

Newfoundland and Labrador Rural Dialogue Discussion Document

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This document has been prepared at the request of the Government of Newfoundland and Labrador. It represents a brief synopsis of a range of issues identified as important for the sustainability and development of rural Newfoundland and Labrador. Small-group consultations were held with members of Memorial University, the Federal Government and the Provincial Government. Time constraints leading to the Rural Dialogue meeting mean that the consultation process was not comprehensive, nor is the report based on any original research or data analysis. As will be apparent, most of the issues are not new and there is significant overlap among many of those identified.

This report is not intended as a 'solutions' document. Its purpose is not to offer recommendations, rather it is hoped that this paper will foster more extensive discussion, research and analysis, leading to a shared commitment to action amongst those with an interest and commitment to rural sustainability in Newfoundland and Labrador.

The authors are grateful for the contributions of those who participated in the consultations, but the opinions expressed in this document are those of the authors.

Issues Identification in Rural Newfoundland and Labrador

Some economists argue that success in the global economy requires innovative knowledge clusters, which are only sustainable in cities of over one million people. By this definition Newfoundland and Labrador doesn't seem to have much chance for future sustainability. The success of small jurisdictions, such as Iceland, however, suggests that there are factors at work beyond simply that of size, which are necessary for economic sustainability and a high quality of life.

Similarly, recent debate in Canada suggests that only our "big cities" drive wealth creation and that is where the focus of infrastructure development spending should be. By this measure, Montreal, Toronto, Vancouver and the Calgary-Edmonton corridor are where the future prosperity of Canada lies; the "urban" or "cities and communities" agenda as it is variously known, has, of late, become an important plank in federal policy thinking, perhaps to the neglect of rural areas which nonetheless still have an important role to play in the national economy and Canada's identity.

While domestic politics and the resulting policies and resource allocations have an impact on economic development, so do global trade and competitiveness issues, and resource access, efficiency and productivity issues of the sectors that predominate in rural areas. The reality of rural population decline, relative to Canada's urban areas, is a reflection of the combined impact of these and other local, national and international forces. The focus here, however, is on those issues that are province-specific, either in terms of trends or characteristics, or that are within provincial management jurisdiction.

It is important to be clear about how we define rural areas. Statistics on population growth in Canada demonstrate that while most rural areas are growing, their growth is not keeping pace with that of Census Metropolitan Areas (CMAs) – urban centres, with neighbouring communities, where over 50 percent of the labour force commutes to the main centre, and which have a population of over 100,000. Many 'rural' communities fall within CMA areas, and these are leading population growth relative to the urban core of most cities. The donut around cities, not the cities themselves, is where population is growing the fastest across Canada. St. John's and the surrounding cities and communities of the North-East Avalon make up the only CMA in Newfoundland and Labrador, and this area is the closest to an 'urban agglomeration' that the province has. Agglomerations bring the benefits of economies of scale for service provision, opportunities for specialized labour forces, and clusters of firms which interact to create new products and services, driving innovation. The presence of a university with significant research and development capability is a key component of these 'learning regions.'

Statistics Canada also uses a cut-off of 10,000 or more people to distinguish "rural and small town Canada" from larger centres. By this definition, Corner Brook and Grand Falls-Windsor are the only communities not classified as rural and small town outside the Avalon Peninsula. Each of these centres has its own catchment area of neighbouring communities that bring some agglomeration benefits to all concerned. In other areas, such as Conception Bay North, while no one municipality has over 10,000 people, there is a

cluster of communities that offer some of the characteristics and benefits of agglomeration.

For rural and remote areas that are not adjacent to urban centres, the picture is generally very different. Service provision is more costly, tax bases are weaker, specialized labour is harder to find and retain, and firms have to look farther afield to find inputs and to access markets. Youth out-migration is the norm, and combined with declining fertility rates, fewer young families exacerbates population decline.

This does not mean that all rural areas are less productive in terms of their economic contribution. Resource industries have been required to adopt the latest technologies in order to compete. Communities with successful fisheries, mines, and forest operations may well continue for years to come. Their populations, while declining relative to previous levels, will still require infrastructure and services to ensure their economic sustainability as well as ensuring an acceptable quality of life for their residents. While aggregate statistics for all rural areas highlight overall population stagnation or decline, there are some communities and groups of communities that defy these trends.

Governments have committed significant resources to support local business and community development efforts, although there is always debate as to the right approach. This is no different than elsewhere. Economic development requires a mix of private sector entrepreneurship, community capacity, and appropriate policies and programs to create an environment for wealth creation.

Newfoundland and Labrador has many strengths on which to build. These should not be lost sight of in the discussion of the issues we are facing. We can learn much from what we have done in the past as well as what we are now doing. We can also learn from experience elsewhere and there are many good examples of learning exchanges, study missions and the like in the province today. That said, our economy and society face considerable challenges that must be clarified and addressed if we wish to succeed in creating viable and sustainable rural communities.

Policy is the basis for definite action; government's way of implementing its values, trying to achieve its visions, exercising prudence, facilitating change and otherwise imposing principles and rules on its actions. The purpose of this document is to highlight a number of basic issues that would inform development-related policies in Newfoundland and Labrador.

General:

Issue – what can we learn from others?

Many of the problems facing rural Newfoundland and those facing a small economy generally are not unique. Demographic trends being experienced here are common throughout much of the western world. Problems facing rural economies are even more widespread. While comparative analysis has to be approached cautiously, there is much to be learned from experience elsewhere, for example, how do other jurisdictions, faced with the problem of limited financial resources, decide how to allocate funds for rural services and infrastructure – what might we learn from such experience?

Similarly there are new industrial processes, service delivery options, infrastructure provision arrangements and other innovations that we need to be aware of and take advantage of if we hope to remain competitive and our communities sustainable. Government may not have the resources to undertake some of the necessary research. Among the policy issues related to this are consideration of what research needs be done and whether it would be done in-house or in closer collaboration with industry and post-secondary educational and research units.

Issue – getting the message out.

There is a considerable database on the current and potential future state of the Newfoundland and Labrador economy and society. While some of that information may not be very palatable to some communities, some may illustrate what individuals and communities have done to help themselves. If a collaborative decision-making environment is to be fostered, this information needs to be shared and the implications understood by all interested parties.

Issue – not re-inventing the wheel.

In developing policy under a new government there is a danger that the perceived need for change could lead to the abandonment of existing ‘good practice’ and the disbanding/reorganization of structures and organizations that have taken a long time to establish and grow. Most policy issues have lengthy shelf lives, though their relative importance may change over short timeframes. While change to accommodate new priorities and to address effectiveness issues will be necessary, it is important to identify and ensure the continuity of existing organizational and programmatic strengths.

Issue – it is easier to see the threats than the opportunities.

The history of many communities was built on the availability of or access to natural resources. Many of those earlier comparative advantages have since disappeared. For many communities alternatives to traditional livelihoods are difficult to identify, and many individuals have too much material and personal investment in those activities and places to either want to change or to easily be able to do so. Not everyone will be able to

continue to do what they have always done in the place that they want to do it. There is a need to understand what the economic and social situation is, how it is likely to develop, what the implications are, and what decisions have to be made. A realistic evaluation of these questions may be difficult, but it is essential.

This said there are real opportunities in rural Newfoundland and Labrador, though not every place will be able to take advantage of them. Not every coastal community will be able to have a viable fish plant, not every community will be able to develop tourism as part of its economic base, not every community will be sustainable. However, where there are strengths to be utilized and opportunities to develop, policies are required to ensure that local entrepreneurs, community organizations and others involved in community development have the occasion and resources to make the most of them.

In many communities discussions about the current realities are already happening, this will need to be developed.

Federal-Provincial Relations:

Issue – harmonization of community economic development efforts.

The days of federal/provincial cost-shared agreements seem to have gone. Conflict between federal and provincial agencies over development philosophies and strategies is divisive and detrimental to rural and urban development in the province. Development of trust, mutual respect and a common community development policy that is specific to the needs of the province is essential.

Urban v Rural or Urban/Rural policy:

Issue – separation of rural and urban issues.

While some issues have greater relevance and resonance in rural areas, to separate rural from urban issues is to create a false dichotomy; development policy needs to recognize and promote the symbiotic relationships between them. Lack of trust between rural and urban constituencies is a long-standing barrier that needs to be overcome. The policy focus for decision-making might well be framed in an 'urban-region' context to ensure that the implications for both are recognized and understood. A policy focus of this type has implications for the role of municipalities in the governance and development process.

Demographic Context:

Issue – current and projected demographic conditions

There is considerable data available that describes the current and projected demographic character of the province. However, the debate on what these data mean and what can/needs to be done about the situation has not taken place in any general or comprehensive fashion. The future geography of the province is likely to be dominated by the greater St. John's region, and those urban centers located mainly along the Trans-Canada Highway (corridor development is already recognized and capitalized on in the Halifax –Moncton area).

Aging populations and declining numbers characterize the demography of most smaller rural places in the province. Under present and expected future conditions some communities will survive, many will not. The issue is at the heart of many infrastructure and service provision decisions. As such the 'do nothing' policy option is not applicable. The 'actively engage' option will, on the other hand, require hard, politically difficult decisions. Collaborative and transparent decision-making processes are seen as essential in any policy formulation.

Economic Development Policy:

Every government since Confederation – and before – has wrestled with the effort to close the economic development gap with the rest of Canada. There have been improvements, but the seasonal nature of much of the fishery on which many rural communities have depended, combined with decline in stocks, have limited improvements in rural employment rates and wealth creation. Other resource-based sectors show varying degrees of vulnerability to the vagaries of world markets, but in all cases the need to increase productivity has resulted in reduced employment opportunities, particularly for less-skilled workers. While the oil and gas industry has nominally catapulted the province to the front ranks of GDP growth, it has demonstrated that economic growth does not equate with economic development – particularly, in this case, for rural areas.

Issue – what is government's economic development philosophy?

Is provincial government development philosophy about maintaining the economic, social and cultural *status quo* as best as possible, is it about developing a competitive and sustainable economy at the risk of losing much of the 'traditional' nature of our economy and society, or is it about something else? On the one hand the "adjustment" philosophy focuses on how communities, regions and sectors can adapt to current (primarily adverse) demographic and economic conditions, while on the other the 'development" philosophy emphasizes the opportunities of which particular sectors and communities might take advantage. The two philosophies are of course not mutually exclusive and a middle ground position is perhaps most likely. Whichever philosophy is adopted there is a need

for all those at interest to be aware of and, if not agree on, at least have participated in the development of the philosophy adopted. Without a clearly articulated philosophy derived from a collaborative and transparent decision-making process there may be little hope for buy-in from those who have to implement the process and those who have to live with its consequences. The policy issues are those concerning how best to determine, articulate and implement that development philosophy.

Issue – economic diversification

Diversification efforts have ranged from traditional, incentive-based “smokestack chasing,” providing elected officials with ribbon cutting opportunities but few long-term successes, to small-scale development in emerging industries, which show great promise but have little impact on short-term employment and export figures. Business Retention and Expansion Programs (BR&E) – adopted from the United States – have introduced a new approach to working with existing businesses. Investments in Research & Development at Memorial University and the related cluster of innovation players in the St. John’s area have shown successes in advancing new technology companies, but few of these locate to rural areas. A hand-full of provincial tourism anchor destinations are generating viable economic activity, usually on a seasonal basis, and tourism supplements local economies on a small scale throughout the province, though the degree to which it can provide the economic base for sustainable populations where there are not other exporting industries remains doubtful. Finally, information technology has been identified as a prerequisite for entrepreneurs and firms to succeed in the new economy, but access to high-speed connectivity is limited in rural areas and private sector provision is unlikely where population dispersion raises provision costs and mitigates returns on investment.

Many communities are dependent on a single employer or a single sector. If communities are to be sustainable full-time employment in a diversified range of activities appears necessary. Achieving such a goal can conflict with policies and strategies designed to “keep people in place.” Infrastructure investment decisions may deliberately or unwittingly foster maintaining the *status quo* rather than supporting competitive and sustainable communities. While diversification is essential, not all communities are equally capable of doing all things. The policy issue is an ongoing one, that of how to identify investment opportunities that have the potential not simply to diversify economic activity, but to contribute to the sustainability of local economies. The second part of the question is how best to allocate limited resources among competing alternatives.

Issue -- need for sector-specific policies and priorities

Many of the province’s traditional economic sectors and activities are either in decline, demonstrate limited growth potential, or are extremely vulnerable. In the case of the fishery for example, while crab and shrimp have provided very considerable economic contributions over the past decade there is now greater dependence on these species than there used to be on groundfish. With shrimp prices low and indications that crab stocks could well decline over next few years (Dunne Report), the fishery appears to be

extremely vulnerable. At the same time there appears to be no common vision for what the fishery should look like in the future. Developing such a vision would provide the basis for future policy. The precarious nature of the fishery suggests that policies to avoid another potential collapse are essential. Equally important is policy to deal with collapse, should that unfortunate event occur.

Development of policy and priorities for other sectors is similarly important. Many issues are already being explored, for example the need to capture greater benefits from offshore oil and gas resources, while others might warrant closer scrutiny such as the consideration of the role of arts, heritage and tourism in the economic development process.

Issue – access to capital for rural entrepreneurs

The inability of rural entrepreneurs to access sufficient capital for business development and innovation is a recurring theme. In recent years this appears to have become more problematic with increasing closures of bank branches in rural areas and banks becoming increasingly risk-averse to investment in rural enterprises. Community Business Development Corporations (CBDCs) while once “lenders of last resort” to rural entrepreneurs may now be the only significant lending sources.

Where investment capital is available it is often destined for job maintenance rather than new job creation. While this may be essential to retain and stabilize the economic base of rural communities it may limit opportunities for innovation. Other related issues include the fact that venture capital sources appear less interested in small-scale investments, which may in fact represent the best opportunities in rural areas. Generating investment through the community capital concept has yet to get off the ground. The policy issue is one of how to increase access to capital for rural entrepreneurs.

Governance:

Issue – coordination of development activity

There is a need to ensure that development-related activity is coordinated among provincial agencies and organizations, among federal agencies and between provincial and federal agencies and organizations. An analogy with some truth envisions a federal-provincial rowboat some of the occupants of which have their oars in the water while others do not, and with those that do pulling in different directions. Establishment of a common development policy basis and coordination of development activities in tune with that common policy is a basic governance challenge.

Issue – participation and decision-making

In some aspects of governance there has been significant development in how to consult, how to build consensus, how to deal with conflicting interests and how to make choices

among competing values and policy preferences. Learning how to do this is an ongoing process. Participation and decision-making can be thought of as a pool that needs to be both deeper and wider; the tools to help improve the consultation and decision-making process must be further developed, and their adoption by all government departments and agencies must be encouraged.

Issue – is bigger (and more centralized) always better?

In times of fiscal restraint the reaction is often to consolidate facilities and services in the name of efficiency and cost saving. While there may be some merit in the approach, the economic savings achieved often may be offset by the social costs. In some cases it may be possible to achieve desired goals in other ways. In health care, for example, the difficulties of maintaining physicians in rural areas might in part be addressed through greater use of nurse practitioners and para-medical personnel. The service provided would be different from that currently offered, but in some respects service delivery might be significantly improved at lower cost. Similarly, with access to improved communications technologies alternative means of delivery of education programs may be preferable to increased school consolidation and longer and longer student busing requirements.

The issue is one of finding innovative ways to deliver necessary services in acceptable fashion in affordable ways. As noted earlier, this is a problem faced by many other areas. There should be much to be learned from experience elsewhere. The policy question relates to how to determine which innovative approaches are appropriate to the province and how to implement them.

Issue – the organizational structure for regional development planning

The province's approach to community and regional development is now in question. The new Provincial Government has created a Rural Secretariat, and retained a rural mandate in the Department of Innovation, Trade and Rural Development, but it has not endorsed the network of Regional Economic Development Boards (REDBs) established in 20 economic zones throughout the province. While national and international researchers have studied the zone process and endorsed it as an example of good practice in regional community cooperation, rural capacity building, strategic planning and priority setting, support for the zone process within the province remains muted.

REDBs point to numerous economic development successes, usually advanced in partnership with other local organizations, but contend that there is lack of commitment to the process and the structure by provincial politicians and senior public servants. The zone process called for the negotiation of performance contracts to establish areas of shared priorities by the federal and provincial governments and REDBs, and while the performance contract mechanism has been followed administratively, there has been little evidence of provincial priorities being implemented consistent with the agreed upon priorities.

Among government bureaucrats, REDBs, and hence the Zone process, is regarded as having enjoyed very mixed success. A few Boards have been successful in developing a vision and plan for their region and facilitating its implementation, while others are still in the capacity building stage, and yet others have still yet to develop their mandate. There is a sense that the maturation process of many REDBs has slowed significantly with several Boards still having yet to find their “proper place,” and perhaps waiting for outside direction in order to do so.

If the task of the Boards was to facilitate and to lead economic development in their regions, a number have not been able to do this, instead becoming “one amongst many” development agencies and organizations. For some, internal difficulties have meant that leadership initiatives have not been taken, for others development visions may have been developed, but absence of financial independence may have limited their ability to do very much. Those still at the capacity building stage remain concerned primarily with the planning process than developmental outcomes. Many Boards appear to have become administrators of development applications rather than vision developers.

The relevant policy issues relate to whether the province will commit to the REDB process as the primary tool for the delivery of ‘bottom-up’ driven development and build on the existing structure or adopt an alternative development philosophy and organizational structure. In either case the collaboration of other federal agencies, provincial organizations and the communities themselves would appear to be essential for success.

Social Development:

Issue – integrating social and economic development

Newfoundland and Labrador has been a leader in Canada in advancing social development in a manner that recognizes the need to integrate it with economic development. The Strategic Social Plan (SSP) has led to the establishment of six SSP Coordinating Committees to enable representatives of Health Boards, School Boards, Regional Economic Development Boards and municipalities and others to share information and advance pilot projects on priorities relating to the integration of social and economic development. A nationally recognized set of indicators has been established, the Community Accounts, to benchmark and monitor progress in advancing desired outcomes. Re-organization of social services and human resource development has also led to more active approaches to labour market development. The new government has endorsed the work of the SSP and merged it with the new Rural Secretariat to advance this effort. The question remains one of how to best integrate social and economic development.

Human Resources Development:

A skilled labour force is the key to competitiveness in a knowledge-based economy. As young people leave their communities and regions to pursue higher education, most do not return, if only because the jobs they have trained for do not exist there. The College of the North Atlantic and Memorial University offer many programs with expertise geared to the needs of rural Newfoundland and Labrador, yet employers often complain they cannot find the skills they need. Like rural and remote areas across Canada, Newfoundland and Labrador receives very little immigration to compensate for residents who move away. Efficiency and productivity gains in the resource sector enables economic production to be maintained, and even increased, with few workers, but it does require a core of workers and managers better trained than in the past. If the service sector in rural areas does not have opportunities for health, education, recreation and other professionals, the quality of life will suffer, further exacerbating the challenge of attracting knowledge workers in all sectors.

The federal and provincial governments commit significant investments in this area, although national guidelines under funding mechanisms, such as the Labour Market Development Agreement, limit flexibility in adapting supports to local conditions. In the recent budget, the provincial government reduced the number of employees and offices of the Department of Human Resources, Labour and Employment in rural areas. While the integration of social and economic development is advanced as the key to success for programming, REDBs have seen supports from the LMDA re-directed unless they focus on the supply of workers to the economy, while downplaying the need to link supply with the demand for workers.

Issue – current and future trades skill shortages

With an aging population and fewer trained skilled workers staying or available in the province there will be increasing difficulty in maintaining and servicing public and private equipment and infrastructure. Similar problems elsewhere in Canada are likely to drive wage rates up in other provinces, adding further incentives for qualified Newfoundlanders and Labradorians to leave the province. What policy initiatives will provide workers with the skills required and then provide them with the incentives to keep them in the province?

Issue – the export of the post-secondary trained workforce

Students need to leave rural communities to obtain their education/training in larger urban centers. They are then often unwilling or unable to go back. Many cannot find work in the province and leave for the mainland. Many of these do not return.

People have always been one of the province's most important exports. Stemming that outflow has been a question that has vexed all provincial governments. Only the creation of long-term, well-paid jobs seems likely to have any significant effect on out-migration.

Issue – attraction of skilled international migrants

Newfoundland and Labrador is not on the radar of most immigrants. Given the high skill levels of many immigrants and the difficulties that many have in finding employment commensurate with their education and skill levels once they arrive in Canada, there may be opportunities to address shortages of some skilled/professional/entrepreneurial workers in rural areas through proactive immigration strategies. While this has not had a high priority in the province in the past it may now be time to explore such a policy option. Any such approach would require collaboration with federal immigration authorities and those professional organizations requiring worker accreditation.

Issue – need to address particular needs of aboriginal groups

There is a growing need to ensure the productive and sustainable social, economic and political development of aboriginal groups within Newfoundland and Labrador. Aboriginal populations represent the only demographic category (other than the aged) whose numbers are growing. At the same time their economic and social development shows very mixed experience with some very significant issues that need to be addressed. What provincial policies are appropriate to address the long-term problems in Natuashish? What are the policy implications of the ratification of the Inuit land claim agreement?

Infrastructure and Services:

The reductions in the number of employees and offices in the Department of Human Resources Development are just one of many provincial and federal government cuts that have impacted rural areas in recent years. The federal government's success in tackling deficits in the 1990s was achieved largely through service reductions and reduced or re-structured arrangements for transfers to provincial governments. These have in turn resulted in reductions to municipalities and other organizations and recipients of federal and provincial programming. The federal government's "Cities and Communities" agenda recognizes the fiscal, infrastructure and other challenges that have resulted from these reductions, although provincial jurisdiction for municipal government presents a significant barrier to systematic reforms across Canada.

In Newfoundland and Labrador, as in most other provinces, there are significant challenges in providing an equitable level of services to dispersed communities. Even Ontario and Alberta have recently had task forces or rural development strategies recognizing the exclusion of rural areas from provincial growth and prosperity. For Newfoundland and Labrador, the reality of scarce fiscal resources requires difficult choices to be made. Targeting expenditures to areas offering the greatest prospects for growth and sustainability is, by default, picking winners and losers. By diluting investments to provide a "fair share" to all areas, however, insufficient resources may be allocated to any area to have a significant impact. The strategic economic plans of REDBs were intended to provide regionally-developed lists of priorities for economic

development and infrastructure investment, but there is little evidence of the federal and provincial governments basing their investment decisions on these plans.

At the municipal level, Newfoundland and Labrador has advanced significantly in the past twenty years, but the province still has many communities with no form of incorporated local government. Recent changes in provincial legislation provide the Minister responsible for municipalities with unprecedented powers to impose regional service provision. While regional cooperation in municipal services is an obvious direction to achieve economies and efficiencies, top-down initiatives are likely to set back what sense of local democratic efficacy has developed to date. Since the top-down amalgamation efforts of the mid-1990s, there have been no policy advances to encourage regional cooperation of municipal service provision.

Issue – relationship between infrastructure provision and development

“Basic” services in rural areas, including water, sewer, and roads are in many cases either not there or are declining in quality because of insufficient funding for maintenance and upgrading. At the same time significant attention is being given to the provision of broadband infrastructure which is seen as “the great equalizer” in terms of allowing many businesses to operate in rural areas. The policy issue here appears to center on the question of the timing and role of infrastructure in the development process -- to what extent is infrastructure a pre-requisite for development or can infrastructure investment occur concomitantly with identifiable development opportunities and whether the cost of infrastructure investment is justified by its economic and social returns. In the latter case, for example, there still appears to be a significant gap between the provision of broadband infrastructure and its utilization as a business development tool.

Issue – infrastructure affordability

Current federal cost-sharing funding arrangements place a greater burden on communities to share in the cost of new infrastructure. Many communities (rural and urban) already have significant deficits and cannot afford their share of infrastructure costs. As a consequence they are not in a position to upgrade facilities and related services making them less competitive and viable in the longer term. The policy issue here centers on how best to help and how to determine which communities to help in terms of infrastructure funding.

Issue – infrastructure allocation rationale

Related to the above is the determination of decision principles for infrastructure investment. Are the objectives to maintain rural populations or in promoting those areas with competitive and sustainable potential? Implicit in either objective is the reality that resources are scarce and that there will be winners and losers in the allocation decisions.

Issue – coordinated decision-making

Decisions relating to the provision of different infrastructure and services should not be made in isolation from one another. The policy issue is associated with creating an environment for coordinated decision-making and the need to eliminate ‘decision-making silos.’

Issue – collaboration in infrastructure use and service delivery

In rural areas much of the most advanced communications technologies is found in the schools. Greater collaboration among different service providers in the use of infrastructure could see increased access to and utilization of educational, library, social, recreational and other services. The policy issue here is associated with encouraging collaborative thinking and planning of services and infrastructure.

The Voluntary Sector:

Issue – the role of volunteers in the development process

The Community Services Council, the Strategic Social Plan and other processes have recognized the significance of the voluntary sector in Newfoundland and Labrador. The federal government has highlighted the significance of the ‘social economy’ in the development of sustainable communities. For many rural communities, however, youth out-migration, cuts in government services and an aging population is leading to a smaller pool of volunteers. ‘Volunteer burn-out’ is a common concern in all areas of the province. Not only does the voluntary sector contribute significantly to health, education and social services, but it also contributes to recreation and other aspects of community quality of life. With reduced government services and an aging volunteer base the prospects for the volunteer sector in rural areas are in question. The policy issue is how best to capture and maintain the strengths of the voluntary sector.

The Environment:

Issue – fostering environmental values

Newfoundland and Labrador is often associated with pristine natural conditions. Unfortunately, easy access to natural resources has often bred a lack of respect for the sustainability of the natural environment. Inadequate or inappropriate water and sewer systems in many rural areas have led to potable water problems and pollution of bays. Land fill management has been poorly planned in most rural communities. Resource developments have often been pursued with little regard for the long-term impact on the environment.

Federal and provincial regulations and environmental impact assessment processes have improved approaches in recent years. Opportunities in tourism have increased awareness of the economic value of a clean environment, in addition to the health and intrinsic

quality of life benefits. Federal supports for municipal ‘green projects’ and efforts to meet climate change targets present opportunities for the private and public sectors to adopt current ‘best practices,’ for improved management of local resources, as well as to advance opportunities for sustainable development that may result in new, commercial products and processes. The policy issues in part revolve around creating an ‘environmental culture’ which includes making the business case for a sustainable environment, and providing the tools and funding to achieve environmental sustainability.

Attitude and Commitment to a “Way of Life”:

Issue – maintaining our identity

When all is said and done, a community and the individuals and families who constitute it, are more than an economic, social and environmental ‘policy’ issue. Newfoundland and Labrador is recognized nationally and internationally as a place with a distinct identity and culture. Most economic development approaches today recognize the significance of ‘social cohesion’ and a commitment to place as a critical aspect of long-term sustainability. Newfoundland and Labrador does not lack for social inequities and conflicts. The re-structuring of resource sectors, cut-backs in government services and rural out-migration, amongst other forces, are exacerbating tensions in our society. Despite these issues, there remains a generosity of spirit, a sense of humour, and an appreciation of a distinct history and culture that unites Newfoundlanders and Labradorians in a way few other peoples enjoy.

Rural Newfoundland and Labrador is a critical and inextricable component of the province’s way of life. Propping up unsustainable rural communities as cultural artifacts would not likely appeal to anyone. But in the establishment of political and social priorities, that condition decision-making on an ongoing basis where there are always multiple and often conflicting policy objectives, a commitment to rural Newfoundland and Labrador needs to be expressed and prioritized.

By establishing a Rural Secretariat and by maintaining a rural mandate in the Department of Innovation, Trade and Rural Development, the current government has seemingly endorsed this commitment. Without clarifying the level of priority and the mechanisms and criteria by which it will be operationalized, however, this commitment is purely symbolic.