAFTA, MERCOSURAL, APEC, EC, and GATT are extensions of historic patterns, albeit complicated by modern transport and telecommunications technology.

Canada has long been a nation dependant on exports. As British and French colonies, raw materials were exported to Europe. With independence, these patterns were augmented by an ever-increasing exchange of products with the United States, evolving into a North American trade bloc. These long-established relationships were formalized and extended to Mexico with the signing of NAFTA, thus extending "preferred nation" trading rights in the North American context. Similar agreements are evolving within and among all regions of the world, reinforcing the human propensity for “trade corridors” as a means to secure or extend economic development and improve the quality of life of citizens.

Although generally negotiated at national levels, trade agreements often are actualized in a regional context. History and "natural" trade flows are evident in the formalization of regional trade corridors that involve north/south international movement of commerce among Canada, the United States and Mexico under NAFTA: For example, Cascadia connects British Columbia with the States of Washington and Oregon; the Rocky Mountain Trade Corridor involves all provinces and states from the Northwest Territories to Mexico City; CUSBA-Niagara involves western New York State and southern Ontario; and the Red River Trade Corridor involves Manitoba, Minnesota, North Dakota and South Dakota. There are many other examples of more localized trade corridors connecting major metropolitan areas or smaller areas within single nations or jurisdictions (Figure 1).

2.3.2 Characteristics of Trade Corridors

International trade corridors in North America have a number of common characteristics:

- They connect two major points (usually metropolitan areas)
FIGURE 1
TRADE CORRIDORS AND ALLIANCES IN NORTH AMERICA - 1997

- C.N.A.T.C. Central North American Trade Corridor
- CNATC Tourism
- P.N.W.E.R. Pacific-Northwest Economic Region
- Cascadia Corridor
- Rocky Mountain Trade Corridor
- U.S. 93 Corridor
- R.R.T.C. Red River Trade Corridor
- N.G.P.D.C. Northern Great Plains Development Commission
- Cap-Am BTA Canadian-American Border Trade Alliance
- C.U.S.B.A. - Niagra Canada-U.S. Business Alliance
- N.A.S.C. North American Superhighway Coalition
- L.E.D.C. Linear Economic Development Corridor
- Greater Austin-San Antonio Corridor
They cross at least one international boundary
They involve parts of several geo-political units (provinces and states)
Areas included often relate to historic trading patterns and natural geographic features
They are controlled by members/stakeholders, not by government, but government support is essential.

2.3.3 Key Components of a Viable Trade Corridor

The State of Arizona has spent considerable resources examining their role in trade corridors. In fact, the State has developed a Free Trade Plan. As part of their work, they have identified what they feel to be the key components of a trade corridor (Arizona, 1993). They are:

- A well-developed physical infrastructure, including highways, rail, air and sea linkages, and ports of entry
- An established commercial infrastructure and appropriate trade incentives, including distribution and warehousing facilities, foreign trade zones, and a harmonized regulatory environment
- A regionally integrated technological infrastructure, including corridor-wide trade databases and electronic bulletin boards
- Business and professional expertise, including customs brokers, freight forwarders, and internationally sophisticated accountants, attorneys, and academics
- Well-developed social, political, and business linkages throughout the corridor.

2.3.4 Typology of Trade Corridors

Trade corridors perform different functions depending on the goals and direction developed and provided by their members. Four major categories can be derived according to dominant activities:

- Transportation corridors
- Business networking corridors
- Regional economic development corridors
- Regional marketing corridors.

Although one approach usually dominates, corridor programs typically involve activities relating to other categories.

Transportation Corridors focus on existing trade routes and the development of new routes to facilitate increased trade. In the United States, many of these corridors are tied to funding derived from the Intermodal Surface Transportation Efficiency Act (ISTEA), which provides significant support to designated international trade transportation routes. An example is Cascadia, where the U.S. Congress has designated the area as one of five regions for a high-speed rail link, connecting Eugene and Portland, Oregon, to Seattle, Washington, and Vancouver, British Columbia (Figure 1).
Business Networking Corridors facilitate private sector trade by providing their members with opportunities to meet, share ideas and pursue business opportunities. The Rocky Mountain Trade Corridor (RMTC) is designed to form networks for member enterprises in the states of Montana, Utah, Wyoming, Idaho, New Mexico, Texas, Arizona, and the Province of Alberta. The corridor hosts two "matchmaker meetings" each year to bring business representatives together (Figure 1).

Regional Economic Development Corridors take the broader view of the trade corridor as part of a regional economic plan, wherein the component jurisdictions work collectively to enhance economic conditions. The Red River Trade Corridor (RRTC), although connected by a natural north/south transportation network, focuses attention on encouraging dialogue on the economic issues and concerns within the region. The Red River region encompasses the states of Minnesota, North Dakota and South Dakota, and the Province of Manitoba (Figure 1).

Regional Marketing Corridors focus on selling their region, both nationally and internationally, through promotion of major attributes. For example, outstanding natural landscapes and high-tech industries are used to market Cascadia as a region (Figure 1).

### 2.3.5 The Central North American Trade Corridor (CNATC)

In response to opportunities afforded by ISTEA, which called for unification of all forms of transportation to expedite trade in a global economy, and specifically targeted existing and emerging trade corridors, a group of individuals in North Dakota initiated the CNATC in 1991. The Minot-based group identified U.S. Highway 83 as the "Heartland's Low Level, Direct Artery of Commerce between Alaska and Mexico" (Pedersen, 1993). The CNATC, in concept, began as a transportation corridor.

The mission statement of the CNATC Association (International) states that it "will act in promoting and developing tourism, trade and commerce throughout the North / South corridor from Alaska and the Port of Churchill through Canada, the United States and Mexico with a focus on rural revitalization" (CNATC-Manitoba By-Laws, 1995). Currently, a number of chapters exist throughout the corridor, in Saskatchewan, Manitoba, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma/North Texas and Coquila/South Texas (Figure 1 and front cover).

CNATC-Manitoba was established as a chapter in 1994, joining other chapters in setting the direction of CNATC-International. Initial Manitoba interest centers in the western and northern parts of the province (the Westman, Parklands and Norman regions). The objectives of CNATC-Manitoba are defined as follows:

- To promote, develop and establish a north/south trade corridor through Manitoba, in association with the United States
- To work cooperatively with other organizations in Canada, the United States and Mexico who have similar objectives to that of the Association
- To share and provide business and trade information relating to the corridor for the mutual benefit of its members and to the public-at-large
- Any other complimentary purposes not inconsistent with these objectives (CNATC-
The Manitoba Chapter is a member of, and has representations in CNATC-International. In turn, regional chapters that form in Manitoba will be associated with CNATC-Manitoba. Membership structure has been defined in by-laws, and a fee schedule established.

CNATC-Manitoba devised a Business Plan in 1995 (CNATC-Manitoba, 1995). Initial program emphasis was placed on tourism and agriculture/agribusiness, which were identified as natural strengths. Associated activities were designed to address known weaknesses in these major industries. Initial plans also included developing partnerships with major organizations in the region which share common interests in the goals of the corridor.

In fact, Rural America will need to develop wholly new approaches to “selling itself” in the global arena.

Global Squeeze on Rural America, Glasmeier and Conroy, 1993:15.
2.4 Challenges to the Process of Strategic Planning for CNATC

The real role of the CNATC-Manitoba Strategic Plan is that of visioning the “New Economy” for the CNATC-Manitoba region.

The reaction of rural areas to the very notion of anything new is often a major barrier to change. This, in and of itself, would likely have been enough to make this project meet with resistance. Add to this the vagueness of the notion of the “New Economy” – and the process is difficult to coordinate. The challenge of covering and serving the needs of a large area with different economic bases complicates matters.

Variation in geography, climate and culture within the CNATC-Manitoba region became obvious as economic bases and regional realities and goals were discussed. This was not surprising, in that the CNATC-Manitoba region was established as a matter of convenience and was based upon existing provincial government regional districts.

CNATC-Manitoba chose initially to work with existing geo-political boundaries and organizations. These organizations typically have well-established histories that have supported a competitive nature among communities and regions rather than one of collaboration. A strategic plan, however, must transcend these issues to provide a broad, flexible approach that not only allows for regional variation, but also helps coordinate actions for the greater good of all partners.

Obstacles that need to be considered in developing an action plan include vast distance and small population, difficult transportation routes, the absence of common regional news media, and the fact that the emerging regional consciousness of community leaders was not widely shared.

Visioning the New Economy in the Rocky Mountain West, 1994: 11

Ironically, some of the biggest hindrances faced by outward-looking rural communities are their old allies - organizations and programs that were created to promote, or prop up, the traditional economic culture and that resist change.

3.0 KEY PRINCIPLES: DRIVING ELEMENTS OF THE PLAN

In order to provide focus and direction to CNATC-Manitoba, four Key Principles were developed and agreed upon early in the process of developing the strategies that make up this plan. Key Principles are important in that they provide the framework through which all activities and decisions must pass. In this way, they function as “commandments” that will help guide the organization’s thoughts and actions.

Getting Down to Business
Our main premise is that for trade to occur, business must be able to network with business. Projects identified will focus on bringing businesses together.

Build on our Strengths
Focus will be on specific sectors where there are strategic advantages and where there is a high level of concentration of activity.

Build Upon Linkages
In many ways, the corridor can be viewed as a chain, with links between jurisdictions. The strongest links of trade are with neighbouring jurisdictions. CNATC-Manitoba’s strongest links are with North Dakota and Saskatchewan. The over-riding focus of linkages is on the development of awareness and on the sharing of information between individuals and organizations to help develop synergies and alliances.

CNATC as a catalyst/facilitator
Consistent with a focus on assisting business, CNATC-Manitoba has neither the resources nor the mandate to get involved at a direct level. It makes more sense to put the tools in the hands of those that can best use them. Simply put, CNATC cannot be the “doer”. CNATC, however, can play a critical role in the coordination of corridor activities.
4.0 THE CNATC-MANITOBA STRATEGIC PLAN

For a plan to be effectively developed, it must have a focus. The focus areas of the CNATC-Manitoba plan are an outgrowth of the background information that was analyzed in terms of trends affecting and occurring in the CNATC-Manitoba region and the framework provided by the Key Principles.

Five major Areas of Emphasis provide the focus of the plan. They are:

- Exporting
- Transportation
- Tourism
- Awareness
- Linkages

The following section contains background on each of the Areas of Emphasis as well as details on the objectives, discussion/background and trends/environmental scan, strategy and action items for each component of the CNATC-Manitoba Strategic Plan.

There are one-story intellects, two-story intellects, and three-story intellects. All fact collectors, who have no aim beyond their facts, are one-story men. Two-story men compare, reason, generalize, using the labors of fact collectors as their own. Three-story men idealize, image, predict; their best illumination comes from above, through the skylight.

Oliver Wendell Holmes
4.1 EXPORTING

4.1.1 Exporting in Manitoba

The Province of Manitoba identified trade as a major component of its “Framework for Economic Growth.” Manitoba’s total exports increased from $3.0 billion in 1988 to $6.2 billion in 1996, an increase of 105 percent. Manitoba industries with the largest trade balance growth between 1988 and 1996 includes agriculture, mineral fuels, food industries, wood industries, furniture and fixtures, paper and allied products, primary metals and electric power.

Although the overall trade balance with NAFTA countries was negative between 1988 and 1996, the most significant positive trade balances occurred in agriculture, mining and electric power – all rural-based industries. The trade balance between Manitoba and CNATC states increased from $64 million in 1988 to $276 million in 1996, led by increased exports to North Dakota, which exceed exports to all other CNATC states combined. In 1996, Manitoba had trade balance surpluses with North Dakota, South Dakota and Nebraska, and deficits with Kansas, Oklahoma and Texas.

4.1.2 Background on Exporters

The Northern Great Plains Development Commission (NGPDC) was established to produce a ten-year development strategy for the Northern Great Plains region (North Dakota, South Dakota, Minnesota, Iowa, Nebraska). In its process, it established a number of Working Groups to examine specific target areas. One of these was International Trade. Given the similar economic situations between Manitoba and the Northern Great Plains area, its findings are instructive in that firms that export provide the following advantages:

- Create jobs - between 15,000 and 20,000 per $1 billion in exports, depending on the industry sector
- Pay better wages than jobs in non-exporting firms - almost 17 percent better - and provide much higher employee benefits
- Have worker productivity rates 30 to 50 percent higher than non-exporters
- Have higher rates of innovation, with exporters adopting new technologies far more frequently and intensely than non-exporters, thus making them more competitive
- Fail one-third less frequently than non-exporters and shrink less than non-exporters during recessionary cycles
- Have annual growth rates 3 to 11 percent higher than non-exporters
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- Have a consistently higher level of employment growth (NGPDC, International Trade, 1996d: 19).

"As a consequence, increasing the export performance of a state's existing businesses is an economic development strategy with far greater long-term payoffs than old-fashioned incentive packages, tax giveaways or real estate development schemes" (NGPDC Int'l Trade, 1996d: 20).

According to the NGPDC Study, there are three fundamental regional barriers to export growth:

- Availability of professional assistance services
- Accessibility of services that are available for firms in the more remote parts of the region
- Acquiring the knowledge about how to begin (NGPDC, Int'l Trade, 1996d: 21)

4.1.3 Overall Goal - Exporting

CNATC's major goal is to increase the amount of north/south trade for Manitoba companies. The main premise is that for trade to happen, business must be able to network with business. Projects identified will focus on this goal.

4.2 Objectives

4.2.1 Objective One - Information Dissemination

To provide increased access to export-relevant information, programs and resources available through provincial and federal governments.

Discussion / Background and Trends / Environmental Scan

Strategy
Develop a trade resource package (similar to Minnesota's) that will also be available "on line."

Action Items
CNATC-Manitoba will work cooperatively with senior governments to collate and prepare a trade resource document that will be available to all businesses.
Objective Two - Profile of Exporters

To obtain a clear picture of who is exporting what to where from the CNATC-Manitoba region.

Discussion / Background and Trends / Environmental Scan
To be able to develop any specific strategies, it is important to have a good understanding of present exporting activities from the region.

There are a number of databases in existence. The Province of Manitoba's Department of Industry, Trade and Tourism has a database of exporters that is available on-line (www.gov.Manitoba.ca/itl), WINExports exists, as do stand-alone databases of businesses developed and maintained by local and regional development agencies (Brandon Economic Development Board and Parkland Community Futures Development Corporation). Although operationing individually, these databases, if combined, do coordinate information about the entire CNATC-Manitoba region.

Strategy
Develop a master database of all exporters from the CNATC-Manitoba region and link this to all other databases in the Province so as to provide maximum utility and derive maximum benefit for the entire economy.

Action Items
Cooperate with existing development agencies and government departments to ensure completeness, consistency, non-duplication and maintenance of databases.

Objective Three - Matchmaking Program

To provide opportunities for export and export-oriented companies to make contact with potential allies, partners, suppliers and customers throughout the corridor.

Discussion / Background and Trends / Environmental Scan
The best way to get business working with business is to show them an opportunity to increase profit. A Matchmaking program will develop linkages via the use of trade shows, trade conferences and other planned fora. The Rocky Mountain Trade Corridor has operated a similar program for a number of years from the Alberta-Montana area to the Camino-Real area. It is their main activity and allows the organization to be the only trade corridor that evolved to operations based solely on membership fees.

Strategy
Implement a Matchmaking program similar to the project being utilized by the Rocky Mountain Trade Corridor.

Action Items
Get detailed information on the Rocky Mountain Trade Corridor “Matchmaking” program and devise a similar program for the CNATC.
4.2.4 Objective Four - CATALIST Program

To provide an opportunity for export and export-oriented companies to find new markets for their products.

Discussion / Background and Trends / Environmental Scan
CATALIST is a proven program used in the Pacific Northwest Economic Region (PNWER) and claims to provide up to 20,000 trade leads a month to clients and members.

Strategy
To investigate the use of CATALIST for the entire CNATC region.

Action Items
Get detailed information on the CATALIST Program and work with the CNATC-Manitoba Board in developing proposals for use. Present the CATALIST proposal to the CNATC International Board of Directors for corridor-wide adoption.

4.2.5 Objective Five - Rural Exporting Mentorship Program

To provide information and guidance to companies considering exporting via a vehicle that will be well-received and relevant to the prospective company.

Discussion / Background and Trends / Environmental Scan
This objective is based on the premise that business learns best from other business. This mentorship program will team up a potential exporter with a currently-exporting company in the same product and/or market area. The Alliance of Manufacturers and Exporters is a well-established organization and can benefit from partnership by increasing membership and gaining higher visibility in rural Manitoba.

Strategy
Implement a Rural Exporting Mentorship Program.

Action Items
Contact relevant partners, including the following:

- Prairie Implement Manufacturers Association (PIMA)
- Alliance of Manufacturers and Exporters
- Manitoba Marketing Network
- Department of Rural Development (REA Program)
- Network of Community Enterprise Development Centres
- Benchmark with other CNATC jurisdictions on this project to expand the Mentorship Program to inter-provincial and international linkages.

4.2.6 Objective Six - Exporting in the CNATC Seminars

To provide potential exporters with information on exporting within the CNATC region.
Discussion / Background and Trends / Environmental Scan
Information and knowledge provide opportunities previously unseen or unmet.

The CITD (Center for International Trade and Development) at Oklahoma State University has developed a training continuum that can help clarify roles and needs. The export-readiness of firms can be estimated on a scale of 1 to 100, from “new to export” firms to those “exporting.” New to Export firms would receive training programs oriented toward awareness. Networking of exporters and resources is the second step on the scale, and facilitating is the final step. A parallel part of the continuum shows how different agency providers fit various roles and actions during the development process.

Strategy
Develop a series of exporting seminars relevant to business on the opportunities and challenges one is likely to encounter when exporting within the CNATC region.

Action Items
Develop inventory of existing export assistance programs and seminar resource materials from Manitoba, Saskatchewan and elsewhere in Canada that would be relevant to businesses in the CNATC-Manitoba region. Correspond with other CNATC jurisdictions regarding their resource packages and seminar resource materials.

4.2.7 Objective Seven - Trade Development Network

To provide a high level and quality of information and service to companies looking for export assistance.

Discussion / Background and Trends / Environmental Scan
Assistance to exporters in rural areas is not provided at a frequency or with the detail that equates with that provided in an urban area. By “teaming up” with Saskatchewan, rural Manitoba will see a higher and more relevant level of service.

Research conducted on other rural regions of the CNATC indicates that access to export assistance in rural areas is fundamental. A Huck Boyd Institute (Kansas State University) study recommends the establishment of a High Plains Trade Development Network, which would be “a multi-state supported entity that would provide trade leads and customized assistance to SMEs, help in marketing products, and do export-related research and assistance.” It also recommends the holding of “a multi-state forum to share examples of regional models of trade development which are working and could provide guidance for a trade network for the future” (Wilson, 1994:25).

The Northern Great Plains Development Commission Report's International Trade Work Group recommends the establishment of a Northern Great Plains Research Institute. This Institute would be a virtual center that would conduct trade research and development functions that are above that of the abilities of individual states. The Work Group also identifies a number of challenges to this type of collaborative activity: “Despite extraordinary similarities in their leading export sectors, their leading export markets, and the leading barriers to trade growth, there are practical,
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political, and financial limitations to regional action on international trade development" (NGPDC, International Trade Work Group, 1996d: 22).

Strategy
To work with partners in Saskatchewan to provide joint training and technical assistance for current and potential exporters.

Action Items
Establish formal working relationships with CNATC-Saskatchewan, Kansas State University the Northern Great Plains Development Commission and similar programs and institutions throughout the CNATC region.

4.2.8 Objective Eight - Coordinate Efforts to Access Government Programs

To provide export-ready and export-curious companies with access to additional information, resources and finances that relate to exporting.

Discussion / Background and Trends / Environmental Scan

The Canada Community Investment Plan (CCIP) was a Canadian program designed to help new export companies gain access to financing and other resources. It was based on a double matched 2:1 federal:local split. The maximum amount of federal funding was $600,000 over five years. Unsuccessful applications were made by agencies and organizations in the CNATC-Manitoba region. It is felt that an organization such as CNATC-Manitoba may have the "critical mass" in terms of population and diversity of industries to be successful in accessing future funds from similar programs. A program such as CCIP would help provide a focus for CNATC-Manitoba by providing program-specific funding. The initial CCIP Program expired in 1997.

Strategy
That CNATC-Manitoba make application to any future programs such as the Canada Community Investment Plan. That CNATC-Manitoba approach the Department of Western Diversification as a potential partner in a rural investment pilot program similar to CCIP.

Action Items
Identify partners that will be part of securing local funds as part of federal or provincial matching programs in the future. Develop a fundraising/marketing strategy to be presented to various partners (eg. banks, brokers, exporters, government agencies, economic development agencies, Community Futures, Keystone Agricultural Producers) and seek participation of identified partners.
4.3 Transportation

4.3.1 Transportation in Manitoba

In 1995, 65 percent of all Manitoba exports to the United States were shipped by road, 15 percent by rail and the remainder by other means (pipeline, mail etc.). More than 2,100 owner-operators of motor carriers of freight in Manitoba reported $250 million in operating revenues, $158 million in spending revenues, $40 million in salary and wages and 3,500 full-time employees in 1994. Four of the eight States in the CNATC ship 95 percent of Manitoba's imports by road. Being intricately tied to the CNATC by north-south highways, Manitoba's trucking industry plays a major role in movement of goods.

4.3.2 Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA)

On December 18, 1991, the President of the United States signed the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) providing authorizations for highways, highway safety, and mass transportation for the next 6 years. Total funding of about $155 billion was available in fiscal years 1992-1997. The purpose of the Act is clearly enunciated in its statement of policy: "to develop a National Intermodal Transportation System that is economically efficient, environmentally sound, provides the foundation for the Nation to compete in the global economy and will move people and goods in an energy efficient manner." The provisions of the Act reflect these important policy goals.

Among the major features of ISTEA legislation was the call for the development of "A National Highway System, consisting primarily of existing Interstate routes and a portion of the Primary System...to focus Federal resources on roads that are the most important to interstate travel and national defense, roads that connect with other modes of transportation, and are essential for international commerce."

The federal government in the United States provides 80 percent of transportation funding through initiatives such as ISTEA. As such, it is highly competitive and heavily pursued by all state and local governments. The release of the ISTEA legislation in 1991 spurred a number of regional initiatives in the United States in an effort to be touted as a "NAFTA Highway" and secure federal funding for highway improvements.

The CNATC was started in an effort to secure ISTEA funding. While no funds have yet been secured by the CNATC, ISTEA is due for renewal and review, and new legislation (with accompanying programs and guidelines for funding) is likely to come forth in 1998.

While no such funding or program has been or is likely to be announced by the Canadian government, there is no doubt that transportation policy can and does influence development patterns. As well, it is apparent that there are a number of initiatives that can be undertaken to enhance and assist transportation efficiency for those in the CNATC-Manitoba region. The following section outlines some of the actions necessary to enhance transportation efficiency for Manitobans.
4.3.3 Overall Goal

To ensure that Manitoba exports are transported efficiently and effectively.

4.4.1 Objective One - Can/Am Border Trade Alliance

To provide assistance to Manitoba-based companies in alleviating international border crossing issues.

Discussion / Background and Trends / Environmental Scan

There are two international border crossings within the CNATC region - Canada/United States and United States/Mexico. In order for goods and services to move efficiently and effectively from Manitoba through the CNATC, there must be involvement from Manitoba in addressing international border crossing issues.

The Can/Am Border Trade Alliance (Can/Am BTA) exists for the purpose of resolving border crossing issues. CNATC-Manitoba should join this established and well-recognized organization and assist corridor members and partners by representing their concerns through Can/Am BTA.

Strategy and Action Items

- That CNATC-Manitoba should join the Can/Am Border Trade Alliance.
- That CNATC-Manitoba encourage CNATC-South Texas to join the U.S./Mexico Border Trade Alliance, and that dialogue be maintained between the two organizations regarding border crossing issues.

4.4.2 Objective Two - Inter-Provincial Border Issues

To ensure efficient and effective inter-provincial movement of Manitoba exports.

Discussion / Background and Trends / Environmental Scan

As documented in many reports, and in conversation with industry representatives who are active exporters, it is apparent that the inter-provincial barriers are more-restrictive than international barriers for many products.

Strategy

CNATC-Manitoba should assist Manitoba-based companies in alleviating inter-provincial border crossing issues.

Action Items

CNATC-Manitoba should make presentation to, or have representation on the Manitoba contingent of the Committee of Ministers on Inter-provincial trade.
4.4.3 Objective Three - Canada-United States Business Alliance

To ensure efficient and effective movement of Manitoba exports into the United States via North Dakota.

Discussion / Background and Trends / Environmental Scan
North Dakota is one of Manitoba's largest trading partner. Many Manitoba exports that are destined for parts of the United States and Mexico enter the United States in North Dakota. The busiest International Port of Entry in the CNATC-Manitoba region is located at Boissevain (#10 highway). International Business Alliances such as the Canada-United States Business Alliance / Niagara Region (CUSBA-Niagara) have proven to be effective and useful organizations in identifying and solving border dispute issues.

Strategy
That CNATC-Manitoba work with CNATC-North Dakota in establishing a Canada-United States Business Alliance for the CNATC.

Action Items
Benchmark with existing CUSBA organizations. Identify key stakeholders including the following:

› Canada Customs
› Provincial Department of Highways
› Federal Department of Transportation
› Manitoba Truckers Association
› Customs brokers

Organize meetings of key stakeholders and business interests to identify the most important border-crossing issues.

4.4.4 Objective Four - Mid-Continent Trade Corridor

To ensure efficient and effective movement of goods from Manitoba to and through the United States and to Mexico by networking with and utilizing all available transportation routes.

Discussion / Background and Trends / Environmental Scan
All reports on transportation identify the main issue affecting the efficient movement of goods by transport carrier to be the standardization of weight and dimensions among various jurisdictions.

Strategy
CNATC-Manitoba should work with the provincial Department of Highways in seeking a standardization of weights and dimensions throughout all states and provinces in CNATC.

Discussion / Background and Trends / Environmental Scan
The Mid-Continent Trade Corridor is an organization working on securing designation as a NAFTA
superhighway from Mexico to Manitoba via U.S. highways I35, I29 and Manitoba Highway 75. MCTC has Manitoba membership from both the Province of Manitoba and the City of Winnipeg. In order for the issues and concerns of rural Manitoba business to be heard, it is felt that participation by CNATC-Manitoba is essential.

Strategy
CNATC-Manitoba should make presentation to and have representation on the Manitoba contingent of the Mid-Continent Trade Corridor.

4.5 TOURISM

4.5.1 Tourism in Manitoba

The international definition of a tourist is anyone 80 kilometers or more away from home. Tourism is defined as the practice of people traveling outside of their home communities for rest, recreation, sightseeing or business. The tourism industry is comprised of many types of businesses, organizations and activities, including tourism attractions, promotion, infrastructure, hospitality and services. In Manitoba, tourism is viewed as a partnership between the private sector and various levels of government. Three of Manitoba’s eight tourism regions lie within the core CNATC area - Western, Parkland and part of the North of 53 regions.

Tourism has been identified as the second most promising area of opportunity for development by rural Manitoba communities. “Rural Manitobans see Manitoba as having enormous potential to develop a vibrant and prosperous tourism industry. They also feel that a broad strategy for tourism should be developed to improve cooperation and coordination among communities and regions toward tourism promotion; to develop a more targeted approach to marketing ... tourism products and services to markets such as the United States and Asia; and to identify and coordinate resources and activities at all levels in support of rural tourism (Working for Value, Province of Manitoba 1997:28).

4.5.2 Trends in Tourism

Tourism has been a relatively stable industry in Manitoba, but is subject to annual and short-term variation owing to external influences. For example, the balance in tourism trade has shifted noticeably with changes in the value of the Canadian dollar during the 1990’s, and the Red River flood of 1997 affected tourism during spring and early summer of that year. Over time, about 80 percent

“Manitoba’s tourism sector is critical to the provincial economy, contributing more than $1 billion in annual revenues and employing more than 50,000 people. With their simple beauty and abundant natural features, Manitoba’s rural areas hold enormous potential for tourism development.”


“Tourism will be encouraged within [CNATC Manitoba] and its surrounding area in ways that will attract more tourists, increase their lengths of stay, increase the amounts of money they spend here and ensure that any adverse social, economic, and/or environmental effects are minimized as a result of activities to improve tourism.”

of traveler volume has been comprised of Manitoba residents traveling away from their home area, with other Canadians (approximately 13 percent) and Americans (approximately 8 percent) accounting for most of the non-Manitoba component. Travel from the neighboring provinces of Saskatchewan and Ontario accounts for most other Canadian tourism. Predictions are that these trends will continue, and that moderate annual increases will occur in the tourism industry.

4.5.3 Overall Goal

To generate increased revenue from international tourism visitors. The main focus for this industry fits best with the role of CNATC-Manitoba as a facilitator. It is important that CNATC-Manitoba provides information, coordinates initiatives, and identifies opportunities for those in the tourism industry as it relates to international tourism.

4.6.1 Objective One - Peace Garden International Tourism Conference

To provide an opportunity for those involved in the tourism industry to network and explore opportunities in joint marketing, projects and promotion.

Discussion / Background and Trends / Environmental Scan

Existing tourism industry associations and organizations have indicated that there is no exchange or opportunity for exchange of information or ideas among related organizations throughout the corridor. There is a need by tourism operators to have information on what the trends and opportunities are throughout the corridor.

The International Peace Garden is a unique tourist attraction that is owned by both Canada and the United States. It is marketed as an attraction by both Manitoba and North Dakota. As such, it is representative of the current tourism marketing efforts of and by these two jurisdictions and is an example of the problems with current tourism marketing efforts. Rather than market the Peace Garden together, each jurisdiction markets it separately. Joint marketing would allow for efficiencies and a stronger presentation of this unique tourism product.

Preliminary discussions have already taken place with administration at the Peace Garden and they have indicated that they are willing to work with CNATC in hosting an International tourism conference in 1999.

This venue, and the proposed timing, also would provide an opportunity for CNATC to promote the Millennium Park Project discussed elsewhere in this document.

Strategy and Action Items

That CNATC-Manitoba present this project to the CNATC-International Board of Directors.
That CNATC work with the International Peace Garden in developing and promoting an International Tourism Conference in 1999.
4.6.2 Objective Two - International Tourism Organization

To facilitate and encourage the development of discussions and partnerships concerning tourism between CNATC-Manitoba and other CNATC jurisdictions.

Discussion / Background and Trends / Environmental Scan
Tourism development and marketing has long been the responsibility of government. Policies often were developed without consultation of those in the industry. In recent years, new forms of industry-driven tourism organizations have developed. These organizations have strong representation from the private sector and are more of a “joint venture” between government and business. Most of the projects undertaken by these new organizations are in the areas of marketing, and researching new markets. Projects often are cost-shared. This produces a win-win situation: business is able to benefit from the technical and financial support of government and government is able to benefit from industry expertise. Examples of these new forms of organizations are the Canadian Tourism Commission (CTC) and the Tourism Alliance for Western & Northern Canada (TAWNC).

Manitoba has experienced similar developments, with the dissolution of TIM (Tourism Industry of Manitoba) and the emergence of regional tourism associations comprised of both industry representatives and community stakeholders. While organizations have been established at the regional, inter-provincial, and national levels, there is no parallel organization to coordinate marketing activities in the CNATC-International region.

Strategy
That CNATC facilitate the development of an International Tourism Commission with a mandate similar to that of the CTC and the TAWNC. While the Commission could initially provide first-stage linkages with Saskatchewan and North Dakota, it should be seen as a corridor-wide initiative and be developed accordingly.

Action Items
Benchmark with CTC and TAWNC.
CNATC-Manitoba to initiate meetings of stakeholders and tourism officials from Manitoba, Saskatchewan and North Dakota to discuss mutual interests and projects.

4.6.3 Objective Three - Supporting Existing Community-Based International Tourism Initiatives

To capitalize on events/activities that attract international tourists to the region and increase revenue from these visitors.

Discussion / Background and Trends / Environmental Scan
In recent years, a number of the larger communities in the CNATC-Manitoba region have been successful in targeting and attracting a specific group to their area. These include motor-coach and camper caravans (such as Wally Byam Caravan). In addition, there are a number of destination events that currently attract international tourists (such as CountryFest in Dauphin and
Classic Rock Weekend in Minnedosa). As well, major national and international sporting events (such as World Curling and Canada Summer Games) have been hosted by communities and regions in CNATC-Manitoba and have proven to be an internationa' tourism attraction. Building upon earlier discussions about limited appeal of area attractions and limited resources for marketing efforts, it is logical for CNATC-Manitoba tourism efforts to initially market themselves to tourists who have already decided to visit a certain region. Further, it is logical that CNATC-Manitoba would support any bids to attract such groups/activities/events.

**Strategy and Action Items**
That CNATC-Manitoba support and partner with efforts to target and attract specific groups/activities/events that attract International Tourists, and that CNATC-Manitoba support the pursuit of such International Tourism bids/proposals.

**4.6.4 Objective Four - Targeted Joint Marketing**

To encourage collaborative tourism marketing among CNATC-International partners.

**Discussion / Background and Trends / Environmental Scan**
Tourism has been identified by all partners and regions in CNATC as a major area of emphasis for the organization and its members. The product mix of tourism assets throughout the CNATC is remarkably similar and common. This should not be surprising, as CNATC was established based on similar geographic, social and cultural constructs (see Joel Garreau’s *Nine Nations of North America* for more details).

While many of the destination areas in the CNATC region are themselves not enough to attract large numbers of tourists, the opportunity does exist to combine and package tourist destination areas/activities/events to the benefit of all partners.

Accordingly, it is necessary for CNATC jurisdictions to partner and combine resources to attract more tourists to the CNATC region, rather than use the existing limited resources in tourism marketing in competition with each other.

The opportunity exists for partnerships to be developed that would enhance the tourism product that is being marketed, thereby increasing the tourism experience for the visitor.

The Canadian Tourism Commission has done a substantial amount of work in developing Product Clubs. The CTC's Product Club Program is designed to help small and medium size businesses create partnering alliances, regionally and nationally. These alliances will develop new tourism products, improve existing products, and enhance the attractiveness of Canada as a tourism destination.

Initial areas that appear to warrant attention include: aboriginal tourism, agri-tourism and sport fishing. Other areas will emerge as discussion progresses.

**Strategy**
That CNATC-Manitoba assist in the development of programs similar to the CTCs Product Club
Program for the CNATC.

Action Items
Initiate meetings of Industry associations from relevant jurisdictions.
Get participating jurisdictions to identify key sectors, targets and growth areas for tourism.
Identify opportunities for partnership between Manitoba and other CNATC jurisdictions in targeting specific markets.

4.6.5 Objective Five - Project Back Home Initiative

To expand the number of visitors from existing markets that comprise the largest segment of tourists to Manitoba from within the CNATC region.

Discussion / Background and Trends / Environmental Scan
The most common market of visitors to Manitoba from other parts of the CNATC region is that of "Visiting Friends and Relatives" (VFR). At present, despite this market being substantial, there is no direct or targeted effort to attract this type of visitor to the CNATC-Manitoba region.

Project Back Home is a Cooperative based out of North Dakota that consists of communities and community-based organizations. It "offers a mechanism for identifying former residents who are interested in returning to North Dakota as entrepreneurs, employees, industrial developers, investors, tourists or retirees." It uses alumni lists from area high schools as its database.

Project Back Home is a useful vehicle for a targeted marketing campaign for attracting a large tourist market. This service could be provided by CNATC-Manitoba to member communities at a cost. This would encourage the purchase of memberships into the organization.

Strategy
That CNATC-Manitoba investigate ways of capitalizing on and expanding tourist markets.

Action Items
That CNATC-Manitoba develop a program similar to that of Project Back Home.

4.6.6 Objective Six - CNATC-Manitoba as a Tourism Clearinghouse

To ensure distribution of relevant information to appropriate industry participants.

Discussion / Background and Trends / Environmental Scan
Access to information is seen as a barrier by rural business. Often, this scenario is the result of an overall lack of information exchange and dialogue from both partners in tourism — government and the private sector and from competitiveness, rather than cooperation among private sector interests.

Recently, the Manitoba Department of Industry, Trade and Tourism established the Manitoba Tourism Advisory Council to help facilitate collaboration and a team approach to tourism marketing
activities.

There is a need for an effective and ongoing dialogue between government and the private sector in terms of tourism initiatives and activities that relate to the CNATC-Manitoba region and to CNATC-International.

**Strategy and Action Items**
That CNATC-Manitoba facilitate tourism development by becoming the point-of-first-contact for all partners in the tourism industry involving the CNATC region, and that an organization similar to the Manitoba Tourism Advisory Council be established in the CNATC-Manitoba region.

**4.6.7 Objective Seven - Inter-regional Coordination**

To ensure efficient and effective use of international tourism marketing efforts of communities and industry sectors in the CNATC-Manitoba region.

**Discussion / Background and Trends / Environmental Scan**
Building upon the Working for Value Task Force findings and its recommendation “That coordinated regional strategies for developing tourism in Manitoba’s rural areas be formulated”, it is evident that there is a need for coordination at a multi-region level.

The Manitoba Tourism Advisory Council appears to be fulfilling the role of a coordinating body for provincial tourism initiatives.

It is important that the efforts of all partners involved in tourism from the community and regional level can be taken to the next level and be incorporated into a larger plan, but one that is still directed by the stakeholders it serves.

**Strategy**
To coordinate, where relevant, the marketing initiatives and activities of communities and industry sectors from within the CNATC-Manitoba region through a vehicle similar to, and in partnership with that of the Manitoba Tourism Advisory Council.

**Action Items**
That CNATC-Manitoba facilitate the establishment of a Regional Tourism Advisory Council in the CNATC-Manitoba region.
4.7 AWARENESS

CNATC-Manitoba and its International umbrella have not established a high level of awareness amongst either the general public or the key stakeholders identified as critical to the success of the organization and its goals. The organization has worked slowly in both getting established and in focusing its mandate during its first five years of existence. Often, a lack of coordination between the CNATC-International body and its jurisdictional affiliates (such as CNATC-Manitoba) created a situation where potential partners and players in the organization were presented with incomplete information. This created a problem with credibility – something common to new, primarily volunteer, organizations.

4.7.1 Overall Goal

To increase the awareness of the CNATC, its members, its partners and its Key Principles.

4.8.1 Objective One - Electronic Twin Community Project

To create awareness by providing opportunities for school-aged children to have cross-cultural exchanges.

Discussion / Background and Trends / Environmental Scan

Lack of knowledge about neighbouring areas is a major obstacle to increased trade activity. This project will help break down some of those barriers as well as create new bonds between schools and students in the CNATC-International region. This will be important in establishing the future of north/south trade.

One of the foundations upon which the CNATC is built is the Internet or "electronic highway." CNATC (located at www.tradecorridor.com) has been promoting the marketing and dialogue opportunities of the Internet since the organization's inception. While homepages and advertising on the Internet have been reasonably successful, the dialogue / discussion groups on specific sectors/topics has not achieved expected results.

Both the provincial and the federal governments, through the Community Access Program (CAP), have worked hard over the past few years to provide community-based access to the Internet for rural areas.

This project provides an opportunity to increase the awareness and profile of CNATC among school children. It also will provide a focus for school-based Internet activity and allow for further application of and examination of trade-related issues in other school settings, thereby increasing the general knowledge base and trade intelligence of today's youth and tomorrow's future.

Strategy

That CNATC-Manitoba actively promote the "Electronic Twin Community Project" concept between Manitoba communities and communities throughout the CNATC, through schools in the region.
**Action Items**

CNATC-Manitoba to obtain approval for the project from the CNATC-International Board.
CNATC-Manitoba to develop promotional package and send to every school in CNATC-Manitoba region.
Through the CNATC Home Page, students to locate "twin."

**4.8.2 Objective Two - Millennium Park Project**

To provide opportunities for communities in the CNATC region to have a community activity focusing on the trade corridor concept.

**Discussion / Background and Trends / Environmental Scan**

Despite change in focus of CNATC-Manitoba activities from community-based to business, there is still a need to provide an opportunity for communities to get involved in the trade corridor concept.

The Province of Manitoba (along with the State of North Dakota) is home to a unique monument to peace, trade and goodwill – the International Peace Gardens.

The Province of Manitoba also is in the process of identifying projects that can be undertaken by Manitobans to celebrate the millennium. One of the projects identified is a Millennium Park Project. The park, developed by the community, is meant to represent where Manitobans saw themselves at the millennium.

This project also has tourism potential. A "passport" book that would identify the location and features of each park would be developed. Tourists would be encouraged to visit the park and get a "stamp" from that community.

Preliminary discussions have taken place with members of the province's Millennium Project Committee about the idea of promoting the Millennium Park Project in Manitoba and possibly throughout the CNATC.

**Strategy and Action Items**

That CNATC-Manitoba pursue the Millennium Park Project as a CNATC facilitated project.

**4.8.3 Objective Three - Habitat Bike Ride**

To partner with a major international event/activity that will increase awareness of CNATC and encourage participation from a wide range of potential partners at the international, national, state/provincial/ regional and local levels including: sponsors; media; business; tourism associations; chambers of commerce; communities; and citizens.

**Discussion / Background and Trends / Environmental Scan**

CNATC's early focus was exclusively on Highway #83 and on obtaining funding for road improvements. The CNATC-International Board of Directors has discussed and examined a number of events/activities that were transportation-related that would have raised the profile of
the Highway. Most of these focused on using transport trailers and going from Alaska to Mexico to try and raise awareness of Highway #83 as an alternate transportation route for large trucks and to encourage truckers to travel this route.

Habitat for Humanity (an organization that helps provide homes for the needy through a combination of volunteer efforts and sweat equity of the new homeowner) has a fundraising event where people get sponsors for a long distance bike ride. The most recent one was from Winnipeg to Atlanta.

CNATC has identified tourism as a major thrust of the organization. Many communities also have tourism as a major focus of their local economic development activities.

A Habitat Bike Ride through the CNATC would raise awareness of CNATC while, at the same time, add to both the tourism activities and potential tourism visitors in the region.

Preliminary discussions have already taken place regarding this idea with staff at Travel Manitoba.

**Strategy**
That CNATC-Manitoba work with other CNATC partners in securing a Habitat Bike Ride for summer of 1999.

**Action Items**
Promote idea to stakeholders in CNATC region.
Work with Travel Manitoba in assembling proposal on Habitat ride.

### 4.9 LINKAGES

Building on the image of CNATC as a chain made up of a series of links, the strength of those links are a critical factor to the success of CNATC efforts.

A major focus of this strategic plan concerns the need for linkages: linkages between businesses, communities, regions, provinces, states and nations.

This section identifies some of the other linkages that are viewed as important and supportive to already identified plans and actions.

#### 4.9.1 Overall Goal - Creating Linkages

All CNATC activities should focus on establishing linkages that are essential to achieving increased north-south trade in all economic sectors.
4.9.2 Objective One - Information and Resource Dissemination

To increase the efficiency of CNATC-Manitoba in providing information and resources to its members and potential members.

Discussion / Background and Trends / Environmental Scan

The statement "no man is an island" is a fitting description of the arena of International Trade. Business often is developed through face-to-face meetings, and thus requires personal contact.

CNATC-Manitoba can play a key role in linking and facilitating the interaction of both individuals and organizations currently involved in or considering international trade. Rather than viewing other related interests as competition, CNATC-Manitoba should seize the opportunity to develop synergies between CNATC-Manitoba and related organizations.

Participation in CNATC should include a wide range of "partners." As such, any effort to develop and strengthen linkages to assist in the development and activities of CNATC must involve a variety of areas, sectors and opportunities.

CNATC-Manitoba's role as a facilitator for provincial activities can be expanded to the entire organization as CNATC-Manitoba becomes more involved with new partners.

Strategy

That CNATC-Manitoba become involved in like-minded organizations and form alliances that are appropriate to its provincial functions.

Action Items

That CNATC-Manitoba obtain or develop a "key list" of organizations with similar objectives and contact them to examine potential alliances.

4.9.3 Objective Two - Sharing Resource Information

To increase the opportunities for sharing of resource information on International Trade.

Discussion / Background and Trends / Environmental Scan

At present, there are a number of trade alliances that are established by states throughout the CNATC area. These alliances are partnerships between neighbouring states, are usually informal and tend to focus on education and research, trade activity and missions, and training and assistance for exporting.

Strategy

That CNATC-Manitoba maintain active contact with, and pursue partnerships where desired with
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all trade alliance groups in the CNATC-International region.

Action Steps
Develop an inventory of existing alliances and a description of their mandates, activities and accomplishments.

4.9.4 Objective Three - Collaborative Post-Secondary Education

To increase the opportunities for joint research projects between research entities at universities and colleges throughout the CNATC-International region.

Discussion / Background and Trends / Environmental Scan
There is a real need for study and research related to development in rural areas. The Northern Great Plains Development Commission acknowledged this fact in their 1996 report and called for the establishment of a Northern Great Plains Research Institute.

Acknowledging that “information is power” the CNATC member jurisdictions possess a vast amount of knowledge that is not effectively shared. There are a number of rural-based research organizations in operation throughout the corridor.

Some steps have been taken towards establishing a cooperative research and education network. Early plans of CNATC-International focused on establishing a “Virtual Think Tank” that would encourage sharing of information and joint research projects amongst research institutes in the corridor. The Rocky Mountain West Study (1994) focused on the Rocky Mountain Trade Corridor Region and the Aspen Institute hosted a think-tank in 1993 entitled “Global Squeeze on Rural America: Opportunities, Threats, and Challenges From NAFTA, GATT, and the Process of Globalization.” In 1995, the Rural Development Institute (RDI) of Brandon University and the Huck Boyd Research Institute of Kansas State University signed a Memorandum of Understanding (MOU) to cooperate in all matters of mutual interest. In 1996, RDI along with the Canadian Rural Restructuring Foundation hosted a conference at Gimli, Manitoba entitled “NAFTA and the New Rural Economy,” which focused on international trade and rural society.

Strategy
That CNATC-Manitoba, in partnership with the Rural Development Institute of Brandon University, host a meeting of all university-based research organizations in the CNATC-International region with an interest in International Trade.

Action Items
That RDI identify all related research organizations.
That RDI host a “think tank” in 1999 modeled after the Rocky Mountain West Study.
5.0 REFERENCES


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