COMMUNITY ECONOMIC DEVELOPMENT ON THE BONAVISTA HEADLAND, NEWFOUNDLAND: PERCEPTION AND PRACTICE

BRENT T. SMITH
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COMMUNITY ECONOMIC DEVELOPMENT
ON THE
BONAVISTA HEADLAND, NEWFOUNDLAND:
PERCEPTION AND PRACTICE

by

Brent T. Smith

A thesis submitted to the
School of Graduate Studies
in partial fulfilment of the
requirements for the degree of
Master of Arts

Department of Geography
Memorial University of Newfoundland

May, 1997

St. John's
Newfoundland
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0-612-34229-8
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Abstract

There are hundreds of small, single-industry fishing communities dotting the coastline of Newfoundland. The vulnerability of these communities became terribly apparent in 1992 when the Atlantic groundfish stocks, upon which so many of these communities depended, collapsed. The subsequent groundfish moratoria left some 32,000 fishers and plant workers in Newfoundland unemployed and called into question the very survival of nearly 400 small fishing communities. This thesis examines how people from seven different communities in one region of Newfoundland, the Bonavista Headland, are responding to the crisis through community economic development (CED) activities.

The perceptions of local Key Development Players (KDPs) regarding how to achieve successful community development were identified using a combination of questionnaires and personal interviews. These perceptions were then compared with a normative model of successful CED which was developed from the relevant literature. Comparisons of CED approaches were also conducted among communities of different sizes and industrial function and among different groups of KDPs using decision tree analysis, a multivariate method of analyzing group differences.

While there is some evidence of CED taking place on the Bonavista Headland, generally speaking most KDPs have not adopted the principles of community-based development. Many continue to see economic development as something which is done to a community rather than something done by the community. Significant differences were noted among KDPs with one group (development workers) standing out as the only group truly advocating the principles of CED. Far fewer differences were noted among the different communities in the study area.
Acknowledgments

I'd first like to thank my supervisor, Keith Storey. Thank you Keith for your advice, instruction, patience and good humour. Also thanks to my committee -- Jo Shawyer, Alistair Bath and Greg Kealey for your timely feedback and constructive criticism. I owe a very big thankyou to the Eco-Research project for funding my research and for providing me with office space and technical support and for allowing me the enriching opportunity of working in an interdisciplinary environment.

Sincere thank yous also go to the good people of Keels, Duntara, King's Cove, Bonavista, Catalina, Little Catalina and Port Union for your time and cooperation, for letting me into your homes, offices and lives, and for showing me a rugged, spectacular and beautiful landscape, a warm and inviting culture and a fascinating way of life.

To my office mates and friends Ian and Scott, I hope you’ll pardon my unbridled enthusiasm, but guys ... "allow me to be blunt" - I couldn't have done it without you! Thanks for all the laughs and for keeping it all in perspective for me - if you will! To the gang at Bitters - cheers! Thanks to Jim, Ralphie, Medina, Thomas, Skippy, Gabby, Squiggy, Yvonne, Neil, Kelly and the rest. Slopping beer was never more fun! A special thanks to my good friend Dominic for being such a strength over those rough times, to my parents for being so absolutely amazing through the years and finally to Christina .. you have been wonderful sweetheart. Thank-you for your love, support and understanding through this time.
Chapter I

Introduction
1.1 Statement of the Problem and Research Objectives

On July 2, 1992 the Canadian government announced an initial two-year moratorium on the northern cod fishery. Since that time further moratoria and quota reductions have come into effect for most remaining groundfish activity in Atlantic Canada, including jigging for fish for personal consumption - an activity which heretofore had been considered an inalienable right. These moratoria formally announced the collapse of groundfish stocks in the region and the beginning of what is likely to be a period of fundamental transition in the Newfoundland fishery. At this time there is little indication as to when any significant level of renewed activity in the groundfish fishery can be expected.

Groundfish, especially cod, is the foundation of Newfoundland's economy and society. It was the basis for European settlement in the 17th and 18th centuries and although the range of species caught has increased to include flounder, redfish, turbot, capelin, crab, lobster and scallops, cod has been the single most important species in terms of volume of landings and employment, if not value. In 1990, prior to the moratoria, the fishing industry directly provided 12.5 percent of the total jobs in the province, employing some 17,000 active fishers and approximately 27,000 plant workers (Newfoundland 1993).

The raison d'etre for many Newfoundland communities is the fishery. The Task Force on Atlantic Fisheries (Kirby 1982) identified 628 small fishing communities in Newfoundland of which more than half had essentially single-sector economies, with fishing and fish processing employing more than 30 percent of the labour force.¹ Now,

¹ One of a number of definitions used by the Department of Regional Economic Expansion (Canada 1979) in their study of single sector communities.
with their main industry, or in many cases their only industry, gone many of
Newfoundland's outport fishing communities face an extremely uncertain future.

A number of federal support programs have, at least in the short term, mitigated
some of the more disastrous effects of the moratoria. The Canadian government
responded to the crisis in the Atlantic groundfisheries with three separate programs:

• Northern Cod Adjustment and Recovery Program (NCARP): 1992-1994;
• Atlantic Groundfish Adjustment Package (AGAP): 1993; and,

Fishery workers directly affected by the moratoria received, among other things,
retraining and financial support through these programs. Currently, TAGS is the only
program still in operation with some 28,000 Newfoundland fishery workers receiving
support (Canada 1995a). However, even though the program was intended to be in
effect until 1999, the greater than expected number of recipients has meant that funding
will be exhausted by the end of 1997.

The federal support provided under TAGS has bought time for many of
Newfoundland's fishing communities. The most pressing question, however, is "how
much time?" Considering the federal government's pledge to reduce spending, it is
unknown what, if any, support program will follow TAGS after its probable 1997 sunset.
With the scheduled termination of the program imminent, there can be little doubt that the
most profound impacts of the moratoria are not far off.

Even in the unlikely event that the stocks do make a full recovery, some sort of
continued government support will undoubtedly be required. It is estimated that under a
full stock recovery scenario, the fishery of the future will only support approximately half
of those it did in the late 1980s (Cashin 1993). This would leave approximately 14,000
additional people unemployed in a province that already has the highest unemployment
rate in Canada.
It is apparent that if Newfoundland's fishery outports are not only to survive, but also to become viable, sustainable communities, they will need to respond to the current crisis by initiating fundamental change. Through necessity, Newfoundland's small, single industry fishing communities will need to decrease their dependence on the fishery and diversify their economies through the development of alternative income and employment-generating activities. The purpose of this thesis is to examine the ways in which communities in one region of Newfoundland, the Bonavista Headland, are responding to the crisis through community economic development (CED) activities.

CED in rural areas is no easy task. For every rural community that successfully develops and diversifies its economy, there are many others that continue to decline (Young and Charland 1992). Some approaches to CED have met with greater success than others. The conceptual framework of this research is based on a model of 'successful' CED. The model was developed from a review of the community development literature and it presents an approach to CED based upon the principles and characteristics that have been attributed to successful development in other rural areas. This model serves as the basis for examining the approach to development which communities in the Bonavista region are currently practicing.

There has been little in the way of actual development which has occurred in the Bonavista region since the moratoria. Development prior to the fisheries collapse was almost always related to fisheries enhancement projects such as wharf repair, or projects with purely social enhancement objectives such as recreation centres and baseball diamonds. Community economic development is a time-consuming process in the best of cases and considering the relative paucity of local experience in economic diversification exercises, it is not surprising that now, almost five years since the northern cod moratorium, development still remains in the preliminary stages. In light of this reality, the research focuses not so much on actual developments which have occurred, but rather on...
the local perceptions of what successful development is and how the region should go about achieving it. The subjects of the study are those individuals in the study area who are thought likely to have the most influence over development in their community. This group is here termed "Key Development Players" (KDPs) and includes: local politicians, community development workers, local businesspeople, and local volunteers in the development process. The term Key Development Players was selected over other possibilities such as "community leaders" because of the importance of including those people who may not possess a formal leadership role in the community, but who are nonetheless important opinion leaders and respected players in the informal social relationships within the community or important segments of it.

There are three main objectives that guide this research:

1) To identify what KDPs perceive as being the most important elements in achieving effective community development and to compare these elements with a normative model of successful community economic development.

2) To examine differences in the perceived importance of the various elements of economic development success among different communities in the region.

3) To examine differences in the perceived importance of the various elements of economic development success among different groups of people within the region.

There are also five central assumptions under lying the research:

1) The groundfish stocks will not return any time soon.

2) The fishery of the near future will not support the numbers it once did.

3) Fishery dependent communities will need to diversify their economies or they will not survive.
4) There is a genuine desire on the part of the communities to perpetuate their existence.

5) Any development which has occurred since July, 1992 is considered a 'response' to the moratoria.

1.2 The Study Area

The study area is located at the tip, or Headland\(^2\), of the Bonavista Peninsula on the northeast coast of the island of Newfoundland, separating Bonavista and Trinity Bays (48\(^\circ\) N; 53\(^\circ\) W) (Figure 1.1). A number of small coastal fishing communities of various sizes and functions comprise the Headland region. Seven communities which exemplify the diversity of the region were selected for this study: Bonavista (the largest community with both an inshore fishery and processing sector and several large regional services, retailers and institutions); Little Catalina, Catalina and Port Union (medium sized communities all heavily dependent on the offshore fishery and a large processing plant in Port Union); and, King's Cove, Duntara, and Keels (small inshore fishing villages). The populations of the communities ranges from about 100 to nearly 5,000 (Table 1.1).

The fishery has long served as the economic and social backbone of the region. Since shortly after its alleged discovery\(^3\) by John Cabot in 1497, the Bonavista Headland has survived and, at times, thrived on the inshore fishing industry (vessels under 35 feet in length). The area expanded into the offshore fishing sector (vessels over 100 feet) in the late 1950s with the construction of Port Union's FPI plant which underwent a major reconstruction and expansion during the early and mid-1980s. Until recently, the inshore,

---

\(^2\) The Headland is delineated by Consolidated Census Subdivisions (CCS) 7G, 7H and 7L

\(^3\) There is some dispute over the exact landing spot of John Cabot. Some claim he landed first in what is now St. John's, others argue that it was Cape Breton and still others claim that it was Bonavista, so named after the Italian phrase "O Buena Vista", or "O happy sight".
Figure 1.1
The Study Area: The Bonavista Headland

Source: Memorial University Cartographic Lab (1995)

offshore and processing industries have acted as the main source of employment in the communities on the Headland and, consequently, the region was very hard hit by the moratoria. While the full employment loss due to the moratoria is difficult to assess given the number of jobs indirectly dependent on the fishery, it is known that at least 1,800 fishery workers, or 44 percent of the regional workforce, were left jobless (Canada 1995a).
Table 1.1
Population of Selected Communities on the Bonavista Headland (1991)\textsuperscript{4}

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<th>Community</th>
<th>Population</th>
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<td>4,597</td>
</tr>
<tr>
<td>Catalina</td>
<td>1,205</td>
</tr>
<tr>
<td>Little Catalina</td>
<td>710</td>
</tr>
<tr>
<td>Port Union</td>
<td>638</td>
</tr>
<tr>
<td>King's Cove</td>
<td>214</td>
</tr>
<tr>
<td>Keels</td>
<td>128</td>
</tr>
<tr>
<td>Duntara</td>
<td>102</td>
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Source: Statistics Canada (1991)

1.3 Significance of the Research

1.3.1 Practical Significance

Newfoundland's small fishing communities are facing a crisis. In the next two to three years, if there is no fishery and no further income support, then the almost 40,000 Newfoundlanders currently receiving benefits from TAGS will be without work or income. The implications for Newfoundland outports are severe. With neither a resource base, nor government support, small towns like those on the Bonavista Headland could face, among other things, massive outmigration. Without an adequate population or tax base to support local businesses and services, such communities could disappear completely or, those that do survive, might ultimately be reduced to retirement or welfare towns.

\textsuperscript{4} 1996 census data were not available at the time of writing.
It is not only communities that are at stake, however, but rather an entire culture and way of life. Writing about the distinctive way of life of the Canadian maritime fishing society, Kirby (1982) declares that it is a culture that must be preserved. In his words:

It is a society worth maintaining for many reasons —social, economic and political in the broadest sense of the word. It is part of the fabric of Canada, part of our history as Canadians, part of our culture as residents of a country with one of the world's longest coastlines, a country that fronts on three oceans (p. 5).

This thesis has practical significance to the towns in the study area. If communities like those on the Bonavista Headland are to survive, they need to respond to the current crisis, and they need to respond effectively. This research provides these communities with an assessment of their current approach to development. It potentially allows the KDPs in the region to compare what they perceive as effective development with what has been shown to be effective. The research also identifies many of the opportunities and constraints to development in the region.

A practical contribution is also made from the perspective of regional development policy. The thesis identifies the differences in development approach between communities of different sizes and industrial function, and points out community-specific constraints to development, all of which may have implications for any development strategy which is implemented in the Headland region.

1.3.2 Theoretical Significance

The CED 'success' model employed in this research was generated from the community development literature. The theories on development presented in this body of literature fall under a number of rubrics including Rural Community Development (e.g.,
Fitzsimmons and Freedman 1981; Summers 1986); Local Development (e.g., Sachs 1987); Community Development (e.g., Christenson et al. 1989); Sustainable Development (e.g., Barbier 1987; W.C.E.D. 1987); Sustainable Community Development (e.g., Nozick 1992; Dykeman 1990; Fuller et al. 1989); and Community Economic Development (e.g., Shaffer and Summers 1989; Shragge 1993; ). There are a number of common ideological threads running through each of these theories which the model of successful community economic development is designed to capture. One commonality is the industrial base of many CED case studies. Much of the literature concerned with community development is written from the perspective of rural agricultural communities. This serves as a point of departure for this research which examines CED within the context of a fishery-based region. Economic development of fishery dependent communities is a subject which has received scant attention in the past. The current research offers a contribution to contemporary community development thought by expanding the scope of the field to include a less commonly examined type of single industry community -- the Newfoundland fishing community.

This research not only provides an opportunity to apply community development theory to a fishing community case study, but also to assess the applicability of the theory to such communities. Characteristics, unique to fishing communities, may account for some of the possibly fundamental differences in development approach adopted by such communities.

Other subjects which have received scant attention in the community development literature are the relationships between community development potential and each of community size and economic function. Reed and Paulson (1990) concluded that smaller communities had a lower propensity to initiate development projects than larger communities in their study area of Nebraska. Similarly, Keane (1990), in his examination of community development in Ireland, concluded that community size was a determining
factor in the success of development projects, with large communities experiencing greater success than small communities. The current research, which compares communities ranging in size from slightly more than 100 people to nearly 5,000 people, offers a contribution to the scarce supply of such studies in the Canadian CED literature.

With regards to the industrial function of communities, Poetschke (1984) reported that fishing communities in Atlantic Canada with processing plants were more dependent on the fishery than were non-plant communities, and hence more vulnerable to economic shocks than were non-plant settlements. By extension, the larger the plant, the greater the dependence on the fishery and the more vulnerable the community. No further research of this type has been conducted since Poetschke, and no research has examined actual differences in development approach between plant and non-plant communities in Newfoundland. This thesis addresses that need and provides an extension of Poetschke's work by examining plant / non-plant community differences in a case-study of the Bonavista region.

Another topic which has received scant attention in the CED literature is the role of community leadership in the development process. Although much has been written on the necessity of having 'key local people' to initiate development and to lead the community in the development process, little is known about who these leaders are. This research addresses the issue of whether certain groups of people are more or less attuned to contemporary community development approaches than others.

Finally, the current research contributes to the attitude - behaviour (A-B) research branch of Social Psychology. Attitude assessments have been used to study and predict behaviour in a range of applications but seldom, if ever, in community development research. The importance of incorporating attitude studies into CED research has been reinforced by some community development theorists and practitioners. Bryant (1989:347) for example, writes that the attitudes which exist in the enabling environments
of communities need to be carefully reviewed for, if they discourage entrepreneurial activity, then the vitality of the community will be undermined. Summers (1986:351) also addresses the attitudes of the community's leaders, suggesting that the effectiveness of development efforts, "... are conditioned by community characteristics, especially the attitudes of local leaders" (my emphasis).

1.3.3 Geographical Significance

Two considerations outlined in contemporary community development literature are the principles of 'holism' and 'integration'. These principles emphasize the importance of including and integrating social and environmental, as well as economic concerns in any community development process. According to Jantsch (1972), holistic and integrated solutions to problems are best addressed through an interdisciplinary or transdisciplinary approach, and it is this type of approach for which geographers are best equipped (Mitchell 1989). A number of geographers have made Canadian rural and small town development their specialization (e.g., Bryant 1989b; Smit and Brklacich 1989; Troughton 1990; and Whatmore 1993). This thesis contributes to that body of geographic research which is concerned with the development of small, vulnerable rural communities in the face of ecological disaster and a rapidly changing global economy.

The research methodology of this thesis also extends into another more traditional school of geographic thought — the area studies tradition of geography first identified by Hartshorne (1939). Such ideographic study strives to identify the nature of places, their character and their differentiation (Pattison, 1964). This research employs a case study approach of the Bonavista Headland region and adheres to the ideographic tradition by: 1) identifying the development approach characterizing the Bonavista Headland as a
geographic region; and, 2) distinguishing between communities of different size and function within the study area on the basis of their approach to development.

1.4 Thesis Organization

This chapter has provided an overview of the research problem as well as a statement of the specific purpose and objectives of the research. It has included a brief description of the study area and has presented the practical, theoretical and geographical significance of the thesis.

Chapter II defines the Single Industry Community (SIC) and reviews the challenges faced by SICs in Canada and in Newfoundland. The unique challenges confronting the small Newfoundland fishing community are discussed and a review of the events leading up to, and ultimately resulting in, the moratoria are provided. The moratoria are described, as are the subsequent adjustment programs implemented by the federal government. Chapter II concludes by discussing some of the various motivations for community development.

In Chapter III, community development theory and development policy in Canada and, more specifically, in Newfoundland are reviewed. The model of successful community development which serves as the conceptual framework of the thesis is also formulated and presented in this chapter.

Chapter IV focuses on the development issues of the Bonavista region. It describes the socio-economic characteristics of the region, reviews past development approaches, and discusses the impacts of the groundfish moratoria. Chapter IV concludes with a review of the economic development activities which are currently under way in the Bonavista region as a response to the moratoria.
The research design of the thesis is presented in Chapter V. Attitudinal theory is reviewed and the application of an attitude - behaviour methodology to the research is discussed. The sample and research instruments are presented and the analysis used in the research is described and explained.

Chapter VI presents and explains the results of the analysis and finally, in Chapter VII the results are discussed, the implications of the findings explored and conclusions drawn.
Chapter II

The State of Rural Communities in Canada and Newfoundland
2.1 Rural Communities in Canada

2.1.1 The State of Rural Communities in Canada

The Canadian countryside is a diverse patchwork of small towns and villages. Farming, fishing, mining, forestry, tourism, retirement and energy towns are among the eclectic blend of communities that make up the Canadian rural mosaic. Barely one fifth of the Canadian population live in rural areas today, yet despite our preoccupation with the urban sphere, Canada is still a remarkably rural nation. Although most Canadians now live and work in urban areas, and economic, political and cultural activity is increasingly urban-centred, this is a relatively recent phenomenon. Canada's urban character is one which has evolved in the decades since World War I. Every city in Canada started off, not long ago, as a small country town, and even today, the most metropolitan Canadian centres have maintained a connection with their undeniably rural roots.

Hodge and Qadeer (1983) describe the staying power of small Canadian rural towns. They attribute staying power to, among other things, a strong sense of community pride and an unshakable resolve on the part of small towns to preserve a much valued way of life. Although rural life is foreign to most of those living in urban Canada, it is, nevertheless, a valued part of the Canadian self-image. Fuller et al. (1989) report that an exceptionally high proportion of rural residents wish to remain in rural areas compared to the proportion of residents of various sized cities who wish to live in urban areas of the same size. Seventy-eight percent of rural residents in areas within thirty miles of a metropolitan region, and sixty-nine percent of residents in more distant rural regions, expressed a desire to continue to live in the same type of community. This compares with forty percent of respondents currently living in metropolitan areas who wished to continue to live in a large city (Fuller et al. 1989:18). There is a strong association between the
natural environment and rurality, and the attachment to the natural environment is an integral part of the Canadian cultural identity. It is what Bunce (1984:1) describes as "the strong continuity between past and present", which will ensure that the Canadian affinity with the natural environment, the small towns which persist in that environment, as well as the rural values and traditions which are associated with it, will never be far below the surface.

Despite a lingering image of stability and tranquillity, and a traditional way of life, the reality of the Canadian rural sector is very harsh, and the future, extremely uncertain. Nearly one third of Canada's population — approximately eight million people — live in rural areas and small towns and villages with populations of less than 10,000 (Fuller et al. 1989: 17). Many of these communities are in a state of decline. Small towns and villages in Canada face reduced demand and opportunities for rural employment, increased rates of outmigration and a severely weakened employment and settlement infrastructure (Young 1989).

Douglas (1994a:16) describes the decline of rural communities as a downward spiral which feeds upon itself. The spiraling process of community economic decline normally begins with a reduction in investment resources. This may mean a stagnation in investment in production capacity, a loss of venture capital, or merely a tightening in operating finances available to local business. What follows is usually a decline in the market value of business assets, the value and volume of primary products and industrial shipments, and retail sales and service receipts, which, collectively cause a contraction of the local tax base. The labour market then begins to demonstrate considerable strain through layoffs, firings, reduced requirements for a range of skills, declines in overtime opportunities, wage rollbacks, and organized labour action. Outmigration occurs; at first only the more mobile young and educated but eventually whole families may be forced to uproot. With a contracting population base comes reductions in basic community
functions such as transportation links, schools, doctors and churches. The community loses its competitiveness and attractiveness, there is a further erosion of community confidence, the community's physical condition continues to deteriorate, more businesses shut down, unemployment rates skyrocket, and the spectre of economic redundancy raises its head (Douglas 1994a: 16).

2.1.2 Forces of Rural Community Decline

The process of decline described above shows remarkably little variation between different types of communities (Douglas 1994a). The end result of the process is the same -- a diminished range of choices available to residents and a dramatic weakening of the 'stay option'. The forces contributing to decline demonstrate far more variation. Troughton (1990) argues that the fundamental cause of the decline in the rural sector of all developed countries can probably be traced back several centuries to the Industrial Revolution in Western Europe and the shift from a dominantly agrarian to a dominantly urban-industrial condition. He adds, however, that the most salient conditions challenging the rural sector have only emerged in the last forty years.

Global economic restructuring has had a profound impact on Canada's rural sector. The primary sector, upon which rural Canada is so dependent, viz., agriculture, forestry and fisheries, has been subject to economic rationalization, transforming each industry into fewer, larger units and shifting each from labour, to capital intensity. Related to this is what Drucker (1986) terms the "uncoupling" of the primary sector from the manufacturing sector, where growth in the latter has not been matched by growth in the former. At the same time, however, the long decline in rural manufacturing based on traditional skills has become virtually complete -- growth in manufacturing no longer means growth in jobs. The arrival of robotic technology, computer assisted design, and new production
management techniques such as "just in time inventory control" have prompted growth in manufacturing sector output, yet in the past two decades manufacturing sector employment has declined fairly constantly (Douglas 1994: 16). Traditional primary and secondary sectors in rural areas have also been displaced by the arrival of the so called "information economy" (Naisbitt 1982), and primary industries, in particular, have been subject to global political economic developments such as the Canada - United States Free Trade Agreement and the United States - European Community dispute over agricultural subsidies which forced commodity prices down.

Social forces have also had their impact on Canada's rural sector. The greater accessibility and perceived value of higher education has encouraged youth migration to the cities where there is a concentration of virtually all forms of higher education and professional training, and the potential for subsequent employment. This, in addition to a trend towards smaller families, has placed considerable pressure on the rural population base of many small towns and villages (Troughton 1990). Other socially-related causal factors include shifting consumer behaviour and preferences (Douglas 1994b), an increased participation rate of women in the workforce, and the proliferation of part-time work, multiple job holdings and informal self-help activities characteristic of family-oriented labour patterns (Fuller et al. 1989).

The final condition affecting small, resource dependent communities in Canada is perhaps the most relevant to the present study — resource depletion. The depletion of forests, the loss of agricultural land and the destruction of what were once thought to be inexhaustible marine fish stocks, are global phenomena. The World Commission on Environment and Development report, "Our Common Future" (WCED 1987), states, for example, that 150,000 km² of forests vanish every year, deserts are spreading at a rate of 60,000 km² per year consuming vast tracts of agricultural land, and several of the world's largest fisheries have been virtually destroyed including the Peruvian anchoveta, North
Atlantic herring, and Californian sardine. Since the World Commission report, other commercial fish species have been decimated; among these are the groundfish stocks of the North Atlantic. Although these forces of environmental degradation and resource depletion are global in scope, the implications are most devastating for the small towns and villages which have come to rely so heavily on natural resources for their survival. This is certainly the case in Newfoundland where the closure of virtually the entire groundfish industry signals potential ruin for the hundreds of outport communities which owe their very existence to this fishery.

2.2 The Single Industry Community

If there is one constant affecting rural communities it is change, and many of Canada's small rural towns and villages are in a state of decline for the sole reason that they are unable to respond to change. They are unable to respond to the array of forces that were touched upon in section 2.1.2 -- in other words, rural communities in Canada are vulnerable. Vulnerability is defined by Douglas (1989b:67) as "susceptibility to change in social, economic, political, ecological and other conditions which undermine or destroy the community's raison d'être and eventually its actual existence."

The Canadian Association of Single Industry Towns (CASIT) developed a vulnerability checklist for single industry communities in Canada. The checklist was designed as a self-assessment tool for communities to assess their own level of vulnerability (CASIT 1992). According to the checklist, one of the most crucial determinants of community vulnerability is economic diversification. Taken as a whole rural Canada is diversified; individual regions and communities, however, are not. Canada's small towns and villages are characterized by an increasing degree of specialization. Depending on the source, there are reported to be somewhere in the order
of 800 to 4000 communities in Canada which can be classified as Single Industry Communities (SICs). Early work by the Department of Regional Economic Expansion (DREE) (Canada 1979) classified a community's economy as being based on a "single industry" when one industry accounts for at least 30 percent of the labour force in that community. By definition, therefore, Single Industry Communities (SICs) are inherently vulnerable — vulnerable to the vagaries of change which may affect that single industry and hence the entire community. The vulnerability of SICs in Canada is readily apparent. Young (1989) suggests that one third of Canada's SICs are in a state of serious decline, and the Canada Employment and Immigration Advisory Council reports that over 400 SICs in Canada have vanished completely (Canada 1987).

Single industry communities represent the major producers of Canadian raw materials and resource exports. Young (1989) reports that of the approximately 4000 SICs in Canada, only 79 do not depend on natural resources. They create about 10 percent of the country's wealth, generate approximately 40 percent of its exports, and are home to 25 percent of Canada's non-urban population. Single Industry Communities are, therefore, an integral part of Canada's rural countryside, just as rural Canada is a vital component of the country as a whole.

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5 DREE (Canada 1979), for example, reports there was 811 SICs in Canada in 1971 while a later report by Dexter (1988) estimates between 1300 - 1500 SICs nation wide. Similarly divergent are Poetschke's (1984) article which reports there to be 537 single industry fishing communities in the Atlantic provinces alone, and the DREE (Canada 1979) report which claims only 131 single industry fishing communities nation-wide. Young (1989), meanwhile, suggests that Canada has, in fact, more than 4000 SICs, nearly 1,300 of which are based on fishing.
2.3 The Single Industry Community in Newfoundland

2.3.1 Dependence on the Fishery

While nationally the fishery contributes less than one percent of the Canadian Gross Domestic Product, it makes a major contribution to the Newfoundland economy. In 1990, prior to the northern cod moratorium, the industry directly provided 12.8 percent of the total jobs in the province. There were some 17,000 active fishers and the processing sector employed approximately 27,000 core plant workers annually (Cashin 1993). The fishery represented 20 percent of the Gross Provincial Product for goods producing industries, with annual landings valued at over $283 million and plant production at $660 million (Newfoundland 1993).

The fishery serves as the social and cultural foundation of most Newfoundland communities, and has continued to be the primary engine of outport Newfoundland. Although generally speaking, the dependence on the fishery is staggering, the extent to which individual communities depend on the fishery varies, and identifying the number of fishery-based, single sector-communities is not an easy task.  

The Task Force on Atlantic Fisheries (Kirby 1982) identified 628 small fishing communities in Newfoundland of which more than half had essentially single-sector economies, with fishing and fish processing employing more than 30 percent of the labour force. Similarly, Poetschke (1984: 216), in a more detailed analysis, concluded that at least 40 percent of the fishing communities in Atlantic Canada were single-sector communities and 55 percent of these (circa 295) were in Newfoundland. A more recent indication of dependence comes from the Task Force on Incomes and Adjustments in the

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6 By comparison, the forestry and mining sectors produced 10 and 11 percent respectively (Newfoundland 1993c)
7 See, for example, McCracken and MacDonald (1976), DREE (Canada 1976, 1979), Kirby (1982) and Poetschke (1984).
Atlantic Fishery (Cashin 1993) which suggests that with the exception of three pulp and paper towns (Cornerbrook, Grand Falls, and Stephenville), one mining town (Labrador City), one town based on Hydro-electricity (Churchill Falls), a handful of small agricultural centres (e.g., the Codroy and Humber Valleys), and several administrative and business centres (e.g., St. John's and Gander), almost all of the 700 communities in the province depend directly on the fishery (Cashin 1993).8

Poetschke (1984) also explored the relationship between dependence and the presence or absence of a fish plant. He demonstrated that communities with fish plants had larger average populations than non-plant communities, and specialization of function increased with population. Plant communities are assumed to have developed more complex fishery-related infrastructure than non-plant communities, leading to some becoming regional service and employment centres for the surrounding area. In other words, those living in plant communities are more dependent on the fishery and are likely to be more vulnerable to economic shocks than those in non-plant settlements. By extension, the larger the plant, the greater the dependence on the fishery and the more vulnerable the community.

The Newfoundland fishery has been based on a range of groundfish, pelagic and shellfish species including cod, flounder, redfish, and turbot (groundfish); herring, mackerel, and capelin (pelagics); and crab, lobster, and scallops (shellfish). It is groundfish, however, and particularly cod, which served as the foundation of the Newfoundland fishery and, in fact, the foundation of Newfoundland's social, cultural and economic character. The lucrative cod stocks on Newfoundland's Grand Banks were the basis for European settlement in the 18th century and, until now, this resource has

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8 This figure is supported by both Kirby (1982) and Poetschke (1984) who estimated the number of communities in Newfoundland primarily dependent on the fishery to be 628 and 629 respectively.
provided Newfoundlanders with an assured food supply and a profitable export commodity.

Groundfish has traditionally accounted for the majority of fish landed in Newfoundland, both in terms of volume and value. While in the more diversified fishery in Nova Scotia, groundfish represent about 50 to 60 percent of the catch in a normal year, in Newfoundland, under normal conditions, it would be about 80 percent (Cashin 1993:5), and in some Newfoundland communities, dependence on groundfish was effectively 100 percent. The single most important species in the Newfoundland fishery is northern cod (Figure 2.1, Northwest Atlantic Fisheries Organization [NAFO] management divisions 2J, 3K and 3L). Northern cod accounted for nearly 50 percent of the total groundfish landings in Newfoundland through the 1980s (Newfoundland 1993c). Northern cod also accounted for approximately 59 percent of the licenced fishers and 62 percent of registered fishing vessels in Newfoundland (Newfoundland 1993c). This effort is reflected in the proportion of northern cod catches by landed volume and, to a lesser extent, value of all fish caught in Newfoundland (Figure 2.2).

It is employment, however, rather than volume or value of landings, which stands as the strongest indicator of dependence. The overwhelming employment dependence on the groundfish industry in Newfoundland became strikingly evident with the recent closure of nearly every groundfish fishery in Atlantic Canadian waters.

2.3.2 The Groundfish Moratoria

On July 2, 1992 the then minister of Fisheries and Oceans, John Crosbie, announced a two year moratorium on commercial cod fishing in NAFO fishing zones 2J3KL (Figure 2.1). The main impact was felt in Newfoundland where the moratorium initially directly affected some 10,000 fishers and 12,400 plant workers in almost 400
Figure 2.1
NAFO Management Divisions and Canada’s 200 Mile Limit

Source: Memorial University Cartographic Lab (1995)
Figure 2.2 Landed Volumes and Values by Species

Landed Volumes by Species
Newfoundland 1981 - 1993

Landed Values by Species
Newfoundland 1981 - 1993
communities. The closure of this fishery represented the largest single layoff in Canadian history.

The northern cod moratorium marked the first of a series of quota reductions and closures off the east coast:

- December 1992: groundfish quota reductions of 60 percent announced for the south coast of Newfoundland and the Gulf of St. Lawrence;

- August 1993: further moratoria announced, including the cod fisheries off the South Coast of Newfoundland (3Ps), the Gulf of St. Lawrence (4RS, 3Pn, 4T), and the Scotian Shelf (4VsW);

- November 1993: further quota reductions on remaining groundfish stocks announced; and,

- February 1994: moratoria placed on the majority of remaining groundfish stocks in Atlantic Canadian waters. Those not placed under moratoria were subject to severely reduced quotas, many being limited to bycatch.

The northern cod and the subsequent closure of nearly the entire Atlantic groundfish industry left approximately 32,000 Newfoundlanders, over 12 percent of the workforce, unemployed. By comparison, the Ontario auto industry employs some 2.3 percent of that province's workforce. In relative terms, therefore, the economic crisis in Newfoundland is five times greater than that which Ontario would experience if its entire auto industry were put on hold. For the many Newfoundland communities that depended almost entirely on groundfish for their survival, collapse of the resource signaled ruin.
2.3.3 The Decline of the Resource

The entire Atlantic groundfish industry has essentially vanished. Northern cod was the single most important groundfish species in Newfoundland and the decline of that stock has been well documented (see for example, Hutchings and Myers 1995; Findlayson 1994; Steele et al. 1992). Although the precise details of the northern cod collapse are unique to that stock (Total Allowable Catches [TACS], catch levels etc.) the basic trend is common to the groundfish sector as a whole, as are the factors contributing to the stock collapse. The following discussion is, therefore, intended to provide insight into the major events which led, not only to the northern cod moratorium, but to the collapse of the entire groundfish industry.

Northern cod catches increased gradually prior to this century, rarely exceeding 200,000 tonnes per year. Beginning in the 1950s, however, catch levels began to soar, largely due to a rapidly expanding foreign offshore trawler fleet, and by 1968, northern cod catches had reached a record exploitation level of 800,000 tonnes (Emery, 1992). Catches plummeted after 1968 leading the International Commission for Northwest Atlantic Fisheries (ICNAF) to impose a catch restriction (TAC) on the stock in 1973. TACs were not strictly enforced, however, and the stock continued to decline. This led to Canada's unilateral declaration of extended fisheries jurisdiction to 200 miles in 1977.

The Canadian fishing industry experienced a period of euphoria and optimism following the extension of jurisdiction. With the promise of sound management and a never-ending supply of fish and jobs, the government encouraged rapid expansion of the inshore, but particularly the offshore Canadian fleet, in an effort to reduce potential foreign exploitation of fish judged to be surplus to Canadian harvesting capacity. The greatest fear in the industry at this time was that the stocks would recover and with a projected northern cod harvest of 400,000 tonnes by the mid-1980s, there would be so
much fish that Canada would be unable to market it (Steele et al., 1992). Despite the fact that for several years, between 1977 and 1982, landings consistently fell far short of the established TACs, the conservative northern cod TAC of 100,000 tonnes set in 1978 was gradually increased to 215,000 tonnes in 1982.

During this period there was some concern over the economic viability of the Atlantic groundfish industry. Declining markets in the U.S., increased competition from other fish exporting countries, new species, price competition from other sources of protein, and increased energy costs and high interest rates led to the formation of a federal Task Force on Atlantic Fisheries chaired by Michael Kirby. The Kirby Report stressed that future policy should be aimed at maintaining maximum employment while at the same time ensuring the long-term economic viability of the fishing industry. No concern was expressed over the health of the resource itself. In fact, the Task Force further reiterated the scientific and government optimism of the day, forecasting a catch level for northern cod of 400,000 tonnes by 1987. In Kirby's words:

> Although the industry has many problems, a shortage of fish is not one of them. By 1987, the groundfish harvest should reach 1.1 million tonnes, an increase of about 370,000 over 1981...Almost all the increase will be confined to one species - cod. And about 70 percent of the growth in the harvest will take place off the northeast coast of Newfoundland and Labrador (Kirby, 1982:9).

In Newfoundland, the optimism generated by the Kirby report helped justify decisions to allow more vessels and more fish plants to be built. Northern cod TACs continued to increase, as did landings, which reached a decade high of 280,000 tonnes in 198810. However, Kirby's optimistic forecasts were not shared by all. Inshore fishers,

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9 In fact actual catches in 1987 were only about 767,000 tonnes (Cashin, 1993:125).
10 Through the 1980s, landed catches consistently failed to reach the quotas established by the federal government, yet year after year northern cod TACs were continuously increased.
after several years of poor catches, warned of a stock failure in the early 1980s (Lear et al. 1986) and several studies conducted during this time cast doubt on the accuracy of stock assessment techniques by the Canadian Atlantic Fisheries Scientific Advisory Committee (CAFSAC) (see Rice and Evans 1986 and Keats et al. 1986). These concerns led the federal government to form the Alverson Task Force in 1989 and the Harris Task Force in the following year. In light of the findings of these Task Forces, the continued concern of inshore fishers, and revised resource assessments by CAFSAC scientists, the TAC for northern cod was reduced to 197,000 tonnes in 1990 and again in 1991 to 188,000 tonnes in an attempt to allow the stocks to rebuild. Early in 1992 stock assessments by both CAFSAC and NAFO concluded that the northern cod stock had continued to decline and was at, or near, its lowest ever observed level. The northern cod moratorium was declared shortly thereafter.

Despite the collapse of groundfish stocks, Newfoundland does still have a fishery. In fact, in 1995 the Newfoundland fishery was worth more than ever; the total landed value of all species was $330 million\(^{11}\) (Canada 1996a). The overall financial wellness of the industry is a result of tremendous rates of growth in the shellfish sector. The value of the Newfoundland fishery in 1995 was derived mainly from crab ($170.7 m.), shrimp ($59.4 m.), and lobster ($24.0 m.) (Canada 1996a). By comparison, only four years previously, in 1992, the Newfoundland crab industry was worth only $12.8 million (Canada 1992).

This is not to deny, however, that the outlook for Newfoundland, and for the thousands of Newfoundlanders who depended on the groundfishery for their livelihood, is bleak. The thriving shellfish sector is undeniably lucrative, but it has not, in any significant way, replaced the jobs lost by the collapse of the groundfish. The Newfoundland fishery

\(^{11}\) In the 1980s highest landed values were recorded in 1988 at $287 m (Cashin 1993: Table 2-2)
of today employs only about 10 percent of what it did during the late 1980s (Felt and Locke 1995: 219) and there is little to suggest that the traditional source of employment, the groundfish fishery, will rebound anytime in the near future. In the 1996 report of the Fisheries Resource Conservation Council (FRCC)\textsuperscript{12} to the Minister of Fisheries and Oceans, which recommends TAC levels for all Canadian Atlantic groundfish, it states that in all four major stock areas — the waters off Newfoundland (2GH, 2J3KL, 3Ps, 3LNO), the Gulf of St. Lawrence (3Pn, 4RST), the Scotian Bank, Bay of Fundy and George's Bank (4Vn, 4Vs, 4XW) and the NAFO regulatory area (3LMNO) — groundfish resources are at or near lowest recorded levels. Projections are perhaps most sombre for the traditional cornerstone of the groundfish industry, cod. With the exception of 4X cod, off the south coast of Nova Scotia, all other cod stocks have shown little or no sign of recovery, and, as of June, 1995, northern cod (2J3KL) is reported to be at its lowest ever observed level; approximately one percent of its estimated biomass in the early 1980s (Canada 1995b)\textsuperscript{13}.

In total, the FRCC recommends that Canadian groundfish quotas be further reduced from 284,600 tonnes in 1995 to 191,840 tonnes in 1996 — 19 percent of the 1984 quota of 1,005,000 tonnes. In fact, of the fifty-two groundfish stocks covered in the FRCC report, TACs were increased from 1995 levels for only two stocks\textsuperscript{14}. The most severe quota reductions have occurred in those stocks surrounding Newfoundland where the total recommended groundfish TAC was decreased by 46 percent to 53,290 tonnes from 98,500 tonnes in 1995. Recent groundfish catches reflect the same state of

\textsuperscript{12} The main scientific body responsible for Atlantic groundfish stocks, the Fisheries Resource Conservation Council (FRCC), replaced the former body, CAFSAC, in 1992. CAFSAC had been formed in 1977 to coincide with the extension of Canada's fisheries jurisdiction.

\textsuperscript{13} During the final writing of this thesis some recovery of cod stocks along Newfoundland's south coast was being reported. A limited commercial fishery for cod in 3Pns was announced in May, 1997. No recovery is reported, however, for other cod stocks in Newfoundland waters.

\textsuperscript{14} Quotas were increased on 4X Haddock (4,500 to 6,000 tonnes); and 4VWX Silver Hake (30,000 to 60,000 tonnes). Two other stocks, previously unregulated by quotas, have been assigned TACs for the first time (5Zjm Yellowtail Flounder — 400 tonnes; and 3LNOPs Skates — 6,000 tonnes).
devastation. In seven years, Newfoundland groundfish catches had declined from 383,000 tonnes in 1988 to 16,726 tonnes in 1995 (Canada, 1996a). The prospects are therefore not promising, at least in the near future, for the thousands of Newfoundlanders, and hundreds of communities, that depend on the groundfish resource for their livelihood.

2.3.4 Factors in the Decline of the Groundfishery

A number of reasons have been offered to explain the collapse of the northern cod and other groundfish stocks in the north-west Atlantic. Although they are not fully understood, the main factors which, in varying degrees and combinations, are likely to have played a role are as follows:

2.3.4.1 Environmental Factors

A number of unforeseen and possible long-lasting ecological changes have been offered as causes of the groundfish decline including: cooling water temperatures may have wiped out several key year classes (Dunbar 1993); changes in water salinity and temperature may have caused stocks to migrate to other areas or to deeper columns of water (Coady 1993); and shifting predator-prey relationships, particularly among seals, capelin and cod may have adversely affected the growth, abundance and distribution of various species (Coady 1993; Cashin 1993)

2.3.4.2 Foreign Overfishing of Straddling Stocks

Canada's 200 mile jurisdiction falls short of three areas of the Grand Banks: the Nose and Tail, and the Flemish Cap (Figure 2.1). The straddling fish stocks in
these areas are currently under the management of NAFO. NAFO, however, has limited enforcement capacity and regulated stocks have consequently been subject to serious overfishing by NAFO member counties as well as completely unregulated fishing by non-NAFO members. Over the 1986-1992 period, the European Community (EC) exceeded its quota on NAFO regulated groundfish stocks on the Nose and Tail of the Grand Banks by at least 500,000 tonnes (Figure 2.3). The groundfish landings of non-NAFO member countries, particularly Panama and the U.S., (Parsons 1993), are impossible to determine but it is estimated that over the same 1986-1992 period, non-NAFO landings of straddling groundfish stocks exceeded 250,000 tonnes (Newfoundland 1993c).

Others have also argued that it was foreign exploitation of the groundfish resource in the 1960s and 1970s that ultimately caused the collapse. Intensive foreign offshore fishing activity over several years (Figure 2.4) may have eliminated the large 'mother' fish, or 'breeders'. With the large fish gone, the already depleted stocks would be that much more difficult to rebuild (Hutchings and Myers 1994).

2.3.4.3 Fishing Practices and Effort

There are a number of destructive fishing practices which may have contributed to the groundfish collapse. These include (Cashin 1993:21):

- under-reporting of actual catches, which caused harvesting overruns, and misleading data for management and scientific assessments;

- highgrading, discarding and dumping of immature fish or non-target species; and,

- unregulated use of destructive fishing gear technologies.
Figure 2.3
EC Quota Versus Catch For NAFO Managed Stocks, 1986-1992

The Newfoundland fishing industry has also been characterized by a failure to control the expansion of effort in both the harvesting and processing sectors. In the harvesting sector, immediately following extended jurisdiction in 1977, there was an increase in the number of vessels in all fleet sectors\(^{15}\), but this has slowly declined since the early 1980s. Employment in the harvesting sector has remained fairly constant, increasing or decreasing moderately according to the fortunes of the fishery. Much of the expansion has come from technological advancements such as more powerful engines, increased hold capacity, and much improved fish finding and navigational equipment (Canada 1993). As a result, the fishing capacity of some individual fishing enterprises was increased substantially to the point that, by the late 1980s, a growing proportion of the

\(^{15}\) There are four recognized fleet sectors in the Atlantic fishery based on vessel length in feet. They are: the inshore (below 35 feet), the nearshore (35 - 64 feet), the midshore (65 - 100 feet) and the offshore (over 100 feet).
total groundfish landings were being caught by a relatively small number of heavily equipped vessels. This produced a large number of participants in the harvesting sector with low incomes and high dependence on government income support, and left many vessel owners with fishing enterprises that were not commercially viable (Canada 1993).

The processing sector expanded even more rapidly following extended jurisdiction. In 1975 there were 89 licenced fish processing plants in Newfoundland. This increased to 138 in 1980 and to 173 by 1992. It is estimated that by the late 1980s, the average inshore plant in Newfoundland was operating at only 17 percent of its capacity (Kingsley 1993).
2.3.4.4 Poor Management

While any or all of the preceding factors could have contributed, in varying degrees and combinations, to the decline, it is poor management practices, which encouraged over-exploitation of groundfish stocks, which are probably at the heart of the matter. There are two main components to the management problem: 1) inaccurate scientific advice; and 2) failure of Canada's fishery managers to heed scientific and other advice.

First, it has recently become clear that the scientific bodies responsible for providing advice on the management of Canadian fishery stocks have, over the past several decades, consistently overestimated Atlantic groundfish stocks (Steele et al. 1992). The inflated stock estimates have been attributed to, among other things, inaccurate data on commercial fishing activity and an inadequate understanding of stock dynamics (Cashin 1993). It has recently been suggested that scientific stock assessments of northern cod and other groundfish over the past several decades have been greatly over-estimated. Hutchings and Myers (1995:77) suggest that actual northern cod fishing mortalities have exceeded targeted mortality rates by more than two-fold from 1978 to 1983, and between 1984 and 1989, by more than three fold.

Second, the federal department responsible for managing Canada's marine fisheries, the Department of Fisheries and Oceans (DFO), seemingly and continuously ignored their own scientist's advice. DFO has set TACs on Atlantic groundfish stocks since 197716. The TACs were to be determined, in principle, according to the advice provided by CAFSAC. Through much of the 1980s, however, TACs were set much higher than the levels recommended by CAFSAC, despite warnings from the scientific

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16 TACs were first introduced into the Atlantic groundfishery by ICNAF in 1973, but the responsibility was shortly thereafter assumed by DFO in 1977 with extended jurisdiction.
community that the industry was operating at two to three times their calculated 'sustainable level'\(^{17}\) and despite the fact that, since 1969, actual catches have consistently failed to meet either projected catch estimates or TAC levels (Steele \textit{et al.} 1992). DFO similarly failed to heed the warnings of inshore fishers who had experienced very poor landings through the late 1980s and who predicted the stock collapse years previously. Despite warnings from scientists and fishery workers alike, DFO continued to raise groundfish quotas, ascribing low stock assessments and poor landings to environmental conditions rather than a reduced abundance of fish.

Despite the inaccuracy of much of the scientific advice concerning Newfoundland's groundfish stocks, and recognizing the array of other factors which have almost certainly contributed to the present situation, it seems that much of the blame for the fisheries crisis must rest largely on the shoulders of those ultimately responsible for managing the resource — the Canadian federal government.

2.3.5 Government Responses

The northern cod moratorium and the subsequent closure of nearly the entire Atlantic groundfish industry initially left approximately 32,000 Newfoundlanders, and another 7,250 people in the rest of Atlantic Canada, out of work.

Despite the warning signs, the announcement of the northern cod moratorium apparently caught federal officials off guard, leaving them scrambling for quick solutions (Savoie 1994). Government responses subsequently came in the form of three separate programs:

\(^{17}\) TACs were set according to the Beverton-Holt model and an F\(_{0.1}\) catch target. The F value is calculated using estimates of factors such as growth, recruitment and mortality, and F\(_{0.1}\) refers to the level of fishing mortality at which the increase in yield obtained by adding one more unit of fishing effort is 10 percent of the increase in yield to be obtained by adding one unit of effort to a lightly exploited stock (Steele \textit{et al.} 1992).
• Northern Cod Adjustment and Recovery Program (NCARP) - 1992-1994;
• Atlantic Groundfish Adjustment Package (AGAP) - 1993-1994; and,
• The Atlantic Groundfish Strategy (TAGS) - 1994 to present.

The two central objectives of all programs were to:

• attenuate the negative economic impact which the stock closures would cause, and to provide some stable source of income to the thousands of people affected; and

• "restructure" or downsize the industry.

The first objective of the programs was clearly the most relevant to the fishery workers directly affected by the moratoria. To meet income needs payments were made on a weekly basis depending on the workers' experience in the fishery and their willingness to retrain.18

The second objective, restructuring, was intended to be accomplished through a series of options available to fishery workers.19 Under NCARP, for those intending to leave the fishery, there was an early retirement option for those between 55 and 65, a licence retirement option for those under 55, and occupational skills training (mainly improved literacy skills through Adult Basic Education [ABE] programs. For those intending to stay in the industry, the Fishermen, Food and Allied Workers Union (FFAW) offered a professionalization program, and there was a Work-UI option where workers

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18 Income replacement benefits ranged from $225 to $406 per week under NCARP and AGAP, and from $211 to $382 per week under TAGS.
19 AGAP was a less ambitious program. Its primary purpose was to qualify workers for UI through make-work projects and to provide income supplementation to 'top-up' benefits to NCARP levels.
continued to earn income and collect Unemployment Insurance (UI)\textsuperscript{20} benefits through the harvesting or processing of species not affected by the moratoria.

Options under TAGS were more restrictive, reflecting the program's emphasis on downsizing. In addition to the income replacement benefits, TAGS offered: income bonuses to those finding work outside the fishery, assistance for self-employment, mobility assistance, and wage subsidies to employers hiring TAGS recipients. Some professionalization was offered, but was mainly limited to literacy training, ABE, leadership training, university study programs, and entrepreneurial training. "Green Projects", designed to preserve and enhance the environment, youth programs, and community opportunities pools were also options available.

The rationale for the second objective was that the industry could no longer sustain the current level of over-capacity in the harvesting sector (Canada 1993), under-utilization of plants (Kingsley 1993), and high levels of employment but low productivity (Carter 1993), all of which contribute to low levels of earned income and high dependence on transfer payments (Hollett and May 1993). This objective was clearly reflected in the then minister of Fisheries and Ocean's announcement of the northern cod moratorium that:

...the number of fishermen and plant workers today is such that even when the resource is fully rebuilt, its harvesting and processing will not generate sufficient revenues to support with adequate incomes all current fishermen and plant workers. Because of this, there will need to be some restructuring of the fishing industry for Northern Cod (Crosbie, 1992:9).

The Cashin Report (Cashin 1993:56) goes further, suggesting that the fishery of the future will, by necessity, employ about half of what it did in the late 1980s.

\textsuperscript{20} During the final writing of the thesis, the Unemployment Insurance (UI) program was changed to the Employment Insurance (EI) program. Because of the frequent reference to what was the UI program and to avoid confusion, the term UI will be used throughout the thesis.
TAGS was designed with the 50 percent workforce reduction figure in mind. The program was scheduled for termination in the summer of 1999, by which time, half of the original program recipients should have been cut from the program and, hopefully, will be engaged in other types of employment. However, TAGS was designed based on an estimate of 30,000 potential clients. As of December, 1994, 49,000 applications had been received and approximately 40,000 initially approved. Almost 3,000 people were no longer eligible after December, 1994, but the remaining 37,000 have since been approved for at least two years of further benefits. The rate of reduction of recipients is far less than the original target of 10 percent per annum and, assuming no top-up funding is forthcoming, the budget will be exhausted by the end of 1997, well before the planned 1999 sunset of the program. Options to address the shortfall have included shortening the duration of the program or reducing benefits (either in the form of income support or retraining) (Price-Waterhouse 1995:19-21). In 1996, to maintain income benefits, all training and other programs were abandoned and weekly income support levels reduced. Regardless, some of the more serious impacts of the moratoria are yet to come, and they will come sooner than originally thought.

2.4 Motivations for Community Response

There is an implicit assumption that the more urgent and threatening the challenge faced by a community, the stronger the motivating force to respond and, hence, the more forceful and effective the ultimate response. Douglas (1994a), however, presents a model of community development motivations which opposes this assumption. The model is based on Canadian community development experience and places the motives for development on a spectrum from weakly motivated development situations, where problems are only perceived as emerging and the motives for development are less urgent
and often discretionary, to the most highly motivated situations, where the community faces a crisis due to a severe decline in its single industry economy (Figure 2.5).

As the motivations for development become more extreme, the community becomes less and less economically viable and the need to take action increases. However, contrary to what might be expected, as the motives for development become more urgent, and as the community’s economic viability declines, the quality of the development response actually drops. There is a greater and greater propensity to turn to

Figure 2.5
Douglas’ Community Development Motivations Model
'quick fix', superficial solutions as a temporary remedy to the community's problems -- solutions that do little to ensure the long-term viability of the community. Community leadership will, in the face of an economic crisis, focus their attention on the immediate issues and the visible symptoms of the community's problems. Concrete projects such as discrete training programs, road and other infrastructure improvements or the bulldozing of a blighted industrial area are typically promoted as 'remedies' for the situation. The situation is such that, "The community's ability, or licence, to look at the broader picture of its economy, its regional setting and the longer term are all compromised by the urgencies at hand" (Douglas 1994a:21).

The conditions for each level of motivation are outlined in Table 2.1. Many of these motivations may be present in outport Newfoundland communities. There is, for example, some evidence of competition between communities on the Bonavista Headland and, therefore, the possibility of 'political prestige' as a motivation. Similarly, some action may be motivated by an 'external program' (e.g., TAGS) and the money available through it. Also, since the moratoria there has certainly been considerable media attention diverted to those outport fishery workers affected by the closure, and hence 'pressure from community groups' is also a conceivable motivation for development in Newfoundland.

However, while each of the motivations of Douglas' model may apply to some degree in different outport communities, it is also apparent that even the most extreme situation presented in his model -- the 'concentrated crisis' -- does not adequately portray the full scope of the crisis. While the conditions faced by any single community in Newfoundland may resemble those described as a 'concentrated crisis' in the model, the crisis in Newfoundland is anything but concentrated -- over 32,000 fishery workers in over 400 communities have been laid off. It is apparent that these conditions go beyond any portrayed in Douglas' model and hence, under these extreme conditions, another category
Table 2.1
Conditions for Douglas' Levels of Development Motivation

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<th>Motivation</th>
<th>Conditions</th>
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| Political Prestige / Community Pride | • discretionary action, not driven by any current or anticipated crisis
| | • often driven by feelings of pride or political prestige and very often in response to the action of a neighbouring or competitive community
| Prudence, Security, Anticipatory Management | • driven by a feeling of anticipation of, for example, possible changes in market conditions or pressure on the community's tax base
| | • occurs when a community feels that development would be prudent
| External Program and Project Requirements | • not related to any particular local or macro-economic condition
| | • occurs when communities commit themselves to designing or endorsing some type of local economic development program or project as a prerequisite to getting funds from a particular government program
| Emerging Tax Base Pressures | • occurs in communities where the tax base is under increasing pressure given the municipality's current and anticipated services and financial commitments
| Need to Replace Recent Job Losses | • occurs when, for instance, a manufacturing plant, fish plant, or saw mill closes in a diversified local economy
| | • although the entire local economy is not at risk, a significantly large and visible pool of unemployed has been created and therefore action is required
| Area Decline Within The Community | • occurs when there is a concentration of job losses, tax revenue decline or general economic malaise in a particular geographic area
| | • often occurs in old, derelict industrial areas (e.g. the Sydney area in Cape Breton)
| Sector Decline Within the Community | • occurs when an entire sector of a diversified community economy is closed
| | • does not refer to single industry communities so the entire economy is not crippled, yet it is significantly more serious than the 'job loss' scenario produced by the closure of a single plant
| Pressure From Highly Organized, Visible and Vocal Disadvantaged Community Groups | • occurs in the presence of organized, vocal minorities in the community who protest unemployment and demand political action
| | • may involve the union and the case is often made more forcefully through media attention
| Concentrated Crisis | • caused by the closure of a single industry community's raison d'être (e.g. the mine, fish plant, or sawmill)
| | • sometimes the decline will be evident for a long time and a cathartic event such as the final layoff of employees, a suitable government program, the emergence of a particular type of local leadership, or the tragedy of suicide or family violence galvanizes the community and sparks the initiative.

Source: (based on Douglas 1994a)
perhaps needs to be added to Douglas' model -- 'sector collapse in a single industry region'.

If the motivation to respond is enhanced under these conditions then, according to the trends indicated in the model, the economic viability of the affected community will be further endangered, while both the need to take action and the propensity to adopt short-term solutions will increase. There are, however, a number of mediating factors which may influence the motivations for development and thereby make it difficult to gauge the direction of the model's other variables.

2.4.1 Loss of Regional Economic Support System

It could be argued that the economic viability of a community would be more threatened by a widespread economic crisis such as a fishery moratorium than by a concentrated crisis brought on by the closure of only that town's primary industry. A moratorium is not confined to one community -- it means there is no fishery employment available anywhere in the region. While in a concentrated crisis it may still be possible for laid-off workers to find similar employment elsewhere in the area, and thereby continue to contribute to the community's economy21, this is not an option under a moratorium situation. A concentrated crisis in one community may also be mitigated by the continued retail and service trade shared with unaffected neighbouring communities. Under a moratorium, however, it is the single industry region, not just the single industry community that is without work, and hence, the potential to gain employment, or to do business with, a neighbouring community will be severely curtailed. Under these conditions it would seem that the variable trends in Douglas' model would remain

21 This is sometimes practiced in the mining industry, for example, where workers may commute to new mines as old ones shut down (Shrimpton and Storey 1990).
consistent — the economic viability of the community would be extremely threatened and
the need to take action would be paramount.

2.4.2 Renewable Versus Non-Renewable Resource Industries

In the case of an industry closure in a natural resource dependent community, the
renewability of that resource may influence the motivation to develop. There is an
apparent finality inherent in a mine closure, for example, that may cause these
communities to look for alternative economic means more quickly. In a renewable
resource system, there may be a decreased perceived need to take action if common belief
is that the resource will return. This may be especially true in the fishery where, unlike the
forestry or mining sectors, the decline of the resource is not perfectly visible. Fish, despite
great advances in stock assessment and fish-finding technology, remain an essentially
'invisible' resource. The degree and cause of decline are not immediately nor entirely clear.
Hence, although the actual need to take action may be great, the perceived need to take
action may not — an attitude which, if prevalent in the community, would support the 'sit
and wait option'.

It was the perception of this very attitude that inspired the federal government to
develop and deliver its Improving Our Odds (IOO) program. Surveys indicated that an
overwhelming proportion of affected fishery workers in Atlantic Canada preferred to wait
and see if the fish would return with the hope of regaining employment in the fishery,
rather than retrain for other employment options (Canada 1994a). Among the central
objectives of the IOO program were: "To (have affected fishery workers) recognize the
need for individual and collective participation in the process of community development"
(Canada 1994a:7). Informing communities of the severe nature of the crisis in this way,
was designed to motivate communities to initiate development.
2.4.3 Income Support

Undoubtedly the most significant variable influencing the motivation to develop in Newfoundland's devastated rural communities has been the income support provided to the approximately 30,000 recipients through NCARP and TAGS benefits. These programs have succeeded in mitigating the negative economic effects of the fishery closure as intended. They have also served to delay the need to respond, for many individuals. The level of income support provided under NCARP and TAGS, while less than 'normal' for many, was commensurate with the incomes normally received in the fishery. This support has allowed many people in rural Newfoundland the luxury of waiting -- waiting to see if the fishery will return and waiting for life to resume as usual (Storey and Smith 1995).

Although the long-term effect of the federal support programs remains to be seen, they may have sustained, at least in the short term, the economic viability of the affected communities. In so doing, NCARP and TAGS may have moderated the communities' perceived need to take action even though the actual need is very real. Furthermore, given that most NCARP and TAGS clients opted to train within the fishery, the propensity for short term projects might be further increased should these people respond under the assumption that they will be back at the fishery in a matter of a few years.

The 'area wide' crisis brought on by the moratoria is clearly more extreme than any outlined in Douglas' model, yet it is not entirely clear how the economic viability, project propensity and need to take action would vary from the 'concentrated crisis' situation. While the economic viability of the communities in question is probably more threatened than in any of the situations presented in the model, and although this would suggest a strong community motivation to respond, at the individual level this motivation has been substantially curtailed through the federal income support programs. As will be
discussed in the results chapter, some KDPs in the Bonavista area felt strongly that the federal support programs, although necessary, have in fact served as a deterrent to a strong CED response.

2.5 Chapter Summary

Rural communities throughout Canada are faced with an uncertain future. A variety of external forces are challenging these communities, but nowhere are the forces so strong and the effects so devastating than in outport Newfoundland. The crisis brought on by the closure of almost all Atlantic groundfish stocks is unprecedented in Canadian history. While NCARP and TAGS have provided some much needed relief to these devastated communities, these programs do not represent a long-term solution. Meeting employment needs in the wake of a restructured fishery is a longer-term and much more difficult process and finding alternative livelihoods for thousands of people living in tiny, single-industry fishing communities in a province with the highest unemployment rate in the country presents a formidable challenge.

While government assistance packages have bought time for many of Newfoundland's outports, the harsh reality for most of these communities is that they are undergoing a period of fundamental, dramatic and disruptive change. The fishing industry, should it return, will likely be a far more streamlined version of its former self -- life in the communities which depended on the fishery may never be the same again. For these communities to not only survive these changes but to achieve some measure of sustainability, government response will not be enough -- people in the communities themselves will need to respond. Taken by themselves, the desperate condition of unemployment in outport Newfoundland and the risk of losing a way of life would seem to present very strong motivations to respond. However, other factors, particularly the
federal support programs, have moderated these conditions and hence, despite an apparent need to respond, the motivation to do so remains unclear. The issue of whether communities will respond is therefore equally as compelling as the issue of how they will respond. The following chapter will explore several questions:

- how has government approached development in outport Newfoundland in the past?
- how have Newfoundland outport communities approached their own development in the past?
- what approach to development is advocated in the current literature by theorists and practitioners?

Chapter III examines development policy in Newfoundland from pre-Confederation times to the present and describes the growth of community-based development groups and initiatives. The evolution of community development theory is traced and one type of response to negative economic change (CED) is explored in greater detail with the presentation of a normative model. This model serves as the conceptual framework of the research and the application of the CED approach to outport Newfoundland is discussed later in the thesis.
Chapter III

Community Economic Development
3.1 Introduction

The challenges confronting small rural communities in Canada, and particularly Newfoundland, were reviewed in Chapter II. This chapter addresses the next step -- responding to such challenges through community development initiatives. The term community development is not, by any means, restricted to rural communities. Urban centres and urban neighbourhoods throughout Canada have applied community development initiatives with varying degrees of success. However, it is rural community development which is of particular interest here, given Newfoundland's predominantly rural settlement structure.

'Development' is an elusive concept to define. The various views of development will be explored in greater detail throughout this chapter, but to start with development can be thought of in the following terms, as expressed by Douglas (1994a:4):

"Development is essentially a normative concept. It is associated with a change in a community's state from one time period to another". Douglas further explains that "change" should include, as an option, securing what the community already has, that is, maintaining a particular desired state.

Development initiatives can be split into two basic paradigms: 'top-down'; and 'bottom-up'. The top-down paradigm has existed since the 1940s and, arguably, it continues to be the dominant approach to development practiced in Newfoundland. Top-down essentially refers to any development action that is initiated and controlled from some 'higher' outside body, usually senior government and/or large corporations. The bottom-up paradigm, on the other hand, has existed in theory, and to a much lesser extent in practice, since the turn of the century. Only recently, however, in light of increasing criticism of the centralized, top-down paradigm, have bottom-up approaches received significant attention by academics and policy makers. A number of bottom-up theories
and strategies have emerged since the 1970s which have fallen under a host of rubrics but which may be fundamentally defined as endogenous. In other words, development of the community and by the community. Community Economic Development (CED) is one of these bottom-up approaches and is defined as:

... a collective or communal driving force which emphasizes first and foremost the community as the target, beneficiary and decision-making body, and where, although motives of profit and return on investment may loom large, the over-riding motive is community betterment. (Douglas 1989a: 29).

The purpose of the research, as stated in Chapter I, is to examine the ways in which communities in one region of Newfoundland, the Bonavista Headland, are responding to the groundfishery closure through community development activities. This examination involves comparing the communities' actual approaches to development with a normative model of CED. The normative model is presented in this chapter. Prior to discussing the model it is necessary to review the main trends in development thought and practice of the past several decades, since years of exposure to the top-down development paradigm may strongly influence a community's own chosen approach to development. Section 3.2 of this chapter provides a general overview of 'top-down' development theory, and reviews some of the problems associated with this approach. Section 3.3 looks specifically at development as it has been practiced in Newfoundland, examining both federal and provincial development policies, institutional responses and community-based development organizations and initiatives. Finally, the normative model will be presented in Section 3.4.
3.2 Top-Down Development in Canada

3.2.1 Top-Down Development Theory

It was not until the post-World War II re-construction of Europe that economic development as a concept and as a deliberate practice attained prominence. The approaches to development which were initiated in Europe, and which were adopted in Canada in the 1960s and 1970s, had a strong top-down predisposition. These early approaches were deeply rooted in neoclassical economic theory and its sectoral and spatial manifestations in the growth pole / growth centre concepts. Some of the more prominent development models of this period include: Growth Poles (Perroux 1955); Cumulative Causation Theories (Myrdal 1957); Polarization and Trickle Down Strategies (Hirschman 1958); and Core-Periphery Interaction Theories (Friedmann 1972).

The purpose of development in this initial period was two-fold. Development was intended to 1) alleviate regional economic disparities while 2) producing an overall increase in national wealth. The basic premise of the top-down approach was that development would naturally occur through the dispersion of urban industrialization and culture to 'underdeveloped' or peripheral areas (Portes 1976). In theory, economic development would be automatically concentrated around favoured economic sectors (growth poles) and urban locations (growth centres). From these few dynamic sectoral or geographical clusters, growth was expected to spread or 'trickle down', either spontaneously or in an induced fashion, to other sectors and the surrounding region. Ideally, market forces would drive this process as corporations and industry penetrated into these areas (Stohr and Taylor 1981). Where regional disparities persisted, however, the state could intervene through regional development policies designed to induce economic growth in the disadvantaged area. Corporate investors would be attracted to
designated growth areas by incentives such as tax concessions and grants. These industries would contribute to the spin-off growth process, and economic development would filter through to the rural hinterland (Hansen 1981; Stohr 1981)

The predominance of the top-down development paradigm is clearly reflected in Canada's early approach to development. Beginning in the late 1950s, the growth pole / growth centre concepts were applied in an array of development policies designed to correct regional economic disparities, particularly in the Maritimes. These policies are perhaps best exemplified, in the 1960s, by the Agricultural Rehabilitation and Development Acts (ARDAs) and the Fund for Rural Economic Development (FRED), and in the 1970s by the industrial development policies of the Department of Regional Economic Expansion (DREE) (Cullingworth 1987). These top-down, 'blanket' approaches to development have come under increased scrutiny in the past few decades.

3.2.2 Problems with Top-Down Development

One problem with development guided by senior government policy is that policies and programs will tend to be specific to the government in power at the time. With changes in government occurring every few years, development efforts can lack direction and consistency. These failures are articulated by Brodhead (1989:42) in his summary of Canada's regional development efforts:

In the 1950s and 1960s ... there was essentially an *ad hoc* approach to regional development but no overall strategy. In the 1970s and 1980s, with a number of departments involved in regional development and economic development, there was essentially constant departmental and policy change and evolution, but no consistency.
Hansen (1981) suggests that the fundamental assumptions upon which growth pole and growth centre development models were based was false. In contrast to expectations, the actual spread effects associated with the growth pole/centre model were small and limited in geographic range. There was little evidence of backward and forward linkages with the surrounding economy\textsuperscript{22} and, therefore, the expected internal networks of dynamic expansion were never established (Weaver 1984).

Traditional top-down development policies were aimed at attracting large, often multi-national, corporations. Such enterprises were usually guided by their own agendas, which were not necessarily in accord with the community or region in which they operated. Large corporations would establish themselves in a community with the intention of capitalizing on one or two specific natural resources. These resources would be exploited and exported away from the region for secondary processing, while other resources would be left idle (Hansen 1981; Stohr 1983). Furthermore, Stohr (1981) reports that the introduction of a large outside industry would often displace endogenous enterprises and foreign ownership meant that capital, in the form of profits, would be drained away from the region. Hence, in many cases, the large corporations which were attracted to designated growth areas not only failed to contribute to regional growth but actually detracted from it.

In addition to these fundamental deficiencies in the top-down development paradigm, there were a number of changing economic conditions in the 1970s which further devalued the top-down approach. First, aggregate economic growth rates, even in core regions, began to decrease. This had an egregious influence on marginal areas dependent on economic expansion from the centre. Second, multinational corporations began to relocate operations to areas of lower production costs, viz. the third world.

\textsuperscript{22} In this context, backward linkages refer to those activities involved with providing services or manufacturing parts needed for resource exploitation. Forward linkages are those activities involved in the further processing of the resource.
Third, many of the natural resources, upon which the multi-national corporate presence in marginal areas was based, began to suffer exploitation beyond their limits and many were exhausted completely (Stohr 1981).

3.3 Development Policy in Newfoundland

Until very recently, rural development efforts in Newfoundland have followed a rather typical top-down economic development approach. Rather than build on its unique strengths, the traditional outport economy was neglected and the mainland Canada development model, with its urban industrial thrust, was adopted as the only desirable development mode. It is this type of approach which the 1986 Royal Commission of Employment and Unemployment discouraged in its summary of the history of development policy in Newfoundland:

For more than 100 years we have followed an industrial model of economic development based on the experience of Britain, the United States and central Canada. This attempt has produced some partial successes, but in many ways it is inappropriate for a small, peripherally located society distant from the major market-places of the world (Newfoundland 1986: 40).

This section provides a profile of the government and non-government organizations that have been involved in development, and an overview of the various programs and initiatives that have been implemented, in order to illustrate the predominantly top-down nature of development practices which have typified the past century. It is not designed to provide exhaustive coverage of the development history of Newfoundland, but rather to provide the necessary context for discussing the merits of the CED model later in the thesis.
3.3.1 Federal and Provincial Government Policy

The initial economic and social organization of Newfoundland was consistent with Innis' staples thesis where development of a marginal region is determined by the resource demands of the imperial centre (in this case the staple was codfish and the centre was the British crown) (Alexander 1983). Initially the fishery operated as a migratory off-shore 'banks' fishery from England with only temporary lodgings established during the fishing season. This fishery was slowly displaced, however, by a resident inshore cod fishery and by 1800, despite legal and institutional impediments, there were hundreds of small, permanent fishing settlements dotting the Newfoundland and Labrador coastline. St. John's became established as the centre of commerce, home to a hierarchy of merchants linked by lines of credit from local retailers to international exporters, importers and wholesalers. Newfoundland was granted Dominion status in 1855 at which time its St. John's political and financial elite — essentially one and the same — turned inland for investment opportunities. They replicated the Canadian National Policy of the time, and attempted to diversify the island's economy away from a single export (Alexander 1983). Railways were constructed with foreign funds, agricultural settlement was encouraged to diversify the resource bases and to increase the domestic market for manufactured goods, and tariff protection was put into place for such goods as footwear, tobacco, textiles and cooperage. By the mid-1890s, however, attempts at diversification and import substitution had essentially failed.

During this period the Newfoundland fishery had been largely ignored. While great efforts had been made to diversify the rest of the economy, little was done to diversify the fishing industry and hence, while other North Atlantic fishing nations were introducing new technology into their fishing industries, such as refrigerating facilities which allowed diversification into fresh and frozen fish and more species, Newfoundland's
fishery had remained unchanged. This failure to match the innovation and investment of its competitors during this period is seen by many as the "origins of Newfoundland's underdevelopment" (Sager 1987:130).

The Newfoundland government's attempts to replicate Canada's National Policy had left it greatly in debt, and lacking the necessary capital as well as the entrepreneurial or political will to invest in the fishery. In response, the government pursued foreign corporations and investors to develop the country's mineral and timber resources. The result was that a once domestically owned and controlled one-product export economy was replaced by a largely foreign owned and controlled three-product economy. Substantial tax concessions were granted to foreign developers and with little Newfoundland participation, and industrial linkages lost overseas, few benefits were accrued locally.

During the Depression the cash-poor government, rather than default on its loans, relinquished 'responsible government' and returned to colonial status. A commission of government, consisting mainly of British civil servants, took over and began efforts to develop the fishery by concentrating people in a limited number of centres where freezing facilities would be established, and by expanding agricultural production to absorb some of the surplus population dependent on the fishery (Alexander 1983). A program to make farmers out of fishermen met with some initial success, but by the end of the 1940s few farms remained (Greenwood 1991).

The outbreak of World War II, and Newfoundland's strategic location, resulted in an influx of Canadian, American and British military spending. For the first time a substantial cash economy was created across the island, employing up to twenty-five percent of the labour force (Overton 1978). Greenwood (1991) explains that while the spending diminished after the war, the expectations of the Newfoundland population did
not, and this helped to pave the way for Newfoundland to join the Canadian Confederation.23!

Newfoundland joined Confederation in 1949 under a campaign waged by the soon-to-be first premier of Newfoundland, Joseph R. Smallwood. With Confederation came the removal of tariffs and the establishment of transport subsidies which allowed Canadian manufactured goods to sweep aside what small scale local manufacturing had developed, and caused most new Newfoundland manufacturing industries established during this period to fail within the next few years (Newfoundland 1986). The influx of federal funds more than compensated for these losses, however, as consumer spending expanded like never before and unprecedented profits were made in the wholesale and retail sectors (Overton 1978). On the strength of these federal funds, Smallwood set out on a massive scheme of modernization and industrialization which marked an era that would last over twenty years.

Development in the 1950s and 1960s was dominated by the growth-pole approach and was largely directed at infrastructure improvement. Construction of highways, schools, and hospitals, rural electrification and phone line installation created jobs throughout the province and accounted for some 40 percent of the provincial budget during this period (Matthews 1978). Because service provision was most cost effective where populations were concentrated, a growth-centre, "Centralization Program" was initiated in 1954 which provided financial assistance to households willing to relocate from isolated rural areas to larger centres where services were more readily accessible. This marked the first of several divisive and contentious 'resettlement strategies' which would be implemented over the next two decades.

23 Newfoundland's entry into Confederation was by no means done under a clear consensus. The referendum which decided the issue was won by a mere 1 percent (51 percent for Confederation, 49 percent against).
Smallwood also set out to diversify the Newfoundland economy away from the fishery, initially through import substitution manufacturing. At first Smallwood utilized the cash surplus from Confederation to establish a variety of crown-owned manufacturing enterprises throughout the province. Instead of building upon the established inshore fishing industry through backward and forward linkages, however, the province established manufacturers of products such as textiles and chocolates, and most of the enterprises established consisted of outmoded equipment from German factories that had been dismantled as part of post-war reconstruction (Bassler 1986). Not surprisingly, a quarter of these businesses failed within five years while the rest survived primarily through government subsidies (Greenwood 1991).

Once the federal funds were expended, Smallwood turned his attention from import substitution to foreign-controlled resource development. Huge tax concessions and subsidies were offered to outside corporations interested in doing what the province could not afford to do on its own: exploit its natural resources. In addition to several forestry and mining developments, Smallwood promoted the construction of the massive Come By Chance oil refinery and the Churchill Falls hydro-electric plant. However, the significant subsidies provided meant little financial return to the Newfoundland government24. The vast majority of the revenue generated was in the form of profits which flowed out of the province to the corporations' headquarters (Newfoundland 1986). With majority control of these corporations residing outside of the province, few other backward or forward linkages were established and, hence, Newfoundland maintained its position as solely an exporter of raw materials.

The federal government became directly involved in Newfoundland's development in 1958 when a Royal Commission of Canada's Economic Prospects called for

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24 Returns were also limited by other factors. The Come By Chance refinery experienced a whole series of difficulties which significantly limited its operation and Churchill Falls was (and indeed remains) locked into an outdated contract which sells vast amounts of power to Quebec at far below market value.
development programs that would address regional disparities and which would ensure that comparable levels of public services were available to all Canadians. A never-ending series of national developmental programs followed, which had sectoral rather than regional orientations and which were largely directed at agricultural development (Cummings 1988). Given the province's severely limited agricultural potential25, these initial programs had little utility in outport Newfoundland. In 1965, however, the federal Department of Fisheries joined with the Newfoundland government in its Centralization Program shifting the emphasis from concentration of population for service provision to promoting the 'rationalization' of the fishery. Rationalization essentially meant removing people from what were seen as small, economically non-viable fishing communities, to large, offshore trawler ports which were thought to offer fishers opportunities for greater incomes (Copes and Steed 1975). Fishermen were instructed to "burn your boats"26 and whole communities were strongly encouraged to move to the nearest designated growth centre.

Resettlement programs in Newfoundland are described by Perry (1987) as development based on "economic triage". The term triage is derived from the battlefield medicine practice of channeling limited supplies of drugs or other medical treatment resources to those special classes of wounded who, for military purposes are the most important to save. These programs, whether provincially or federally driven, had many problems. The first resettlement program of the 1950s was extremely divisive, as assistance was only provided where every household in the community agreed, by petition, to relocate (Wadel 1969). Later, federally driven, fisheries rationalization initiatives attempted to address this problem by lowering the requirement from 100 to 80 percent.

25 In Newfoundland, less than 1 percent of the total land base has any potential for agricultural development and of these areas, no soils are better than class three, as designated by the Canada Land Inventory (CLI) soil classification system (Bryant 1989b).

26 Smallwood is generally believed to be the source of this comment although there appears to be no actual documentation of this.
However, the fishery rationalization strategies of the 1960s, aimed at increasing the offshore sector, led to overpopulation of the fisheries centres, and once jobs created by the initial boom in infrastructure construction subsided, many families turned out to be worse off in the new centres (Wadel 1969; Copes 1972).

Regardless of these problems, the provincial and federal governments continued in their resettlement efforts. In 1969 the newly created Department of Regional Economic Expansion (DREE) designated more fisheries growth centres, but went a step further, extending the program to 'special areas' outside the fishery. Building on Boudeville's spatial transformation of Perroux's growth-pole theory (Boudeville 1968), industrial parks were established in designated growth centres, such as Corner Brook, Pasadena and Gander, and tax concessions and grants were provided to attract industries into the regions (Savoie 1987). The principle behind the growth centre strategy, that large, economically dynamic communities would form and, through 'trickle down' effects, spread the development throughout the entire region, unfortunately did not occur. The results were similar to Smallwood's mega-project development schemes of the 1950s — the reliance on outside corporations meant that decisions were made externally, profits flowed out of the community and, consequently, few economic linkages within the region were realized (Bradfield 1988). Brodie (1990), furthermore, suggests that beyond the inherent difficulties in growth pole / growth centre strategies, DREE's own application of the theory was particularly ineffective at creating spread effects because many of the newly-introduced industries were, by nature, completely incongruent with the existing economy.

The Smallwood era ended in 1972 with the election of the province's first Progressive Conservative government. The resettlement program, which, over its nearly twenty year duration, had resulted in the abandonment of 567 communities and the relocation of some 28,000 people (Fuchs 1985:193), was scrapped. The PC governments of Frank Moores in 1972 and later of Brian Peckford in 1979, moved away from the
growth pole / growth centre strategies of the Smallwood era, and instead focused on large-scale resource projects including mine development, Labrador hydro development and offshore oil development (Simms 1986). This transition towards resource projects occurred in stride with the shift in development approach of the federal government. There had been much political opposition to DREE's growth centre strategies across Canada by representatives of every constituency that was not so designated (Greenwood 1991). DREE was subsequently reorganized and a series of cost-shared, federal-provincial General Development Agreements (GDAs) were initiated which were supposed to take into account the comparative advantage of each province. DREE was further reorganized in 1982 becoming the Department of Regional Industrial Expansion (DRIE). The new emphasis on Industrial as opposed to Economic expansion strongly favoured the comparative advantages and greater populations found in central Canada. For example, between 1983 and 1985, 70 percent of incentives went to Ontario and Quebec, while Newfoundland, with over double the rate of unemployment (but a much smaller population), received only one percent (Greenwood 1991).

It was becoming apparent that much of the federal government's development expenditures were not, in fact, development oriented but were instead little more than compensatory and transfer payments to individuals and sectors (Brodhead 1989). Criticism of some of the more recent federal development efforts was particularly strong in the Atlantic provinces which viewed DRIE as cumbersome and insensitive to the economic circumstances of the region (Savoie 1992). In response, the Atlantic Canada Opportunities Agency (ACOA) was created in 1987. It was founded on evidence that most new jobs created in marginal areas of Canada in the 1970s had, in fact, come from local small businesses and not from the attraction of large industries (Canada 1989a). ACOA, it can be argued, was the first major program to adopt aspects of a bottom-up approach. It should be noted that while growth pole / growth centre strategies had been
abandoned fifteen years earlier, the 'smokestack chasing' philosophy where industry, preferably large industry, was seen as the best, and in many cases, the only vehicle for economic growth, had persisted through the 1970s and into the 1980s. ACOA moved away from growth pole / growth centre and smokestack chasing models of development and instead emphasized growth of the region's whole economy through support of the area's endogenous entrepreneurs, and small and medium sized businesses (Canada 1989a). ACOA continues to provide business advice and studies and financial support to private firms and entrepreneurs in a range of sectors.

While ACOA represents a reduction in the scale of development from a National to an Atlantic level, decisions continue to be made centrally which affect the entire region. Hence, although old models of development were discarded, ACOA still practices an essentially top-down approach -- the blanket is just much smaller. The chief criteria for providing support under ACOA are 1) the economic viability of the enterprise and 2) the need for assistance. As such, many areas of Newfoundland are unable to access ACOA funds and continue to face severe marginalization (Savoie 1992). The ACOA programs have essentially failed to take into account economic disparities between regions within Atlantic Canada.

Another federal program which more decisively demonstrates the shift in thinking towards a more bottom-up, community-based system of development is the Community Futures Program introduced to Newfoundland in 1986. The goal of the program was to provide people in areas of economic marginalization with training and job development by stressing support to small business development and entrepreneurship. Contrary to ACOA's programs, criteria for community eligibility into Community Futures included rate of unemployment, dependence on social assistance or other income transfers, the levels of local incomes, the age of the workforce, the extent of workforce out-migration to other communities, labour force participation rates, and educational levels (Douglas 1994b).
The membership of a Community Futures Committee (CFC) for a given area was composed of volunteers from a number of different interest groups including town councils, regional development associations, local businesses, and unions. The role of the CFC was to coordinate economic development planning and other related initiatives in the region, to act as a catalyst for development initiatives and to access other components of the program that might benefit the community. These other aspects include: a Business Development Centre (BDC) to provide last resort financial assistance and business advisory services to local enterprises; the Community Initiatives Fund (CIF) to provide funding towards community infrastructure development; and the Self-Employment Assistance (SEA) fund to help residents who are on UI, or are receiving social assistance, to transfer from these, through temporary income support, funds to start up small-business ventures (Douglas 1994b).

Community Futures has been generally well received across the country with more than two-thirds of Canada's rural population now covered by the program (Douglas 1994b). Of any of the development programs initiated by the federal government to date, CFP is probably the most firmly grounded in a community economic development ideology.

The shift in federal policy towards bottom-up, community-based development that came with the creation of ACOA and Community Futures was also evident in the changing approach of the Newfoundland government around the same time. Industrialization and the world recession at the end of the 1970s had a devastating impact on the resource industries upon which Newfoundland's economy had become so dependent. In light of unemployment rates topping 21 percent, the Peckford government established the Newfoundland Royal Commission on Employment and Unemployment in 1985, appointing Memorial University sociologist and director of the Institute for Social and Economic Research (ISER), Doug House, as Chairman. The Commission report
argued that traditional industrial models of economic development based on the experiences of Britain, the United States and central Canada, were not appropriate for Newfoundland. Not only was Newfoundland's domestic market too small and distances to major metropolitan markets too great for it to become a major centre of heavy industry and manufacturing, but such a model neglected the relative strengths of the outport economy, where the majority of Newfoundlanders still lived (Newfoundland 1986). The report dismissed the need to centralize populations for large-scale manufacturing and rejected the thesis that the "pending post-industrial era" of "electronics, computerization, modern transportation and communications systems and the rapid growth of personal services" could be capitalized upon by outport communities (Newfoundland 1986:19).

The report gained widespread support throughout all sections of Newfoundland society (Greenwood 1991) and when the Liberal Wells government came into power in 1989 it began implementing the House Commission recommendations. House was appointed chair of the Newfoundland and Labrador Economic Recovery Commission (ERC), a provincial crown corporation responsible for economic development. Drawing on the work of the Royal Commission report, the ERC set about decentralizing the province's small business and rural development support efforts with the establishment of Enterprise Newfoundland and Labrador (ENL) in 1990. A year later ENL, in conjunction with ACOA established the Women's Enterprise Bureau (WEB) to assist women entrepreneurs and, in the same year, under the auspices of the ERC, ENL and ACOA, the ACOA/Enterprise Network was established to provide business and economic development information and data communications services to all development agencies in the province (Newfoundland 1995a).

In the midst of all these new development agencies came the Newfoundland and Labrador Strategic Economic Plan (SEP), "Change and Challenge", in 1992. This plan specified that, over time, the province would pursue economic development through
twenty economic zones and that economic plans for these regions would be developed specifically for the region and by the people living in that region\(^27\) (Figure 3.1). The plan makes explicit reference to CED stressing that it is "the people of a community themselves that should be directly involved in pursuing and managing their own economic development" (Newfoundland 1995a: 13). An important part of implementing the SEP will be to coordinate the various development agencies presently operating in the province. As Fuchs (1995:53) points out, one of the key objectives of the new strategy is to clean up what he terms a "crowded kitchen" of economic development organizations and programs.

A joint provincial-federal Task Force on Community Economic Development in Newfoundland and Labrador was formed to make recommendations for establishing the zones. Among the Task Force's recommendations were: 1) reduce the duplication and overlap which exists between the various development agencies operating at present; and 2) establish a series of provisional boards to determine the exact composition and responsibilities of the permanent boards (Newfoundland 1995a).

As of July, 1996, the following organizational changes have been made: ACOA and Enterprise Newfoundland and Labrador (ENL) (now the Department of Development and Rural Renewal [DDRR]) are now jointly responsible for overseeing the implementation of the new development zones. The two agencies are working together through a joint provincial-federal Strategic Regional Diversification Agreement (SRDA). Government funding to all 59 Rural Development Associations (RDAs) in the province was terminated in November, 1995 and, as of January 1996, 31 RDAs had laid off their paid staff and had either closed altogether or had began operating, through volunteers on a part-time basis only. While exact figures were unavailable, a spokesperson for the

\(^{27}\) The plan initially called for seventeen zones in the province. Since that time three zones have been divided to produce a total of twenty.
Figure 3.1
Economic Zones: Island of Newfoundland

Source: Atlantic Canada Opportunities Agency (1997)
Newfoundland and Labrador Rural Development Council (NLRDC) commented that, "a significant number of further (since January, 1996) staff have been laid off and the vast majority of RDAs in the province have now closed or have gone to part-time" (NLRDC, pers. comm.)28. Finally, all operations of Community Futures have been cancelled with the exception of their small business loans program and the offices now go by the name Community Business Development Centres (CBDCs).

With regard to the second recommendation, as of September, 1996, all but two of the twenty zones have established provisional boards, 12 of the 18 zones with provisional boards have established permanent boards, and the remaining 6 provisional boards are reported to be very close to having their permanent boards approved. It is too early to predict exactly what shape this new system of regional development organizations will take, and the effectiveness of this new bottom-up strategy to development remains to be seen.

3.3.2 Rural Development Groups

The development history of Newfoundland has not been the exclusive domain of government. Another salient force in shaping the current reality of regional development thought and practice in Newfoundland have been the non-governmental rural development groups. Newfoundland has a long history of these largely volunteer-based, rural development groups. In fact, the rural development movement in Newfoundland has been said to be the most permanent institutional mechanism for community and rural economic development in Atlantic Canada (Fuchs 1995). Consumer's cooperatives and fishery producers and marketing cooperatives were established on the Great Northern Peninsula.

28 Those RDAs which remain in operation are doing so on their own initiative, unsubsidized and supporting themselves through local capital. It is difficult to speculate which RDAs will continue to survive and for how long.
as early as 1905 by Sir Wilfred Grenfell and were continued through the 1930s under the
British Commission of Government. While the cooperative movement since that time has
been muted in Newfoundland in comparison to other parts of Atlantic Canada, the
province now has more than 100 other types of non-governmental, and community and
rural development organizations. The most established and recognized of these were the
59 RDAs, and their umbrella group, the NLRDC.

The community development groups, which came to be known as RDAs, first
emerged in Newfoundland in the 1960s, for the most part as a reaction to economic
development and social problems, but especially as a response to government resettlement
schemes (Johnstone 1980: 25). Because of the lack of information and the absence of
community action in the past, many communities had accepted resettlement as inevitable
and deferred to the rule of outside authority (Greenwood 1991). In other areas, however,
the rural population resisted resettlement and banded together to save their communities.
The first of these was the Great Northern Peninsula which formed the first RDA in 1967,
as a peninsula-wide lobby group. Similar groups formed shortly thereafter on Fogo
Island, Eastport, Green Bay, Bell Island, Placentia and Burin.

Fuchs (1995) attributes the growth of the RDA in Newfoundland to the province's
dispersed settlement structure. With some 710 communities scattered over 400,000
square kilometres of land mass, Newfoundland is the most sparsely settled of the
provinces. It is this reality which has been at the centre of the province's development
challenges since well before Confederation, and it was the failure of public sector
initiatives to overcome the problems of Newfoundland's dispersed system of communities
that encouraged the creation of the RDA (Fuchs 1995). People in rural areas felt that
planners and bureaucratic decision makers in St. John's and Ottawa were uninformed and
insensitive to the local potential which was, in fact, available for regional, rather than
centralized, forms of economic development. Their solution was to band together "to
identify opportunities, seek financing for local development projects and lobby for improved services" (Fuchs 1985: 195). Working on the notion that a local idea is more likely to work than an imported strategy for economic development, the RDA was designed to provide an opportunity for participation in decision-making by groups who were largely ignored by public policy. In short, RDAs were to be a "pluralistic approach to voluntary planning and the promotion of economic development" (Fuchs 1985: 196).

Early success of RDAs, particularly in Eastport, provided the election platform for Frank Moores' PCs in 1972, under the mandate of approaching development with the same community-government cooperation typified by the Eastport process (Greenwood 1991). The change in approach was more symbolic than real, however, as centralized growth pole strategies continued and RDAs instead became the mechanism of choice for government to funnel short-term job creation and emergency response funds into communities29. This increased the RDAs' reliance on short-term 'make-work' programs to enable people to qualify for UI. In fact, between 1978 and 1988, the vast majority (96.6 percent) of jobs created by the province's RDAs could be classified as make-work projects. Only 887 of the 25,811 jobs created over this period produced permanent employment (Newfoundland 1989).

The two main categories of project into which RDAs typically invested time, energy and public capital were the fishery and community services. Between 1978 and 1988 a total of $110 million was spent by RDAs in Newfoundland and Labrador. Of this, $58 million (53 percent) was spent on fisheries enhancement projects such as building wharves, slipways and gear storage sheds, as well as providing electrical power, access roads and fresh water to fish plants. An additional $25 million (23 percent of expenditures) was spent on community service projects. These projects included the

29 As discussed earlier, the Moores government actually focused on large scale resource projects.
construction of community centres and recreation facilities (e.g., ball parks, hockey rinks, playgrounds) as well as the installation or improvement of health care facilities, fire protection services and water and sewer utilities (Newfoundland 1989). Hence, during this period, 76 percent of all community development expenditures went toward projects which, although instrumental in creating short-term jobs, failed to provide any foundation for real economic diversification, and are of little value under the current reality of a 'non-fishery'. As Fuchs points out:

The unfortunate circumstance, however, is that this inshore fishery is now imperiled by environmental calamity and resource management problems that forestall much of the long-term economic development dividends from this investment. (Fuchs 1995: 60)

Leamon (1995) argues that RDAs at this time did not have the resources to engage in planning and implementing long-term social and economic development projects. They were restricted to a very small allowance of administrative funding which meant low salaries and the difficulty of attracting people with the expertise necessary to engage successfully in long-term planning30. There generally has been a reluctance, on the part of both the provincial and federal governments, to view and support the RDA as the primary vehicle for rural development (Newfoundland 1986). Some RDAs have attempted to overcome these constraints, such as the six RDAs that came together to form the Northern Regional Development Association (NRDA), which later became the Great Northern Peninsula Development Corporation (GNPDC). The GNPDC was to serve as a second tier organization which would provide the business and enterprise development and management functions and services to the associations that formed it (Leamon 1995). Although the GNPDC still operates, and has had some success in helping to establish new

30 More than 50 percent of the RDA volunteer directors do not have a high school education (RAND/ACOA 1987 - in Fuchs 1995)
community enterprise, it has experienced serious problems in coordinating the businesses, workers and communities that comprise it (Sinclair 1989).

RDAs in Newfoundland and Labrador have undergone dramatic restructuring as the province's new regional development boards are implemented. The Task Force on Community Economic Development in Newfoundland and Labrador (Newfoundland 1995a) reports that RDAs have played a vital role in rural economic development, suggesting that many of the intangible contributions of RDAs have been ignored by focusing solely on economic criteria such as job creation and new business starts. The Task Force points out that more than 1,300 volunteers serve on the boards of directors of RDAs, and generations of Newfoundland leaders have gained valuable experience as RDA volunteers. Moreover, RDAs provide an organizational vehicle for many people who would otherwise remain alienated from formal organizations (p. 29). The report also stresses, however, that all development agencies in the province need to have a clearly defined role and that (particularly in the case of RDAs) short-term employment that does not contribute to long-term economic development is no longer an acceptable role to play (p. 30). It is unclear, therefore, what the future will hold for the 59 RDAs and the other various and sundry development groups in Newfoundland and Labrador once the new regional development boards have been fully implemented.

3.3.3 Summary of Development Policy in Newfoundland

This section has outlined the development history of Newfoundland, in terms of both government and non-government participation. Several things are apparent from this review:

First, it is clear that a centralized, top-down approach to development has predominated since well before confederation. From the pre-confederation governments'
attempts to replicate Canadian national policy by attracting outside investors to develop the mining and timber industries, to the growth pole and growth centre strategies of Smallwood's resettlement era, and even into the 1970s and 1980s, under promises of a more community-based approach, with Moores' and then Peckford's smokestack-chasing mega-developments, top-down, centralized development policy has prevailed. Although the vehicles had changed, the philosophy had not, for, whether a manufacturing operation or an offshore oil consortium, the approach has remained the same -- to provide subsidies and legislation to encourage investment from elsewhere and hope that the benefits spread throughout the region.

Second, until quite recently, there has been little evidence of commitment to a bottom-up development approach, from government or otherwise. Although community-based development emerged in Newfoundland in the 1960s with the creation of the RDAs, it is clear that these were quite ineffective at generating substantial and meaningful long-term development. The shift to a bottom-up style of development is not clearly apparent until the 1980s with the introduction of Community Futures and, to a lesser degree, ACOA. As will be discussed in the next section, however, such public sector programs, which are based on a market-driven philosophy, and which see the private sector as the dominant engine of change, and economic growth as the only viable goal of development, offer only a parochial view of bottom-up development and are only a narrow interpretation of the concept of CED.

Third, the long history of top-down development programs and the respective roles played by governments, community groups and community residents, will undoubtedly influence how people perceive development today. The long-standing perception of RDAs, for example, as vehicles for make-work projects and UI support, rather than as agents of meaningful change, will not change overnight.
Fourth, it is clear that change is required. A new approach is needed which can build on the motivations, interests and strengths of the community. While the new regional economic development plan of the province explicitly advocates a CED approach, and while there is promise that the new system will bring people into the process, and that government and communities will work together in a way that has only been talked about for the last 30 years, it is certain that public policy can only achieve so much on its own. The only truly reliable determinant of success are the communities themselves. Fuchs (1995) argues that the characteristics of the community — their will to take action, their sense of direction and their spirit of community cohesiveness — will be far more influential in determining the fate of the community than public policy. In his words:

> In many respects, the structures we invoke to promote community economic development really have very little relationship to how successful community enterprise might be. Generally, where people are motivated; where there is a broad consensus of what ought to happen; and where there is a stronger identification with a regional interest than there is with the inevitable social divisions that exist in all communities, community and rural economic development will be successful (Fuchs, 1995: 70).

Hence, if traditional, top-down approaches to development have failed in outport Newfoundland, and if the bottom-up, community-based approach represents the better alternative, then what exactly is bottom-up development? Why is it thought to be a better approach? How does it work? The next section attempts to answer these questions. The change in thinking from a top-down to a bottom-up philosophy is described, some of the more salient themes of the community-based approach are reviewed and, finally, a normative model of successful CED is presented.
3.4 Community Economic Development

3.4.1 The Shift to a Community-based Approach

The fundamental premise of community-based development is not new. There is a concrete record of self-help, mutual aid and indigenous development which has been one of the hallmarks of Canada's rural communities for some time (Melnyk 1985). Whether the initiatives related to producer cooperatives, credit unions, housing, adult education or community confidence, so called "boot-strap" operations have been a fundamental attribute of rural people in Canada (Clark 1981; Thompson 1976). The record is similarly evident in Newfoundland where, despite a somewhat impotent cooperative movement\(^{31}\), there has been widespread community participation in the RDA movement. The notion of community-based development is, therefore, not altogether new. What is new is the level of effort that is being expended to develop comprehensive locally-based strategies, designed to address the larger issue of community control of development of the whole economy, and strategies which rest on a sound theoretical foundation (Bryant and Preston 1987a).

It has become increasingly apparent that although existing national and regional level conceptual frameworks of development provide a necessary basis for development, they are insufficient (Bryant and Preston 1987a). The promises of the top-down approaches of the 1960s and 1970s have been difficult to live up to, and the erratic entry and exit of senior government in rural economic development through regional and sectoral initiatives have proven a very mixed blessing for rural Canada (Savoie 1992). Federally and provincially initiated development programs of this period produced

\(^{31}\text{Compared with, for example, Nova Scotia.}\)
relatively little progress in the reduction of economic disparities across the country. Traditional growth pole strategies, and the strong locational incentives that accompanied these, are thought to have benefited the large corporations they targeted more so than their host communities. In fact, much of the real growth in terms of net job creation in Canada has originated from existing and potential entrepreneurs and businesses. Bryant (1989a:345) reports, for example, that from 1976 to 1984, small businesses (those with less than 20 employees) accounted for 87 percent of all new private sector jobs in Canada.

Fuller et al. (1989) argue that the current rate of fundamental change affecting rural communities in Canada is so rapid and disruptive, that traditional top-down development strategies which did little more than feebly attempt to mitigate change, are no longer viable options. Some have argued that the top-down approach to development was, in fact, designed for, and is more appropriate for, urban rather than rural development applications (Summers 1986). Support for this argument may be evidenced by studies indicating that urban residents place more faith in top-down development approaches than do people in rural areas. In one such study of resident attitudes, Camasso and Moore (1985) found that rural residents were less inclined to turn to extra-local solutions to economic hardship than were urban residents. Dykeman (1990) suggests that the failures of the top-down approach in rural community development are a result of a lack of program flexibility and an inability to accommodate the uniqueness of small communities. Community uniqueness is nowhere more underestimated than in Atlantic Canada where, according to Hanson et al. (1984), government development attempts have too often addressed problems in the fisheries sector rather than problems of individual fishing communities.

Given these failures in the top-down paradigm, locally-based development initiatives began to look more and more attractive in the 1980s from the perspectives of both senior government and marginally located communities. Although there is a growing
consensus in Canada that the strategies most likely to bring real benefits to rural communities are those which are conceived locally by communities themselves, the actual movement towards a widespread adoption of bottom-up development strategies has, to date, only been realized in Europe (Keane 1990; Keane and Ó Cinnéide 1986; Boylan 1988). In Canada, despite countless publications and studies, the evidence for the role and especially the real contribution of local communities, still remains largely anecdotal, albeit intuitively appealing (Bryant 1989a).

Advocates of the bottom-up approach to development argue that community survival is no longer good enough — economic viability and long-term sustainability are the only acceptable goals for a community, and achieving these will require an approach which breaks away from the dependency relationships which characterized traditional development approaches (Fuller et al. 1989). CED is argued to be such an approach, and is the focus of the following review of bottom-up development theory.

3.4.2 A Review of Bottom-Up Development Theory

In the past few decades a number of new terms have been introduced, all of which essentially describe the process of bottom-up development. These new terms include: endogenous development; development from below; humanistic development; decentralized development; local self-sufficiency; small scale development; community development; local development; sustainable community development; and, community economic development. Distinguishing between these terms is often difficult for they all essentially advocate the same basic approach — development of the community by the community. Beyond this fundamental premise of endogeniety, however, there is a great deal of variation, both between and within the various rubrics of terminology. While two theories falling under different rubrics may only demonstrate subtle differences, two
authors, each writing about CED, may have drastically different ideas about what
development is meant to accomplish and how best to achieve the goals of development.

Fontan (1993), in his review of Canadian, American and European bottom-up
literature, suggests that all CED theory can be placed into two groups which he terms
"liberal" and "progressive" approaches to development. Both types of approach advocate
development of the community by the community; the difference in the two lies mainly in
the manner in which they deal with non-economic issues of development and the role
which the community plays in the development process.

The "liberal" approach focuses almost completely on the economic aspects of
development, especially job creation, with no distinction generally made between
economic development and economic growth -- the two are seen as one and the same.
The main priority of development under a liberal approach is to repair the economic fabric
of the private sector by revitalizing targeted business in a local area. The underlying
assumption of this approach bears some resemblance to that of more traditional top-down
approaches in theorizing that a whole series of positive social and economic benefits
(spread effects) will accrue from these targeted growth industries, viz., new jobs, higher
incomes, improved housing conditions, etc. (Fontan 1993).

Although the liberal development orientation towards economic growth was
especially prevalent in much of the early bottom-up development literature (e.g., Nixon
1964; Wileden 1970; Bendavid-Val 1980; Levy 1981), it continues to be advocated today,
as evidenced by the Economic Council of Canada (EEC) which defines CED simply as: "... the improvement of job prospects, income and other aspects of the economy not only for our populations, but by these very populations themselves" (1990:3). Blakely (1989: 15) offers a more comprehensive description of the development process in similarly liberal
terms:
Local economic development refers to the process in which local governments or community-based organizations engage to stimulate or maintain business activity and/or employment. The principal goal of local economic development is to develop local employment opportunities in sectors that improve the community using existing human, natural, and institutional resources.

The liberal approach to development essentially applies the same trickle down effect theory which characterizes traditional top-down approaches. It is assumed that the community is a homogenous whole where the wealth generated has a ripple effect on all of the people and institutions within the community. However, according to Fontan (1993) this, unfortunately, is not what occurs. He maintains that communities are made up of distinct units which benefit unequally from the advantages and disadvantages inherent in growth processes. For development to occur, the most disadvantaged, marginalized individuals, groups and institutions must have access to the benefits of development and a say in the development decisions which will affect them. This view is shared by many others who advocate a more holistic approach to development with a greater role for the public in the process (see, for example, Douglas 1989a, b, 1994a; Swack and Mason 1987; Perry 1987; Nozick 1992, 1993; Dykeman 1990). Fontan (1993) describes such approaches with these characteristics as "progressive".

Progressive initiatives strive for community betterment in all respects: social, cultural, environmental, as well as economic. This approach is designed to build the immediate and long-term capacity of the community. It provides the community with greater control, increasing their potential for finding productive alternatives to transfer payments, government job schemes and other programs of dependency. As Fontan (1993:7) describes it, the progressive approach is directed at combining social with economic development, in order to weave a socioeconomic fabric that takes into account
social objectives with a view to creating new interdependencies where the community has control of the process, and where the public participates actively in planning and developing their community.

Some of the earlier development writers and practitioners to adopt the progressive approach were Clarke (1981) who described CED as an integrated and holistic approach which should blend social and economic perspectives, and Wismer and Pell (1981) who argued that the CED process must maximize public involvement and should give equal priority to economic, social and cultural goals. Douglas (1989a) built on many of the principles of CED described by these authors in his definition of CED which also articulates many of the principles of the progressive approach. As previously noted, he describes development as "a collective or communal driving force which emphasizes first and foremost the community as the target, beneficiary and decision making body and where, although motives of profit and return on investment may loom large, the overriding motive is community betterment" (Douglas 1989a: 29). Douglas advocates an approach which is holistic and inclusive, where economic initiatives are linked with other community businesses and economic activities as well as with social objectives. He stresses community support and involvement in development initiatives and the equitable distribution of the development benefits across the community. Accountability to the community is paramount to the process and CED is seen as just that -- a process, whereby "the economic initiatives are seen, and treated as means to various ends, and not as primary ends in themselves" (p. 29). Douglas specifically addresses the often mistaken synonymity between growth and development, defining development as "a positive structural shift in a community's economy, or putting into place new capacity for positive change" (1989: 29).

The notion of capacity building noted by Douglas is a central tenet of the progressive view of CED. Swack and Mason (1987) argue that development should not
be designed to make the existing conditions in the community more bearable, but rather should seek to change the structure of the community and build permanent institutions within the community. The result, they argue, will be a community which plays a more active role vis-à-vis the institutions outside the community, one in which the residents of the community actively control the community's resources, and one which will be capable of responding to future, as well as to current challenges. Such communities may be described by a number of terms such as 'viable', 'healthy', or 'sustainable'. The last of these terms is one which has appeared quite recently in the bottom-up development literature and is one which deserves some attention here.

Sustainable community development also advocates the principles of the progressive approach and has stemmed from the much discussed concept of 'sustainable development'. The notion of sustainable development gained widespread recognition after the pivotal report prepared by the World Commission on Environment and Development ("Our Common Future"). The report was produced largely out of concern for the overconsumption of global resources and the questionable ability of the planet's ecosystems to sustain current development practices. Sustainable development was defined by the Commission as "development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs" (WCED 1987:43).

The term sustainable development has become somewhat of a buzz word, and has been challenged by some for of its lack of universal definition and the difficulty of operationalizing the concept (Moffat 1993; Murdoch 1993; O'Riordan 1988). O'Riordan (1988:30) suggests that because of the many different meanings of sustainability, "it may be only a matter of time before the metaphor or sustainability becomes so abused as to be meaningless". Some have attempted to address these difficulties by applying the concept
to the community rather than the global level and have incorporated the principles of sustainable development into CED strategies (Boothroyd 1990).

Dykeman (1990) and Nozick (1993) are among the authors who use the term sustainable community development (SCD) and who argue that the community is the perfect medium for realizing the goals of sustainable development. Nozick (1993:39) suggests that:

... people living in and attached to their neighbourhoods are the best guardians over the environment ... (for) in the end a centralist, hierarchical approach to sustainable development cannot provide the plurality of solutions nor the grassroots political will needed to deal with location specific, grassroots problems that communities in crisis face today.

SCD supports essentially the same principles of development outlined by Douglas (1989a,b); Bryant and Preston (1987a,b); Swack and Mason (1987) and other authors who write about a progressive development approach under the rubric of CED. Perhaps the most notable difference between SCD and CED is the emphasis which the SCD literature places on ecologically sound and socially equitable development practices. Nozick (1993), for example, discusses a framework for sustainable community development which stresses the integration of social and particularly environmental considerations into the development equation. Nozick strongly advocates an eco-development approach which places economic growth within the natural limits of the biosphere. She believes that the fundamental conditions for a healthy community and, therefore, viable development, are "peace, shelter, education, food, income, a stable ecosystem, sustainable resources, social justice and equity." (p. 29).

Dykeman's (1990) definition of SCD somewhat de-emphasizes the ecologically sound and socially equitable qualities of sustainable development, offering instead a more holistic view of development which stresses the importance of sound strategic planning.
Dykeman's definition of SCD, which encompasses virtually all of the principles of the progressive approach, suggests that sustainable communities are:

... those communities that aggressively manage and control their destiny based on a realistic and well thought through vision. Such a community-based management and control approach requires that a process be instituted within the community that effectively uses knowledge and knowledge systems to direct change and determine appropriate courses of action consistent with ecological principles. The process must be comprehensive and address social, economic, physical and environmental concerns in an integrated fashion while maintaining central concern for present and future welfare of individuals and the community (p. 7).

Over time, with some exceptions (e.g., Economic Council of Canada), there has been a more or less consistent trend in CED theory from liberal towards more progressive approaches. The liberal approach is concerned only with economic growth. The progressive approach is more holistic, encompassing social, cultural and environmental goals, and is based on the community's own strengths and weaknesses. The liberal and progressive approaches are not mutually exclusive, however. The progressive approach builds upon and encompasses many of the principles of the liberal approach. It involves a different way of thinking about the development problem, but it does not lose sight of the vital and central role played by economics in the process of community economic development. The progressive approach embodies the same concepts of sound economic development which are outlined in the liberal CED literature — those principles which recognize local business and entrepreneurship as vital building blocks of a community economy. The difference in the two is that the progressive approach sees economic development as a means to an end rather than as an end in itself.

The central ideas presented in the progressive approach to development, whether expressed as community economic development, local development, sustainable
community development, or some other term, are essentially consistent. Five fundamental principles are evident in bottom-up development which are argued to form the basis of a normative CED model, and the conceptual framework for this research. The elements of the model are drawn from a variety of sources and not from any single bottom-up development theory. No new terminology will be introduced — given the number and variety of terms already in the literature, another term would serve little purpose.

3.4.3 A Normative Model of Community Economic Development

There is no magic formula for CED that will result in successful development in all places under any conditions, and there is no strategy that should be dismissed automatically as inappropriate. However, generally speaking, the experience of CED theorists and practitioners in Canada would indicate that development strategies which practice the ideas encompassed by the progressive approach, are not only intuitively appealing, but also practically sound (Bryant 1989a). Furthermore, among progressive local development strategies, some ingredients and characteristics have been clearly demonstrated to be more successful than others. The model presented here attempts to draw together these ingredients and characteristics.

Drawing particularly on the works of Douglas (1989a, 1994a); Dykeman (1990); Nozick (1993); Bryant and Preston (1987a); and Bryant (1989a) the model incorporates five principles which are the foundation of progressive development thought. These are Entrepreneurial Spirit; Community Support; Local Control; Planned Process; and Holism. A number of sub-principles or characteristics are also identified which are organized according to the five principles. This set of principles and characteristics, making up the normative model, is presented in Figure 3.2.
Figure 3.2
A Normative Model of Community Economic Development

Engine

Entrepreneurial Spirit

The CED Bus

Vision

Holism

Driver

Local Control

Passengers

Community Support

Road Map

Planned Process
By way of analogy, development can be seen as a journey. The goal, or the destination may be described in a variety of ways and it may vary significantly from one community to another. The goal for some communities may simply be to increase the tax base, for others it may be to improve the standard of living, and for some, it may be a question of survival. The term which is now commonly used to describe the preferred goal of communities is 'sustainability'. CED is a process, or, to continue with the analogy of the journey, CED is the vehicle that can carry the community to its goal, or destination. Figure 3.2 presents CED as a bus, transporting a community along the road towards a destination which we can think of as the 'sustainable community'.

Just as any vehicle must have the right 'parts' in order to function, so too must CED have the right parts. The five principles presented as the foundation of CED are represented in the model as components or parts of the bus. If all the components of the bus are present and functioning, the bus should reach its destination and if the principles and characteristics of CED are present and functioning, CED should succeed. These principles and characteristics are described here. The order in which they are presented is not intended to indicate differences in importance. No such rating of the relative importance of the model's principles and characteristics is attempted at the outset, but this will be returned to as a topic of discussion in the conclusions of the thesis.
3.4.3.1 Principle #1: Entrepreneurial Spirit

The spirit of entrepreneurship has long held a central position of importance in the CED literature. Early CED theory saw entrepreneurship as the key to development success, and although there are clearly a number of other considerations in the development equation, which are included in this model, the principle of entrepreneurial spirit is nonetheless essential, and is represented in Figure 3.2 as the engine, or driving force of the bus. The principle of entrepreneurial spirit is what essentially powers the CED process -- without community economic initiative, there would be no community economic development.

In its most basic form, entrepreneurship might be thought of simply as the creation of new business and employment opportunities. Entrepreneurship is often discussed in terms of the characteristics of a successful entrepreneur (for example, confidence and willingness to take risks). The principle of entrepreneurial spirit as it is presented here, however, is broader than this. It involves a spirit of community entrepreneurship. Theobold (1987) argues for a "social entrepreneur movement" which is based on a willingness on the part of ordinary people to embrace and manage change in their
communities. Such a movement rejects the ideas of more traditional, top-down development approaches which viewed development as something that took place in an area primarily through outside investment. Keane (1990) suggests that all an area could do under such a system was to make itself more attractive to this outside investment by developing its own infrastructure, or by offering fiscal and other incentives. Hence, entrepreneurial spirit is not just about building or attracting businesses -- it is about local initiative and the spirit of 'do it yourselfness'.

Dykeman (1990:1) points out that, "if there is one constant affecting rural communities it is change". Bryant (1989a) suggests that there are three ways that communities can respond to changing conditions. They may act in a winding down mode of behaviour with some adjustments to make the process less painful. Alternatively, they might attempt to manage the change, or adapt to the circumstances, by modifying the structures which they have experience with, such as production techniques, product lines and markets. At the other end of the spectrum is the third type of response -- adaptive behaviour that involves fundamental changes to existing firms, as well as the development of entirely novel enterprises. This approach is proactive, involving searching out and identifying new opportunities. CED is about communities responding to these changing conditions and those communities which respond in a proactive manner are demonstrating entrepreneurial spirit.

Self-Reliance

Embodied in the principle of entrepreneurial spirit is the notion of self-reliance. Douglas et al. (1992) include "an attitude of self-reliance, can-do and entrepreneurship" as one of nine key characteristics of CED. Self-reliance should be a characteristic of CED both in terms of the development process and the goals of development. To achieve self-
reliance in the process of development requires a self-reliant attitude, that is, an attitude that states, "if something is going to get done here, we'll have to do it ourselves". Nozick (1993) also stresses the importance of a self-reliant attitude, suggesting that communities need to recognize and build upon their existing resource base. Communities should build upon local human skills, physical resources, and family incomes, to generate a community with an economy based on local markets, with its production geared towards serving community needs, and which is working to recapture and retain its own wealth.

It is equally important, however, for the community to envision a goal of self-reliance as well. Bruhn (1987) presents the goal of CED as the development of "self-reliant communities developing beyond the traditional laws of the competitive market and beyond traditional government controls". Nozick (1993) similarly speaks of self-reliance in terms of a goal but points out that complete self-reliance is unrealistic since there will always be the need for some degree of trade. Nozick suggests, however, that trade alliances should be made with parties (i.e., other local communities) at the same level of development. Trading primary products for primary products and finished products for finished products, is a much preferred system than the current reality where rural regions export primary resources in exchange for finished products from urban regions which alone enjoy the numerous spin-off benefits of value added processing (Nozick 1993).

Self-reliance should not be seen as a simple dichotomy where the community is either self-reliant or it is not -- for there are various degrees of self-reliance. Complete self-reliance or community autonomy appears unrealistic. Dykeman (1990), for example, emphasizes that bottom-up development does not suggest that the community should be left to develop completely on its own. He stresses that, given its vast management and regulatory powers, and financial resources, senior government still has an important role to play in CED. The role of government, according to Dykeman, should be to facilitate
the development process — to enable communities to exercise their own local leadership and initiative, to essentially encourage an attitude of community self-reliance.

Positive Attitude

Another essential ingredient of entrepreneurial spirit is positive attitude. While an attitude of self-reliance says, "if it's going to be done, we have to do it", a positive attitude says, "we can do it". In their list of fifty-two key characteristics for CED success, Young and Charland (1992) rank positive attitude third in importance, behind only "local initiative" and "local leadership". Bryant (1989a) reinforces this, stressing that attitudes within the community are critical for CED success since communities are but a reflection of the individuals that comprise them. He states that there must be a determination to turn things around, as well as a generally favourable attitude in the community to considered (i.e., planned and locally influenced) change. It is not enough, however, for a handful of local leaders to be positive. A positive attitude must pervade the community as a whole in order to establish the social environment suitable for operationalizing the goals of development. This, according to Douglas (1989a) is a major constraint to development in rural Canada. CED is seen as a new and unproved process by many who view it with considerable reservation. It is far from becoming a way of life in rural Canada, and communities, particularly small communities distant from major markets, are anything but positive about their future. The dominant mood, says Douglas (1989a) is one of reservation, where people believe that "it may be a good idea for other, larger communities, but it won't work here" (p. 30).
Risk Taking

Inherent in the notion of entrepreneurial spirit is the willingness to take risks. Change is inevitable in any community, and managing change to produce positive effects requires risk taking. This means responding to the community's condition and self-perceived needs through unconventional partnerships and ways of doing things. Moderate risk taking and a willingness to try things differently is an essential ingredient of entrepreneurial spirit (Douglas et al. 1992). Bryant (1989a) points out that not only must community leaders be willing to take risks in development, but, more importantly, the community residents must allow these risks to be taken. He suggests that this is a significant hurdle for many communities, due, in large part, to an aversion, particularly in rural communities, to break with tradition. Doing things differently is risky -- people generally prefer to stick with what has worked in the past, even when changed circumstances make traditional responses and ways of doing things completely ineffective (Bryant 1989a). In fact, as Douglas (1994a) suggests, as the motivation and the need to develop increases, the propensity to turn to short term (low risk) solutions increases. People living in a struggling economy are probably less willing to commit themselves to a long-term, risky venture than they would be under more favourable conditions.

Creativity and Innovation

Closely related to risk taking, and also an important ingredient of entrepreneurial spirit, are the characteristics of creativity and innovation. CED often requires looking at things differently, using the community's inherent sense of creativity and innovation to break away from traditional ways of approaching development. Nozick (1993) suggests that entrepreneurial inventiveness and creativity are two of the most important human
resources available for creating new wealth for communities. Through the power of invention, she reports, communities can learn to extract more from their human, physical and financial resources than ever before and, in this sense, recover wealth which had never existed before. Nozick makes reference to the Great West Brewery development in Saskatoon as an example of development success through creative and innovative action. After Carling O'Keefe closed down, fifteen workers banded together, purchased the plant and equipment, invented their own distinctively flavoured malt and, in just over a year of production, had captured 21 percent of the Saskatchewan beer market.

3.4.3.2 Principle #2: Local Control

Local control is another fundamental defining principle of CED. The basic distinction between traditional top-down, and contemporary bottom-up development approaches is made on the basis of how much control the local community has over the process. Top-down approaches gave little or no power to the community; bottom-up approaches, including CED, shift control of the process into the hands of the community. In its most basic form, CED is simply development of the community by the community
and for the community. As illustrated in Figure 3.2, the community, and more particularly, the leadership of that community, is placed in the driver’s seat — they are controlling the development process, just as the bus driver controls the course of the vehicle.

Local control carries numerous meanings and may be represented in numerous ways in the CED process. In a rather abstract sense, local control may mean the community directing the process conceptually. In other words, the community may develop a vision of its future economy and a planned strategy for assisting entrepreneurial involvement within that vision. In this way, the community is in control, but in a mainly conceptual and facilitative, as opposed to an active role. Various aspects of local control from the conceptual level are picked up at different points elsewhere in the thesis (for example, within the discussions on planning and holistic development). However, local control could also be viewed from an essentially hands-on perspective where the community's control is directed more specifically at the operational and active, as opposed to the conceptual level. This type of local control is characterized by the use of almost exclusively local human and material resources. An example of this level of local control would be a community owned and operated venture such as a co-op. It is this level of local control which defines the use of the term in this section and, indeed, through most of the thesis.

Utilizing Local Resources

While the principle of entrepreneurial spirit stressed the importance of a self-reliant attitude, the principle of local control focuses instead on the importance of self-reliant action. First and foremost this means utilizing local resources — physical and financial, and particularly human resources. The utilization, or more accurately, the exploitation of
physical resources has long been the normal practice in rural development. While many
natural resources are ultimately under the control of the federal and provincial
government, there is some evidence of community-based management of local resources
taking effect (see, for example, Pinkerton 1989; Pinkerton and Weinstein 1995; McCay
and Acheson 1987; and Pomeroy 1991). Such community-based management strategies
are an important step toward local control in resource dependent communities. Utilizing
local financial resources is also important, whether in the form of taxes, business assets or
family savings (these will be addressed more fully in the community support section). The
most valuable resource a community has, however, is its people, and for CED to work,
these human resources must be utilized fully. While traditional top-down development
schemes exercised a pyramid structure of bureaucracy, taking power away from the many
and giving it to the few, CED instead gains its strength by power-sharing among as many
community members as possible (Nozick 1993) Recognizing and utilizing the
community's indigenous resources is the key to community empowerment and a first step
towards gaining local control of the development process.

**Local Ownership and Control**

It is not enough, however, to simply *utilize* local resources. For CED to function
successfully, resources and development projects should also be *owned* and *controlled* by
the community. Through resource ownership and control the community can attain a
measure of autonomy from outside influences and hence greater control over the
community's socio-economic destiny (Keane 1990). Local ownership does not necessarily
require the personal financial assets of local residents — it may mean ownership by the
community itself — some structures may be put into place to facilitate local ownership. A
necessary component of CED is, therefore, to provide alternative structures to give a
community control over the use and allocation of its resources. Nozick (1993) discusses community land trusts, where local land is owned jointly by the individual and the community to provide permanent affordable housing to community residents. Another effective structure is community development corporations (CDCs). Some CDCs may act as an intermediary or facilitator of community initiatives, funneling money to the community from higher-up levels of government. Others take on the active role of developer for the community, forming partnerships with private developers, managing commercial properties and local funds and starting new businesses and industries. Such structures are not only effective in mobilizing community resources but in leveraging outside technical and financial resources as well (Brodhead 1989).

Local Leadership and Local Decision Making

Controlling the development process requires, above all, strong local leadership and local decision-making. Summers (1986) suggests that strong local leadership and the presence of strong citizen groups are essential if a community is to take control of its future and gain some degree of autonomy in relation to external forces. Similarly, Young and Charland (1992), in their investigation of Canadian CED "success stories" rank local leadership, along with local initiative as the most important characteristic for achieving CED success. Leadership may come from a number of sources, including local politicians, successful business-people, development officers and union leaders. It is essential for strong leadership to be displayed by recognized community leaders (Douglas 1989a; Theobold 1987; Reed and Paulson 1990) but community leadership should not be limited to those expected to perform as leaders. Leadership may come from some seemingly unlikely sources and, as Flora and Flora (1988) point out, local leadership should be dispersed and flexible, and should be welcomed from any local person.
3.4.3.3 Principle #3: Community Support

- Public Participation
- Community Capital
- Volunteerism
- Cooperation and Partnership
- Sense of Community

Just as operating a bus service would not be viable for a transportation company if there were no passengers to transport, the CED process would, similarly, serve little purpose without people to support and benefit from it. As depicted in Figure 3.2, community support is to CED what passengers are to a bus trip. The principle of community support rests on the fact that CED is not about physically building communities, because communities -- the buildings, services and infrastructure that make them up -- are meaningless without people. In reality, as Bryant and Preston (1987a) point out, CED is a people development paradigm, emphasizing local populations rather than large firms or big governments, and human capital rather than physical capital and infrastructure. For CED to succeed it must address the needs of the community. For this to occur, the residents of the community must be on-side, for CED is about "responding to local needs as community members perceive them" (Shragge 1993:12).
Public Participation

To have public support in the CED process, it is essential to have *public participation*. CED will fail if left solely to the 'experts'. For CED to succeed it requires the engagement, feedback and sustained participation of the local population. The community's human resources must be tapped and, according to Fuller *et al.* (1989), the CED process must be refined and practiced, and frequently refined *in practice*, by ordinary citizens. The notion of public participation in the CED process is premised on this very belief: that community members are the most qualified people to develop the process. They are the most knowledgeable about local conditions and thus it only makes sense to harness the local human resources of a community, (for example, its wisdom, knowledge and energies) to create a development strategy that truly addresses the community's most important issues (Brodhead 1994). CED recognizes the residents of the community as its chief stakeholders in the development process and therefore they must be party to the decisions made.

Arnstein (1969) argued that citizen involvement represents a redistribution of power from the managers to the public. On that basis, she believed that different degrees of public participation could be identified, ranging from non-participation to tokenism to actual sharing of power (Table 3.1). Those who have traditionally held power are often hesitant to go beyond non-participation or tokenism on the belief that the general public is typically ignorant or apathetic. Citizens, on the other hand, are increasingly seeking what they view to be 'meaningful participation' and wish to share some of the power involved (Mitchell 1989).
Table 3.1
Arnstein's Ladder of Public Participation

<table>
<thead>
<tr>
<th>Rungs on the Ladder</th>
<th>Nature of Involvement</th>
<th>Degree of Power Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Manipulation</td>
<td>Rubberstamp committees</td>
<td></td>
</tr>
<tr>
<td>2. Therapy</td>
<td>Powerholders educate or cure citizens</td>
<td>Non-participation</td>
</tr>
<tr>
<td>3. Informing</td>
<td>Citizen's rights and options are identified</td>
<td></td>
</tr>
<tr>
<td>4. Consultation</td>
<td>Citizens are heard but not necessarily heeded</td>
<td>Degrees of tokenism</td>
</tr>
<tr>
<td>5. Placation</td>
<td>Advice is received from citizens but not acted upon</td>
<td></td>
</tr>
<tr>
<td>6. Partnership</td>
<td>Trade-offs are negotiated</td>
<td></td>
</tr>
<tr>
<td>7. Delegated Power</td>
<td>Citizens are given management power for selected or all parts of programs</td>
<td>Degrees of citizen power</td>
</tr>
<tr>
<td>8. Citizen Control</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: (Mitchell 1989)

Community Capital

Bryant and Preston (1987a:55) recognize three fundamental dimensions of CED, all of which emphasize the role of local people in the process: 1) the community plays an active role in the articulation of its own goals and objectives; 2) the community plays an active role in the choice and implementation of development strategies; and 3) the utilization of local initiative and local human and capital resources in development. Public
involvement and the utilization of the local physical and human resource bases have been covered in previous sections. This section deals with the importance of utilizing local capital resources. Local capital resources may come from a number of sources. They may come from the community tax base, for as Flora and Flora (1988) found in communities where there was evidence of strong local leadership and a collective vision of the goals of the community, community residents were generally supportive of raised taxes for the purpose of improved infrastructure and other development-related projects. Local businesses and business owners are another source of local revenue. According to Reed and Paulson (1990), for example, the time and financial commitment of local business people has been a key element in the success of various CED initiatives in rural Nebraska.

It is also clear, however, that the capital resources in our society are concentrated in the hands of corporate capital and the state, and that for an alternative form of economic development to emerge in the community — one that can address both employment and social needs — financial support is required on a scale that cannot be mobilized in the local community (Shragge 1993). Therefore, the state cannot be left out of the process, but it is important that the community, while receiving support from and entering into partnership with the state, does not lose its sense of autonomy and vision. There is a difference between making claims on the state and sitting in a partnership with the state where it is recognized that everyone in the community has a stake in the process. As stakeholders in the process it is vital, therefore, for the community to be supportive of the action, and utilizing community capital is an excellent way of showing commitment to the process (Shragge 1993). Although the community funds may, by themselves, be insufficient to drive development, the act of contribution involves the community and gives the residents a stake in the development process.
Volunteerism

As Rogers (1987) reports, however, development is not driven by money alone. The community must also invest its time and energy to the development process, and one tool found to be effective in this endeavor is volunteerism. Available local capital is usually scarce, and community support is often better evidenced by a commitment of time and effort on the part of community residents. Reed and Paulson (1990) report that many successful rural development projects in the United States have been driven by groups of volunteers or development organizations where there was no paid staff whatsoever. In Canada, Melnyk (1985) writes of a concrete record of self-help and indigenous development involving volunteer efforts which has been one of the hall-marks of Canada's rural communities for some time.

Cooperation and Partnership

As the number of people involved in the development process expands, many different visions and approaches to development may emerge as well as interpersonal and inter-regional conflicts which may manifest themselves in the course of development. Although there are idealized notions of communities as unified entities capable of acting consensually in an economic development program, the reality is that communities are composed of cliques, different vested interest groupings and people of different classes, political allegiances, etc. (Ravitz 1982; Ó Cinneide 1985).

CED is the creation of collective initiatives and collective initiatives require cooperation and partnership between groups and between communities in order to avoid redundant and even competitive or conflicting development efforts (Brodhead 1989; Keane 1990). Yet, according to Bryant (1989a), team building in the community is the
greatest single challenge that rural communities in Canada have to confront. He stresses that this includes attempts by local economic development staff or volunteers to engage in joint development initiatives with adjacent municipalities. Hodge and Qadeer (1983) also emphasize the importance of cooperation between communities. They suggest that Canadian towns and villages are inextricably linked with one another through their resources, institutions and people, and that a regional "community of communities" approach to development should be considered so that a wider array of options become available. Similarly, Dykeman (1990) writes that communities must set aside their parochial concerns and accept that the community cannot be all things to all people. It must develop methods that will encourage communities within a region to work together through partnerships. In individuals, those people with the firmest sense of personal identity or sense of self, will tend to be most effective in dealing with other people, whether it be in personal, social, business or other relationships. It follows that in CED, those communities which are most capable of working with other communities in achieving a sense of region will also tend to be those which possess a strong sense of cohesiveness or sense of community.

Sense of Community

In order to realize community support along with the associated characteristics of public participation, volunteerism, local fundraising and cooperation, it is important to have a common identity, or sense of community. Nozick (1993) suggests that the fragmentation, discontinuity and alienation evident in small rural towns is a result of these towns losing touch with their cultural roots — a process of social amnesia. She argues that communities have been able to sustain themselves over generations not just on the basis of material wealth or power, but on the basis of something deeper and more intangible — a
A bus journey requires a destination and a planned route to get there. Similarly, to be effective, CED requires a set of goals and objectives to be identified and a strategy for achieving those goals. Just as a journey is plotted-out using a map, the planned process which should occur in CED is operationalized using an economic development plan. The planned process of CED is, therefore, akin to a road map which illustrates, in detail, the route to the destination (see Figure 3.2). One type of planning process which is strongly represented in the CED literature is Strategic Economic Planning (SEP). Broadly speaking SEP can be described as "a process that involves a wide variety of participants from the community, responsible through information collection and research, for developing an understanding of the strengths, weaknesses, threats and opportunities faced
by the community now and into the future. It is a rigorous process based on a credible and realistic assessment of the community." (Dykeman 1990: 13). SEP involves both goals and process, for as Lang (1988) argues, strategy differs from plan -- while a plan describes where you want to end up, a strategy describes how to get there.

Filion (1988) suggest that there are seven vital steps involved in a SEP exercise:

1) environmental scan;
2) selection of key issues;
3) setting of a mission statement;
4) external and internal analyses including an examination of the community's strengths, weaknesses, opportunities and threats;
5) development of goals, objectives and strategies with respect to each issue;
6) preparation of an implementation plan to carry out strategic actions; and
7) monitoring and updating (step seven then connects back to step one).

A more general treatment of the SEP process is represented by the following set of seven questions (Shaffer 1989:11):

1) Where are we now?
2) Where do we want to be?
3) Why aren't we there now?
4) What needs to be done to get us there?
5) Who is going to do it?
6) When is it going to be done?
7) How will we know when we get there?

There is a large volume of literature which is devoted to SEP, particularly its operational logistics -- Filion and Shaffer present but two of what are many views of the SEP process. It is not the intention of this thesis, however, to fully review this subject.
Strategic planning is more completely described by Steiner (1979); Lang (1988); Seasons (1988); Filion (1988); Bendavid-Val (1980); Bryant and Preston (1987b); Radford (1980); So (1984); and Fenn (1989). This section is instead intended to provide a basic understanding of the predominant characteristics of SEP and its application to the CED process. There are several characteristics of SEP which are reflected in the process outlined by Filion (1988), above, and which are strongly represented in the CED and planning literature.

**Long-Term Process**

The first characteristic of planning for CED is that it is a long-term process. Development does not occur overnight and CED goes beyond simple band-aid solutions to problems. As Douglas (1994a:22) argues, CED focuses on the "long-term, involving prospects for structural change, enhanced community capacity and other payoffs to community development investments." Brodhead (1989) suggests that the CED process will take at least 10 to 15 years before any tangible results will be noticed and he argues, it usually takes much of this time just to include marginalized groups in decision-making and to build strong local coalitions.

**Knowledge-Based**

The planning process must also be knowledge-based, effectively using knowledge and knowledge systems. This often involves an awareness of current market conditions, technologies and global economic trends, but it is just as important to recognize and incorporate local knowledge into the planning process (Dykeman 1990). Conditions vary from community to community and there is no generic strategic economic plan that can be
expected to apply. Local ecological, social, cultural and economic circumstances must be incorporated into the plan and this requires tapping into the knowledge-base of the indigenous population. The wisdom and energies of all community residents must be recognized and utilized in creating the community's economic plan (Fuller et al. 1989).

Participatory

In order to utilize the wisdom and energies of as many community residents as possible, it follows that the development of the strategic economic plan must be strongly participatory. The community should play an active role in the determination of objectives and goals for itself. This requires that planners themselves work closely with the community not only for the purpose of utilizing the local knowledge base, but also to develop a sense of community ownership of, and commitment to, the plan and to the planning process (Lang 1988; Bryant and Preston 1987b).

Flexibility

Finally, the planned process implemented in CED must be flexible and adaptive. CED is seen as a process which moves a community from one state to another (Sanders 1970), and the purpose of SEP is quite simply to map out the best possible route to get from A to B. The economic plan should be proactive and should attempt to account for future conditions through contingency plans. However, all contingencies can seldom be accounted for -- circumstances may change and the plan must be flexible enough to adapt to such changes (Dykeman 1990). When means and ends are ambiguous, when the external environment is highly uncertain and when there are many separate interests involved, planning cannot be conducted in a rigid, predetermined sequence. It needs to be
iterative, moving back and forth among the steps, regularly adapting the process to meet emerging requirements. It must also be flexible, keeping options open, and must remain responsive to unforeseen change (Lang 1988).

3.4.3.5 Principle #5: Holism

- Inclusive
- Integrated
- Economically Diverse

It is appropriate to discuss the principle of holism last since, in many respects, it is a synthesis of the other four principles. Holistic development considers all aspects of the process and recognizes the integration between the various concerns and considerations of the development process. To expand the analogy, on a bus journey, the principle of holism would be represented by the vision of the people on board -- both the driver and
political, environmental and other ends, and not as an end in itself. In these terms, the principle of holism can be defined by three related characteristics — holistic approaches to CED should be inclusive, integrated and economically broad-based.

**Inclusive**

The principle of holistic development embodied in the CED approach emphasizes that the goals of development should never be strictly economic, but should take into account the broader social, cultural and natural environments. Bryant and Preston (1987) suggest that the CED process must set realistic goals and objectives that go beyond mere economic efficiency. They suggest that quality of life, degree of local autonomy and other non-economic objectives should be seen as legitimate considerations for developing communities. Wismer and Pell (1981) argue that CED should encompass social, economic and cultural goals and it should strive to maximize democratic processes in the decision-making process. They stress that CED should, first and foremost, address basic community needs such as homelessness, hunger, violence and alienation which, if left ignored, will fester and reproduce making meaningful development impossible.

Other development authors, particularly those writing under the rubric of sustainable development, advocate a holistic approach which encompasses not only social and cultural goals, but environmental as well. Sachs (1987:26), for example, using the term "eco-development", writes that development should promote a harmony between nature and human needs — it must be "socially desirable, economically viable and ecologically wise". Similarly, the Canadian Healthy Communities Project (Lane 1989) further promotes holistic development, suggesting that the goals of community development should be to achieve:
a clean environment, clean air, safe and clean water, food, shelter and housing for all; work that is health enhancing, flexible and satisfying; neighbourhoods that are people oriented; local government that is accessible, responsive and one that involves people in making decisions (p. 5).

Holistic development means looking beyond immediate band-aid, crisis-management types of solutions. It involves building the capacity of the community so that, in sustainable development terms, the needs of both present and future generations are satisfied. Vital in guaranteeing equity for future generations is ensuring that the natural environment and the natural resources upon which communities rely, are conserved and managed wisely (WCED 1987).

The principle of holism is, as stated, grounded in the fact that CED should be seen as a means towards certain ends, and not as an end in itself. Changes made to the economy of the community through economic development are designed to induce changes in those components of community life most valued by the residents of the community. It is important, therefore, for public support and participation to be included in the CED process so that the goals of development can be articulated by the community itself and not imposed upon the community by some outside influence. In the words of Douglas et al. (1992): "Integrated or holistic approaches to issues and opportunities involving social, cultural, environmental and other perspectives complements the participatory, inclusive characteristics of CED" (p. xlii).

*Integrated*

CED is the creation of community or collective initiatives as distinct from individual initiatives. This is an important distinction to make because within any given
Community there may be an eclectic assortment of social, cultural and environmental, as well as economic, interests. It is not enough for the various considerations to be merely included in CED — there must be an integration of the various concerns and interests of the community. Fuller et al. (1989:30) discuss the importance of adopting a "holistic and integrated" approach to development to ensure that the solutions that are implemented will not themselves lead to thornier crises. They add that this will only be achieved when "the interconnectedness of social, production and ecological systems is acknowledged". An integrated approach to CED requires that individual activities and enterprises be harmonized. Keane (1990:293) reports that too many community development initiatives have failed due to a lack of integration between individual development sectors such as farming with fishing, farming with agri-tourism or tourist projects with craft production. Successful CED will occur when economic developments are in harmony with social, environmental and other community development goals, and when individual development initiatives are coordinated and cooperative rather than conflicting and competitive.

Economically Diverse

The principle of holistic development emphasizes that through an inclusive and integrated approach, community economic development becomes an effective tool for community development, that is, development of the whole community, not just its economy. However, for the economic engine of development to be effective, the vision of development must be broadened to encompass a more holistic view of the economy itself than is often the case in practice. Various studies have been conducted which examine the issue of community economic vulnerability (Asselstine 1987; Currie 1990; CASIT 1992), defined by Douglas (1989b: 67) as: "susceptibility to change in social, economic, political, ecological and other conditions which undermine or destroy the community's raison
d'être, and eventually its actual existence." The Canadian Association of Single Industry Towns used economic diversification as a key component of a checklist which quantified and ranked individual communities according to their degree of vulnerability (CASIT 1992). While the quantitative method of determining the relative importance of the variables in the index may be questioned, its conceptual basis makes intrinsic sense -- the less diverse an economy, the more vulnerable it will be.

The issue of economic diversification is closely tied to the principle of entrepreneurial spirit reviewed earlier. While CED requires entrepreneurs willing to try something a little different, it also requires the adoption, by the community, of an overall strategy which encourages the exploration of new, non-traditional economic areas. Holistic CED requires the community to have a vision of its own broad-based, diverse economy. Too often, says Douglas (1989a), is industry courting seen to be the same as community economic development. He argues that smokestack chasing exercises ignore other essential components of a healthy economy such as the services sector, internal resources, the informal economy and local enterprise.

CED also rejects the use of conventionally strict economic criteria to measure development success. Keane (1990) argues that many CED initiatives considered successful by local communities are not, in fact, commercially viable if only economic criteria are considered. These communities, he argues, are still practicing effective CED except that the tasks and objectives of many of their initiatives were socially, rather than economically oriented. Douglas (1994a) writes that the term 'economic' must encompass more than the limited financially reported economy as encompassed by (for example) Statistics Canada or Revenue Canada. Market-based and reported transactions of goods and services only encompass a portion of the total community economy and, in some communities, for example in many native communities, only a portion of the total economy. Not only must the so-called third sector of volunteer, barter, household
services and mutual aid activity outside the formal economy be included, but also the underground cash economy and the biophysical environment as both sources of inputs and recipients of outputs (Douglas 1994a). Nozick (1993) supports this view, stating that traditional measures of economic production such as GNP account for only a fraction of a community's economic activities. She writes that 50 - 60 percent of the total goods and services that a community depends upon come from informal work activities such as rearing children, caring for the elderly and community volunteer work.

3.4.3.6 Model Summary

The normative model of CED presented here provides a collection of the principles and characteristics which are thought to be responsible for CED success. It is not a magic formula for development, however. Every community has its own history, its own conditions for development and its own hopes and expectations. What works in one community may fail completely in another and what one community calls success, another may classify as failure. It is this uniqueness, however, which empowers the process for without a common community identity and sense of purpose there is no reason to fight for the town's survival. It is this uniqueness which essentially motivates communities to apply the principles and characteristics of CED success to suit their own needs and address their own objectives. The model is summarized as follows:

The driving force, or engine of the vehicle is the community's entrepreneurial spirit. Entrepreneurial spirit involves having an overall very positive attitude towards development, on the part of not only those people initiating the action, but on the part of the entire community. Being entrepreneurial also involves a willingness to take risks, to break away from traditional development structures and conventions and to try something creative and innovative. Most essential, however, is the spirit of 'we can do it ourselves',
or self-reliance. Community Economic Development is development not only of the community but also by the community. A community with entrepreneurial drive is one which takes control of its development itself and does not rely on the actions of government or some other outside force.

Just as a bus journey would not be viable for the transportation company without passengers to transport, CED is not effective unless the community itself is supportive of the process. CED is most successful when the community is on side, that is, when there is public support for the development actions. The most vital component of community support is the participation of the community residents. This involves public participation in the articulation of the community's specific goals and objectives as well as in the choice of development strategies. Related to this is volunteerism, or the willingness of community residents to sacrifice their time and take action individually or in association with other residents for the purpose of improving life in the community. CED cannot succeed on ideas and effort alone, however. Capital is required and local fundraising for CED projects is a strong characteristic of community support. CED, by definition, is the creation of community or collective initiatives, not individual projects. Cooperation between interest groups within a given community, as well as cooperation between neighbouring communities is therefore an important ingredient in CED. Finally, CED will generally be most successful when there is a strong sense of community -- when a common identity, purpose and culture binds people together and guides them towards a common destiny.

Someone must operate the vehicle and in CED it is the principle of local control which looms large -- the community is in the driver's seat. Local control requires strong local leadership and local decision making. Leadership and decision making may come from obvious sources (local politicians, community development officers, local business people etc.) or it may originate from some key community residents in volunteer positions.
Local control over development includes utilizing local resources - physical, financial and human, and having local ownership of the development projects themselves.

Any vehicle requires a steering mechanism and in CED this mechanism is a planned process. A Strategic Economic Plan should be knowledge-based, understanding the strengths, weaknesses, threats and opportunities faced by the community now and into the future. It should involve the participation of the community and it should be accountable to the community as the key stakeholder in the process. It is a long-term process and it must be flexible and adaptive to any changes which occur along the way.

Finally, the whole CED process must be holistic in its vision and its approach. It should be inclusive and integrative, representing social, cultural and environmental considerations as well as economic goals. It should also promote development of the entire economy — formal as well as informal — without concentrating on only one type of industry, or one particular sector of the economy in order to create an economically diverse community.

3.5 Chapter Summary

This chapter has reviewed traditional approaches to development and examined some of the development strategies practiced in Newfoundland over the past several decades. The province's experience with development has clearly been dominated by the top-down paradigm since well before Confederation. From the attempts by pre-confederation governments to replicate Canadian national policy by attracting outside investors, to developing the mining and timber industries, to the growth pole and growth centre strategies of Smallwood's resettlement era, and even into the 1970s and 1980s, under promises of a more community-based approach, with Moores' and then Peckford's smokestack-chasing resource mega-developments -- top-down, centralized development
policy has prevailed. Although the vehicles had changed, the fundamental approach did not. Whether a manufacturing operation or an offshore oil consortium, the approach has remained the same — to inject an outside (government or foreign) owned and controlled industry into a community (in the latter case often through generous grants, subsidies or other concessions) with the hope that the benefits of the industry would spread throughout the area and spark widespread regional economic growth.

Top-down development approaches have been subject to widespread criticism in Canada and elsewhere. The fundamental assumptions which the top-down models are based are said to be flawed and nowhere is the evidence of this greater than in Newfoundland where, after years of disjointed, top-down development efforts, there is little indication that Newfoundland has gained relative to the rest of Canada. From Table 3.2 we can see that of the Canadian provinces, Newfoundland has the highest rate of unemployment, the lowest participation rate, the lowest per capita income and the second highest incidence of low income. Furthermore, while it is clear that the top-down paradigm has failed, it is also apparent that, to date, the province's attempts at bottom-up development have met with similarly limited success.

Although the rural development association movement has been a strong and tenacious presence, its potential as a vehicle for long-term, viable development has never been realized. Due, in large part, to a lack of vision on the part of provincial governments, the RDA movement has been used as little more than a convenient mechanism for delivering short-term make-work projects, and the associated UI benefits, to the seasonal outport workforce. More recent attempts at a bottom-up paradigm of development have been evident in the efforts made through, for example, Community Futures. These programs, while community-based, did not embrace the holistic, and participatory philosophy of progressive CED as they treat the private sector as the dominant engine of change and economic growth as the only viable goal of development (see Leamon 1995).
Table 3.2
Selected Economic Indicators: Newfoundland versus Rest of Canada

<table>
<thead>
<tr>
<th>Economic Indicator</th>
<th>Newfoundland</th>
<th>Canada</th>
<th>Provincial Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment Rate&lt;sup&gt;1&lt;/sup&gt;</td>
<td>20.9%</td>
<td>9.3%</td>
<td>1</td>
</tr>
<tr>
<td>Participation Rate&lt;sup&gt;1&lt;/sup&gt;</td>
<td>50.7%</td>
<td>64.8%</td>
<td>12</td>
</tr>
<tr>
<td>Per Capita Income&lt;sup&gt;2&lt;/sup&gt;</td>
<td>$18,769</td>
<td>$24,001</td>
<td>12</td>
</tr>
<tr>
<td>Incidence of Low Income (&lt;$10,000)&lt;sup&gt;3&lt;/sup&gt;</td>
<td>15.8%</td>
<td>13.2%</td>
<td>2</td>
</tr>
</tbody>
</table>

Sources:
2. 1991 Canadian Census (93-331; Table 1)
3. 1991 Canadian Census (93-331; Table 9)

As discussed, such liberal CED approaches are a parochial type of bottom-up development and do not constitute CED as defined by the normative model.

Clearly a new approach to development is required in outport Newfoundland -- major economic changes are underway and top-down and traditional bottom-up approaches will not meet current needs. This is a reality which has been reiterated in the policy statements of both levels of government and is reflected in the rhetoric of recent federal and provincial programs. For example, NCARP and TAGS were explicitly designed to "adjust and restructure" and not to 'support' people and communities. Similarly the new provincial strategic economic plan makes it clear that change is required and that the old system of dependency is no longer a viable option for outport communities. The new plan talks of change based on the principles of CED. As
discussed, however, there are many different ideas of exactly what CED is and how it is meant to be accomplished.

The model of CED presented here outlines the principles and characteristics of development identified in the literature as the 'ideals' of successful CED. The question which is addressed is, to what extent are these ideals recognized and acted upon in outport Newfoundland? There is some cause for optimism in this regard. The model stresses the importance of human resources in the CED process and there is ample evidence of people-based community improvement initiatives in Newfoundland, particularly with regards to the province's RDAs. While the long-term benefits from these community development activities may be limited in terms of affecting real change, the spirit of self-help and endogenous effort which drove them was undeniable. Also, the political environment appears to have shifted in favour of community-based, grass roots approaches to development as is indicated by Newfoundland's new economic plan which makes explicit reference to CED as the driving force of the new economy. The new strategy articulates a willingness on the part of government to support and encourage community-based initiatives.

On the other hand, the long history of top-down development programs and the respective roles played by government, community groups and community residents, will undoubtedly influence how people perceive and approach development today. Communities need to break away from a pattern of development which has positioned them as the target, rather than the initiator of change. Will communities adopt the community-based paradigm of development?, or will they remain trapped in old ways of thinking? — waiting and hoping for solutions from government or corporations. Can, for example, the long-standing perception of RDAs as deliverers of UI support, rather than as agents of meaningful development be changed?
Chapter IV examines the practice of development specifically in the study area -- the Bonavista Headland. The predominant social and economic characteristics of the communities therein are described in an effort to better understand the development conditions which typify the region. The area's traditional experience with development is reviewed and the organizations, programs and projects which have been initiated locally in response to the closure of the groundfishery are explored in detail.
Chapter IV

The Bonavista Region:
Development Constraints and Opportunities
4.1 Introduction

This chapter examines the development environment in the study area, the Bonavista Headland (see Figure 1.1). The vulnerability inherent in Single Industry Communities (SICs), and the nature and degree of economic dependence on the fishery in Newfoundland were discussed in Chapter II. Here the degree of economic dependence on the fishery on the Bonavista Headland, the conditions for development there and the local responses which have taken place since the moratoria are reviewed.

Any community, reliant on a single industry as the primary engine of its economy, is vulnerable because without that industry the community has no alternative source of employment nor livelihood to sustain itself. Compared to most other provinces, Newfoundland's economy is far from diverse. However, it does have approximately 350 non-resource manufacturers contributing some four percent of the province's Gross Domestic Product (GDP) (Power Management Inc. 1994: 9). On the Bonavista Headland, however, there are no such manufacturers and, although there are other forms of business and industry outside of the fishery, most of these are support industries which owe their existence to the fishing industry. The economy of the Bonavista Headland was built on the fishery. It was the reason for settlement some 400 years ago and it has continued to serve as the backbone of the region's wealth, society and culture.

There are numerous characteristics of any given community which may influence the process of development. While it is not the intention of this chapter to consider all these conditions, an overview of some of the more prominent ones which exist in the region is provided. Newfoundland has a long history of dependence, not only on the fishery, but, more recently, on government assistance as well. Such dependence is prevalent on the Bonavista Headland and can be illustrated by the region's strong and growing dependence on UI.
A condition which may influence a region's ability to respond is the education level of the population. Bonavista, like much of outport Newfoundland, in comparison with Canada as a whole and to a lesser degree, Newfoundland as a whole, has a relatively poorly educated population. Another reality of the current situation on the Headland is the financial attachment to the fishing industry. Significant investments in vessels and equipment may act as disincentives to leave the fishery. Similarly, attachment to place -- investment in homes and strong family and community ties -- may serve to discourage families from leaving the community for opportunities elsewhere. A final condition that will be discussed, and one unique to the groundfish moratoria, is federal government support. NCARP and TAGS\textsuperscript{32} have been important components of outport life since the moratoria and, for better or for worse, they have strongly influenced how communities like those on the Bonavista Headland have responded to the crisis.

The final section of this chapter is concerned with the local responses to the moratoria in the study area. While perhaps not necessarily conducive to community development, outmigration is, nonetheless, a common response to economic downturn. Provincial and local outmigration trends are reported. A more positive local response that would, hopefully, be present in an economically depressed region is new development. The chapter concludes by discussing development prior to the moratoria and then describes some of the main development organizations and projects which have been proposed and/or initiated in the region since the moratoria.

\textsuperscript{32} The other federal support program, the Atlantic Groundfish Action Plan (AGAP) was confined mainly to the south coast of Newfoundland and is not relevant to the discussion here.
4.2 Economic Vulnerability

4.2.1 Dependence on the Fishery

Until recently, the fishery served as the primary employer on the Bonavista Headland. The inshore fishery (vessels under 35 feet) operated from all seven communities in the study area, nearshore vessels (35-64 feet) operated from Bonavista, Catalina, Little Catalina and Keels, while Catalina served as the only offshore port (vessels over 100 feet) on the Headland. During the late 1980s, four fish processing plants operated in the region. A small salt fish processing plant operated in Catalina until changing market forces caused that plant to close in 1989. Fisheries Products International (FPI) own the other three processing plants in the Headland region. Inshore plants operated in Bonavista and Charleston, and a large offshore plant operated in Port Union. The announcement of the northern cod moratorium on July 2, 1992 shut down operations at both the Charleston and Port Union plants. The Bonavista plant continues to operate seasonally, processing mainly crab.

The communities in the region demonstrate varying degrees of dependence on the fishery (Table 4.1). Based on the proportion of the labour force in fishing and fish processing, and excluding associated service and transport activities, all of the communities selected exceed the nominal 30 percent single industry community employment criterion discussed in Chapter II. One of the problems with defining dependence in this way, however, is that linkages between communities are ignored. At the time of the northern cod moratorium there were 880 people employed at FPI's Port

33 The other vessel category is the midshore fleet (vessels between 65 and 99 feet), but no vessels of this class operate from the Headland region (unpublished data from the Newfoundland Department of Fisheries).
34 Charleston is located in Bonavista Bay approximately 35 km south-west of King's Cove. Although it is not located in the study area, it is mentioned here because much of its workforce was drawn from Headland communities.
Table 4.1
Community Dependence on Fishing and Fish Processing
Bonavista Headland, Newfoundland, 1991

<table>
<thead>
<tr>
<th>Community</th>
<th>Population 1991</th>
<th>Total 1991</th>
<th>Fishing</th>
<th>Processing</th>
<th>Fishery Dependency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>4,597</td>
<td>1,975</td>
<td>105</td>
<td>695</td>
<td>.41</td>
</tr>
<tr>
<td>Catalina</td>
<td>1,205</td>
<td>600</td>
<td>35</td>
<td>230</td>
<td>.44</td>
</tr>
<tr>
<td>Port Union</td>
<td>638</td>
<td>315</td>
<td>20</td>
<td>190</td>
<td>.64</td>
</tr>
<tr>
<td>Little Catalina</td>
<td>710</td>
<td>355</td>
<td>40</td>
<td>220</td>
<td>.73</td>
</tr>
<tr>
<td>King's Cove</td>
<td>214</td>
<td>65</td>
<td>10</td>
<td>10</td>
<td>.31</td>
</tr>
<tr>
<td>Duntara</td>
<td>102</td>
<td>55</td>
<td>20</td>
<td>0</td>
<td>.36</td>
</tr>
<tr>
<td>Keels</td>
<td>128</td>
<td>45</td>
<td>15</td>
<td>10</td>
<td>.56</td>
</tr>
</tbody>
</table>

NB. Data from the Fisheries Food and Allied Workers Union (FFAW) suggest that the number of fishers is considerably greater than is indicated here, which implies higher dependency rates than those shown. Source: Newfoundland (1996).

Union plant. Distances between communities are quite small, and workers travel between communities to work. In 1992 the plant employed 269 workers from Bonavista, 137 from Catalina, 136 from Little Catalina, 104 from Port Union, 163 from communities in Trinity Bay, and a further 71 from communities in Bonavista Bay (Langweider et al. 1993). The closure of the plant has thus had a regional, rather than simply a community impact.

The full employment loss from the moratoria is difficult to assess. The direct effect can be estimated from the number of fishery workers who were eligible to collect benefits from one or both of the federal support packages. With the exception of approximately 300 seasonal workers in the crab fishery, most other fishers and plant

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35 In the years prior to closure in 1992, the Port Union plant and trawler fleet employed up to 1300 full-time and 130 part-time workers on a year round basis.
workers in the region were covered by NCARP and/or TAGS. This amounted to over 1,800 fishery workers, or 44 percent of the regional workforce (Canada 1995a). While a job loss of this magnitude would be devastating on its own, these figures fail to account for the indeterminate number of indirect job losses from support industries to the fishery — suppliers of, for example, fishing gear, fish processing equipment, packaging materials, transport services and vessels. Job losses in these industries were not covered by the NCARP and TAGS programs and are therefore not included in the 1,800 person figure.

Some of those in the industry have suggested that, if support industries were included in the calculations, the total economic dependence on the fishery in many small outports would, in fact, be closer to 100 percent (Best 1995), and there appears to be some truth in this statement. On the Bonavista Headland the vast majority of businesses are retail or service industries serving the local population. In fact, of the seven communities covered in this study, only Bonavista currently has a non-fishery, export industry. Fifield's Bakery exports bread and baked goods throughout the province and is considering expansion into mainland markets. The other seventy-eight businesses in Bonavista are predominantly retail or service industries catering to the local population (e.g., clothing, furniture and grocery stores, restaurants and bars, banks, insurance brokers, pharmacies, hairdressers and funeral homes). Similarly, most of Catalina's thirty-three businesses are retail or service industries directed at the local population, as are the fifteen businesses in Port Union, the eight businesses in Little Catalina and, not surprisingly, the four businesses located in the three communities of King's Cove, Duntara and Keels. The only other major sources of employment in the region come from the hospital, college, and secondary school in Bonavista, the several primary schools in the region (two in Bonavista, one in Catalina and a primary/secondary school in King's Cove),

36 For a more complete discussion of moratoria-affected companies and sectors, see Stead (no date).
and community services (post offices, libraries, road maintenance, snow clearing etc.). The notion of 100 percent dependence is, therefore, not unreasonable for, without the fishery, there would be only minimal revenue generated in the region and the local economy could easily stagnate or eventually fail completely.

4.3 Conditions for Development in the Region

4.3.1 Dependence on Unemployment Insurance

Prior to the introduction of fishermen's UI in 1957, most outport Newfoundlanders managed to make their living through work practices characterized by occupational pluralism. Occupational pluralism refers to the combination of informal economic activities (e.g., household production of food [grew vegetables, raised sheep and cattle and hunted game] clothing and fuel [chopped wood] with several jobs (e.g., seasonal construction work, mining, forestry, the fishery, etc.) within each seasonal round and throughout the person's working life (Newfoundland 1986:26). The sudden influx of cash from federal transfer payments (the 'baby bonus', old age pensions and UI) undermined the value of household production and reduced self-reliance (Newfoundland 1986:46) and, at the same time, opportunities for other wage alternatives declined37 and increased reliance and pressure was placed on the fishery as a full-time occupation. Given the seasonal nature of the fishery and the poor state of the economy, this resulted in increased dependence on UI as a source of income rather than as an income supplement to tide one over between jobs. Over time, fishers and plant workers have become increasingly

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37 By the mid-1970s the construction boom created by infrastructure improvements and by mega-project developments such as the linerboard mill in Stephenville and the Come By Chance oil refinery, was ended.
dependent on work in the fishery and UI as the principal components of their total cash income.

Incomes of those involved in the fishery are typically low, and low by comparison to workers in other sectors. In 1990, the average income of self-employed fishers in Newfoundland was $15,500; for fish processing employees it was $20,500; and, for non-fishing employees $32,900\(^\text{38}\) (Hsu and Robertson, 1994:57). Total income for fishers includes net income from fishing (the value of fish caught and sold less operating, maintenance, labour and other costs), other non-fishing employment income, income from transfer payments and other taxable income and UI benefits. In 1990, self-employed fishers showed an average net fishing income of $4,300, other employment income of $1,700, income from other sources of $1,700 and income from UI of $7,800. On average, 50.3 percent of fishers' income came from UI. Table 4.2 illustrates that fish processing workers depended on UI for 30.2 percent of their income, while UI made up only 4.9 percent of the total income of non-fishing employees. Dependence on UI has not always been so extreme in outport Newfoundland -- dependence has increased over time. Among Newfoundland fishers, UI benefits as a proportion of total income increased from 32 percent in 1981 to 50.3 percent in 1990 and for plant workers, from 17.2 percent to 30.2 percent over the same period (Hsu and Robertson, 1994:57).

On the Bonavista Headland, although occupation-specific, regional income data are unavailable, data for all taxpayers in the region's three Census Consolidated Subdivisions (CCSs) show that, in 1990, 74.5 percent of those reporting labour force income collected UI benefits and over 22.4 percent of the total taxfiler income from the region was derived from UI (Newfoundland 1993). By comparison, in St. John's, 5.2

\(^{38}\) These data are from a longitudinal data base representing a sample of taxfilers constructed for the Task Force on Incomes and Adjustment and designed to track a subset of the population over time.
Table 4.2
Average Income by Group and Source, Newfoundland 1990

<table>
<thead>
<tr>
<th>Employment Group</th>
<th>Net Fishing Income</th>
<th>Plant Employ. Income</th>
<th>Other Employ. Income</th>
<th>Other Income</th>
<th>UI Benefits</th>
<th>Total Income All Sources</th>
<th>% UI of Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Employed Fishers</td>
<td>4,300</td>
<td>n/a</td>
<td>1,700</td>
<td>1,700</td>
<td>7,800</td>
<td>15,500</td>
<td>50.3</td>
</tr>
<tr>
<td>Fish Processing Employees</td>
<td>n/a</td>
<td>12,400</td>
<td>400</td>
<td>1,500</td>
<td>6,200</td>
<td>20,500</td>
<td>30.2</td>
</tr>
<tr>
<td>Non-Fishing Employees</td>
<td>n/a</td>
<td>n/a</td>
<td>28,500</td>
<td>2,800</td>
<td>1,600</td>
<td>32,900</td>
<td>4.9</td>
</tr>
</tbody>
</table>


percent of total taxfiler income was derived from UI in 1990 -- the difference is attributable to the much higher dependence on the fishery in the Bonavista region. The increase in UI dependence over time is also evident in the study area, as illustrated in Table 4.3.

Over time, employment income as a proportion of total income has declined and the dependence on other forms of income, particularly UI, has been growing in all communities. However, those living in the smaller, non-plant, communities (Duntara, Keels and King's Cove) have, in fact, become relatively more dependent on UI support.

This can possibly be attributed to both the greater proportion of fishing, as opposed to processing jobs, found in the King's Cove region, and to differences in plant season length.

Of the three plants which employed people on the Headland, only the Port Union plant operated on a year-round basis. The Charleston and Bonavista plants were both seasonal.

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39 Year to year comparisons should be made with caution because of changes over time in tax laws. For example: 1990 - non-taxable income such as social assistance and worker's compensation was included for the first time; 1992 - NCARP payments to fishers was considered employment income, while payments to fish plant workers was considered as other income (this helps explain the dramatic drop in the employment income/total income ratio for the Catalina area which has the major fish plant).
Table 4.3
Community Dependence on Non-Employment Income

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CCS 7G - Dunsta, Keels, King's Cove</td>
<td>Med. Total Income</td>
<td>10,253</td>
<td>10,855</td>
<td>11,853</td>
<td>12,600</td>
<td>16,800</td>
<td>18,200</td>
<td>18,400</td>
</tr>
<tr>
<td>Unincorporated</td>
<td>Med. Emp. Income</td>
<td>7,816</td>
<td>7,302</td>
<td>7,003</td>
<td>7,100</td>
<td>9,900</td>
<td>8,700</td>
<td>8,300</td>
</tr>
<tr>
<td></td>
<td>Ratio (MEI/MTI)</td>
<td>.7</td>
<td>.67</td>
<td>.59</td>
<td>.56</td>
<td>.52</td>
<td>.46</td>
<td>.45</td>
</tr>
<tr>
<td>CCS 7H - Bonavista</td>
<td>Med. Total Income</td>
<td>10,981</td>
<td>12,300</td>
<td>12,269</td>
<td>14,600</td>
<td>16,800</td>
<td>19,300</td>
<td>19,000</td>
</tr>
<tr>
<td></td>
<td>Med. Emp. Income</td>
<td>8,713</td>
<td>9,068</td>
<td>8,002</td>
<td>9,700</td>
<td>10,200</td>
<td>9,300</td>
<td>7,600</td>
</tr>
<tr>
<td></td>
<td>Ratio (MEI/MTI)</td>
<td>.74</td>
<td>.74</td>
<td>.65</td>
<td>.66</td>
<td>.61</td>
<td>.48</td>
<td>.4</td>
</tr>
<tr>
<td>CCS 7I - Port Union, Elliston, Metros, Catalina, Little Catalina</td>
<td>Med. Total Income</td>
<td>13,151</td>
<td>15,232</td>
<td>14,433</td>
<td>15,500</td>
<td>17,600</td>
<td>20,200</td>
<td>19,600</td>
</tr>
<tr>
<td>Unincorporated</td>
<td>Med. Emp. Income</td>
<td>14,183</td>
<td>14,925</td>
<td>12,486</td>
<td>13,200</td>
<td>13,400</td>
<td>12,500</td>
<td>6,800</td>
</tr>
<tr>
<td></td>
<td>Ratio (MEI/MTI)</td>
<td>1.08*</td>
<td>.98</td>
<td>.86</td>
<td>.85</td>
<td>.76</td>
<td>.62</td>
<td>.35</td>
</tr>
</tbody>
</table>

* Unusual and inexplicably high MEI value in 1981 cause the ratio of MEI/MTI to exceed 1.

(often referred to as 'stamp' plants, that is, offering employment just long enough [10 weeks] for the worker to 'get their stamps' and receive UI benefits). This perhaps explains why those communities in CCS 7I, which account for the majority of the workforce at the Port Union plant, demonstrate a lower dependence on UI and other support payments. This growing dependency on UI could be an important factor in the region's development since it suggests that the communities need not only find and adjust to new types of employment but that, for many, the transition will include breaking away from an accustomed system of dependence on government support.

The Report of the Royal Commission on Employment and Unemployment (Newfoundland 1986:406-408) identified a number of weaknesses with the current UI system. Among these were: the system undermines the intrinsic value of work; it
undermines good working habits and discipline; it is a disincentive to work; it undermines personal and community initiatives and it discourages self-employment and small-scale enterprise. The report explains that the UI system has created negative attitudes toward not only make-work projects, but toward more regular service and resource-related jobs as well. A prevalence of such attitudes in any given region could act as a significant barrier to meaningful community development, and if we surmise that the prevalence of such attitudes will increase with the degree of dependence on UI, then UI dependence is clearly an important consideration for development in a region like Bonavista.

4.3.2 Education

Another characteristic of the region that may factor into its development potential is the low level of formal education. Newfoundlanders are, on average, the least well formally-educated of all Canadians, and fishery workers are, on average, the least well educated of all occupational groups within the province. In 1991, 49.2 percent of Newfoundlanders 15 years and over had less than a high school education (including 20.4 percent with less than grade 9). By comparison, 38.2 percent of Canadians 15 years and over had less than a high school education (including 13.9 percent with less than grade 9) (Canada 1994b). A special tabulation of the 1986 census compared fishery with non-fishery workers and found that 75.8 percent of Newfoundland fishery workers had less than a high school education, with 39.9 percent having less than grade 9. By comparison, only 38.3 percent of non-fishery workers in Newfoundland have less than high school and only 14.2 percent have less than grade 9 (Carter, 1993:142-145).40

40 While one of the benefits of TAGS may have been to improve educational levels among those fishers and plant workers who chose to take Adult Basic Education (ABE) training, the overall percentage of people without high school or grade 9 has, in fact, changed very little.
Considering the high dependence on the fishery in the Bonavista region, it is, therefore, not surprising to find lower levels of formal education there. In 1991, of residents 15 years and over in the study area, 61.7 percent had less than a high school education, and 30.8 percent had less than grade 9 (Canada 1994b). Formal education levels appear to be somewhat lower in the smaller communities on the Headland (King's Cove and Keels) than in the larger communities (Bonavista, Catalina and Port Union)\(^1\) (Table 4.4).

**Table 4.4**

*Formal Education Levels: Selected Communities on the Bonavista Headland*

<table>
<thead>
<tr>
<th></th>
<th>Bonavista</th>
<th>Catalina</th>
<th>Little Catalina</th>
<th>Port Union</th>
<th>King's Cove</th>
<th>Duntara</th>
<th>Keels</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>total pop'n 15 years and over</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>not completed</td>
<td>3,560</td>
<td>920</td>
<td>600</td>
<td>530</td>
<td>165</td>
<td>65</td>
<td>145</td>
</tr>
<tr>
<td>grade 9</td>
<td>(34.3%)</td>
<td>(16.3%)</td>
<td>(34.2%)</td>
<td>(21.7%)</td>
<td>(36.4%)</td>
<td>(15.4%)</td>
<td>(58.6%)</td>
</tr>
<tr>
<td>not completed</td>
<td>1,220</td>
<td>150</td>
<td>205</td>
<td>115</td>
<td>60</td>
<td>10</td>
<td>85</td>
</tr>
<tr>
<td>high school</td>
<td>(34.3%)</td>
<td>(16.3%)</td>
<td>(34.2%)</td>
<td>(21.7%)</td>
<td>(36.4%)</td>
<td>(15.4%)</td>
<td>(58.6%)</td>
</tr>
<tr>
<td></td>
<td>2,180</td>
<td>480</td>
<td>455</td>
<td>310</td>
<td>105</td>
<td>45</td>
<td>115</td>
</tr>
<tr>
<td></td>
<td>(61.2%)</td>
<td>(52.2%)</td>
<td>(75.8%)</td>
<td>(58.5%)</td>
<td>(63.6%)</td>
<td>(69.2%)</td>
<td>(79.3%)</td>
</tr>
</tbody>
</table>

*Source: Canada, Statistics Canada (1994b, Table 1)*

According to Carter (1993: 150), education levels are believed to affect worker productivity and the ability to adapt to new technologies. Furthermore, less educated workers generally receive lower incomes, exhibit lower participation and higher unemployment rates, are less adaptable to changes in the economic environment, and are

\(^1\) Duntara and Little Catalina appear to be the exceptions to this statement. Duntara has a high percentage of its population who have completed grade 9 (although most have not completed high school) and Little Catalina has a high percentage of its population who have not completed grade 9 and a very high percentage who have not completed high school.
more susceptible to layoffs with downturns in the business cycle. Low levels of formal education limit the ability of displaced workers to change occupations and, therefore, they represent a significant barrier to change in fishing communities like those on the Bonavista Headland where formal education has never been a necessary requirement for gaining employment in the fishery.

4.3.3 Investment

Another characteristic of the region which may be an important consideration in assessing people's ability to respond is the investment and equity that many rural Newfoundlanders have in the fishery sector. Many fishers have accumulated significant capital in the form of vessels, nets and other equipment, and buildings, and for some this has meant the accumulation of significant debt. While the costs associated with the inshore fishery are substantial, the accumulation of debt is most significant for those owning larger, more expensive vessels — the number of which has been increasing in Newfoundland in the last few decades. The number of registered inshore vessels (less than 35 feet) dropped by about 30 percent between 1980 and 1992 (Canada 1993:99). In 1991, nearly 50 percent of this inshore fleet was over 10 years old. Similarly, nearly 80 percent of vessels in the 35 to 44 foot class were over 10 years old, as were almost 90 percent of vessels in the 45 to 54 foot class. A different age profile is evident in the larger vessels, however. About 40 percent of vessels in the 55 to 64 foot category were less than 5 years old in 1991 as were almost half of the vessels in the largest nearshore category (60-64 feet).42

42 There are two other vessels classes — midshore (65 to 99 feet) and offshore (over 100 feet). These vessel classes are not relevant to the discussion here, however, because there are only a few midshore vessels in the province, and none on the Bonavista Headland, and offshore vessels are entirely owned by large corporations (e.g., FPI), not by individuals.
These large vessels, in particular, represent a significant investment. Vessels in the 60 to 64 ft. category, for example, carry capital costs ranging from $0.9 to $1.4 million (Canada 1993:103), depending on the type of equipment carried. Fishers with this level of financial commitment to the industry are understandably reluctant to give it up, especially when their capital investment now has such a low market value.

The situation on the Bonavista Headland is no different from that in outport Newfoundland as a whole — investment in the fishery is substantial. In 1991, there were 329 registered fishing vessels in the region and 55 of these were in the over 35 feet classes43. Given the capital investment associated with the fishery, the prospect of quitting the fishery is, for these vessel owners and particularly for those in the larger vessels classes, economically unfeasible.

In an attempt to mitigate this problem, part of the TAGS program has included a groundfish licence retirement program (GLRP). Groundfish licence holders wishing to leave the fishery completely and permanently put in a bid to DFO for the sale of their groundfish licence. If their bid is accepted, they are required to give up all their fishing licences, groundfish or otherwise, their Personal Fishing Registration (PFR), and relinquish all rights to TAGS benefits as well as further benefits from any future program. The vessel is their responsibility to sell or do with otherwise. To date, after one round of bidding44, 177 groundfish licences in Newfoundland have been purchased by the federal government and 28 of these have been vessels over 35 feet. The majority of these (119) have come from the south coast and Gulf of St. Lawrence regions (NAFO divisions 3Pns and 4R [see Figure 2.2]) and only 58 licences have been bought back from areas traditionally dependent on northern cod (NAFO divisions 2J3KL). Only one of the 177

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43 Of these 55 vessels, 44 were in the nearshore class and 11 were offshore.
44 One other round of bidding is expected before the program is terminated.
groundfish licence holders retired in round one was from the Bonavista Headland, and this was for an under-35 foot vessel (Canada 1996b).

4.3.4 Attachment to Place

Attachment to place would be expected to inhibit movement away from the community in the same way that attachment to the fishing industry would be expected to inhibit movement away from the fishery. While attachment to the fishing industry might tend to reduce CED efforts by discouraging economic diversification, attachment to place would likely serve as an asset to such efforts by discouraging outmigration. The maintenance of a community's population base is an important aspect of CED as discussed in, for example, Nozick (1993) and CASIT (1992).

Several studies have found attachment to place to be very strong in outport Newfoundland. Felt and Sinclair (1995), for example, report that, despite poor economic conditions, residents of the Great Northern Peninsula were generally very satisfied living where they were. The authors conclude that the main dimensions of the attachment to place had to do with lifestyle and social ties (e.g., freedom, quietness, outdoor activities and family ties) rather than economic factors. One indicator of attachment to place is return migration. Storey (1986) reports that while some 40 percent of migrants typically return to their province of origin in Canada as a whole, the figure was estimated to be 58 percent for Newfoundland. Furthermore, Storey (1986) reports that the main motivations for people's return were for social and lifestyle reasons, and were seldom job-related (see also House et al. 1989).

Another indicator of attachment to place is home ownership. While the Canadian home ownership rate is 62.8 percent, in Newfoundland over 78 percent own their own
homes. On the Bonavista Headland, as in most of outport Newfoundland, the figure is higher with 88.2 percent home ownership (Canada 1994).

It should be noted, however, that while home ownership is used here as an indicator of attachment to place (i.e., owning a house is an indication of permanence and of 'calling a place home'), it may also be seen as a reason for attachment to place. That is, people are 'attached' to the community not only for reasons of tradition, culture, family roots etc., but also for purely economic reasons. Many who own their own home in outport areas cannot afford to leave. In theory, home ownership should discourage outmigration since, for many, homes will have little equity value and, therefore, new jobs elsewhere would need to pay high wages to offset the costs and losses associated with relocation. The perception of this type of economic and circumstantial attachment to place could, therefore, be two-fold. To the individual wishing to re-locate, it could be perceived as a barrier; to those people in the community pursuing economic development and wishing to retain the community's population base, however, it would be recognized as any other form of attachment to place would be -- as an asset.

4.3.5 NCARP and TAGS

High dependence on a single industry and on income supplements, low levels of education and a high attachment to both industry and to place -- these conditions could be present in any number of small SICs in Canada -- fishery-based, or otherwise. The Atlantic groundfish moratoria represented a different type of shutdown, however. It was devastating and widespread and the federal government needed to intervene. They did so with two major programs -- NCARP and TAGS. As previously noted, the programs were designed: 1) to provide emergency financial relief to affected fishery workers and 2) to "adjust" people out of the fishery into new types of employment. While the first of these
objectives was largely achieved, there has been limited success in achieving the second. The programs have had a significant influence on outport communities -- in particular, they have effectively delayed decision-making, among many, about seeking alternative employment. In this regard, they have had a significant influence on the development environment in regions like the Bonavista Headland.

With respect to the future, fishing is, for many, not simply a job but a way of life, and there is an understandable reluctance to give it up for social and cultural, as well as economic reasons. However, many may have to give it up since the fishery of the future will not support all those currently in it. However, the federal income support programs have, contrary to their objectives, delayed decisions by fishery workers regarding their futures. As one recipient described the NCARP program, "this is the anesthetic before the amputation." Although the TAGS program had a goal of a 50 percent reduction in the fishery sector workforce, the rate of reduction of clients has fallen far short of the scheduled 10 percent per annum necessary to reach that goal by the program's end (Price-Waterhouse 1995)45.

While it is true that there is limited opportunity for alternative employment in regions like Bonavista, where the unemployment rate on the Headland prior to the moratoria is 52.3 percent (Canada, 1994a), part of the reason for the reluctance to give up the fishery can be attributed to the federal support programs. First, although the 50 percent reduction figure has been established, and despite numerous calls for government to identify exactly who will remain in the industry as part of the core fishery when, and if, it resumes, there have, to date, been no decisions made in this regard. This is a significant barrier to adjustment out of the fishery, for, until a core fishery is defined, many fishers and plant workers will believe that they will be part of the future industry and are therefore

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45 Exact figure on TAGS numbers and amounts are difficult to obtain. Estimates vary considerably among sources (e.g., HRD, fisheries unions, Price Waterhouse, etc.).
reluctant to choose a TAGS program option which they feel will take them further away from the fishery (Price-Waterhouse 1995:8).

Second, while incomes for those in the fishery were already generally low, the NCARP and TAGS programs, have, over time, provided a decreased yet significant and, perhaps more importantly, a regular income for a large number of fishery workers since mid-1992. Under the NCARP program, annual income benefits ranged from approximately $11,700 to $21,112 and under TAGS, from $10,972 to $19,864. By way of comparison, median total income in Newfoundland in 1991 was $20,200. More specifically, on the Bonavista Headland, over 1,800 fishery workers who collected NCARP benefits averaged $16,376.33 in total income for 1992. This compares with an estimated 1991 median income for the area of $19,514 for all tax filers.46

While any reduction to what are already low incomes has undoubtedly put pressure on individuals and families (especially those carrying substantial debt loads), in the short run income support programs have allowed a significant number the option of waiting -- waiting in the hope that the fish would return and for a return to business as usual.

Third, while strict guidelines were implemented requiring income support recipients to train for alternative livelihoods, the training programs offered have, if anything, encouraged people to stay in the fishing industry. Under NCARP, fishery workers had the option of training for work either inside or outside of the fishery. In the spring of 1993, the federal department of Human Resource Development (HRD), which, with DFO, was responsible for managing the NCARP program, introduced a new course entitled "Improving Our Odds," designed to encourage people to recognize opportunities outside of the fishery. This, after it was discovered that nearly 80 percent of fishery workers in the province had selected training within the fishery as their preferred option.

46 Based on income profile data from special tabulations by Statistics Canada, Small Area and Administrative Data Division (Newfoundland 1993a and unpublished data).
More specifically, on the Bonavista Headland, 82 percent of NCARP recipients chose fishery-related training options (see Table 4.5).

Training options under the TAGS program were more restrictive, having eliminated the 'training within the fishery' option. On the Headland, TAGS clients received training for a great number of different jobs including auto mechanic, meat-cutter, gem setter, cosmetologist, office assistant, environmental technician, animal scientist, water resource engineer as well as ABE. While only time will tell if this training actually leads to new jobs and more diverse community economies, early reports suggest that few clients have applied their training. The Price-Waterhouse evaluation of the TAGS program reported that most clients see the training component as little more than an unfortunate and unwanted condition for receiving financial compensation. In fact, while almost all TAGS clients were required to take non-fisheries training, only 27 percent of TAGS clients in Newfoundland indicated in their initial counseling sessions, a long-term goal that didn’t involve work in the fishery -- the lowest percentage among the Atlantic provinces (Price-Waterhouse 1995).

With regards to other aspects of the TAGS program, as of January, 1995, only 2 percent of all eligible TAGS clients in the Atlantic region had applied for mobility assistance (financial assistance to relocate to areas where participants can find work), few, if any, had applied for self-employment assistance (financial assistance, entrepreneurship training and technical support for those interested in starting their own business), and wage subsidies to help private employers hire and train former fishery workers had been used by virtually no TAGS-eligible clients (Price-Waterhouse, 1995).

With the rate of reduction of clients falling far short of the program's target figure of 10 percent per annum, it became apparent in 1995 that the TAGS budget would be exhausted before the planned 1999 sunset (Price-Waterhouse 1995), and indeed, the TAGS program is currently estimated to be between $350 and $500 million over-budget
Table 4.5
Assumed Intentions Based on NCARP Options Selected

<table>
<thead>
<tr>
<th>Consolidated Census Sub-Division</th>
<th>Remaining in Fishery</th>
<th>Leaving Fishery</th>
<th>Unknown</th>
<th>Proportion Remaining in the Fishery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3 Total</td>
<td>4</td>
</tr>
<tr>
<td>CCS 7G: Duntara, Keels, King's Cove, Unincorporated</td>
<td>105</td>
<td>3</td>
<td>22 Total</td>
<td>19 Total</td>
</tr>
<tr>
<td>CCS 7H: Bonavista</td>
<td>545</td>
<td>153</td>
<td>46 Total</td>
<td>79 Total</td>
</tr>
<tr>
<td>CCS 7T: Catalina, Melrose, Elliston, Little Catalina, Port Union, Unincorporated</td>
<td>566</td>
<td>15</td>
<td>22 Total</td>
<td>112 Total</td>
</tr>
<tr>
<td>Totals</td>
<td>1216</td>
<td>171</td>
<td>90 Total</td>
<td>210 Total</td>
</tr>
</tbody>
</table>

Options: 1 Training inside the fishery; 2 Work-Ult; 3 Exempt from training; 4 Training outside the fishery; 5 Early retirement; 6 Non-exempt from training but choosing not to train; 7 Non-exempt, no option selected

(Canada 1995a). Options to address the shortfall included reducing the amount or duration of income support or cutting training and other 'adjustment' components of the program. The income support component of the program was given priority and, hence, other program options have been curtailed in order to make up for the shortfall. In 1995, there was an estimated $60 million allocated to the adjustment component of TAGS in Newfoundland (i.e. training, green projects etc., but not including income support or administration)\(^{47}\). This amount was cut approximately in half in 1996 to some $30 million and eliminated for the end of 1997. While there were limitations to the various

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\(^{47}\) By comparison, the income support component of TAGS accounts for some $200 - $300 million of the TAGS budget in Newfoundland per year.
components of TAGS, maintaining income support while reducing (or possibly cancelling) those aspects of the program designed to adjust people out of the fishery will undoubtedly only serve to further delay decisions by fishery workers regarding their futures. Should this be the case, it will have serious implications for development on the Bonavista Headland.

4.4 Local Responses

4.4.1 Outmigration

Migration, permanent and temporary, has always been part of the Newfoundland way of life (see, for example, House et al., 1989). While outmigration has fluctuated in response to both domestic and national economic conditions, Newfoundland has traditionally been a 'net exporter' of people, as illustrated by the data in Figure 4.1.

However, while the impact of the moratoria would be expected to have a strong 'push' effect, this is not immediately obvious in 1992 and 1993. This delay could, to a degree, be attributable to 'traditional' 'migration-constraining' forces such as attachment to place, investment in the fishing industry and lack of work elsewhere. However, probably a more significant factor in the delay were the federal NCARP and TAGS programs, particularly the income support they provided. Nonetheless, by 1994, despite these migration-constraining forces, the province experienced the largest population movement in at least the last thirty years with a net loss of 7,022. This figure was surpassed, however, in 1995 with a further net loss of 7,088 people. Many Newfoundlanders have

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48 Between 1991 and 1996 there was an estimated net migration (loss) of -21,771. The next highest intercensal loss in the past 25 years was between 1976 and 1981 at 17,464 (Newfoundland Statistics Agency 1997, unpublished data).
apparently accepted that, at least in the short term, they will have to look for work outside of the province. It remains to be seen whether the trend will continue.

The Bonavista Peninsula has typically been an area of low out-migration. As depicted in Table 4.6, between 1987 and 1993, the Bonavista Peninsula (Census Division
Table 4.6
Net Migration by Census Division
Newfoundland, 1987-1993

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
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<td>1</td>
<td>-2625</td>
<td>-1383</td>
<td>-38</td>
<td>-244</td>
<td>174</td>
<td>-480</td>
<td>-769</td>
<td>-5365</td>
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<tr>
<td>2</td>
<td>-147</td>
<td>-181</td>
<td>-128</td>
<td>-463</td>
<td>-198</td>
<td>-34</td>
<td>-304</td>
<td>-1455</td>
</tr>
<tr>
<td>3</td>
<td>-131</td>
<td>-189</td>
<td>-405</td>
<td>-390</td>
<td>-231</td>
<td>-219</td>
<td>-112</td>
<td>-1677</td>
</tr>
<tr>
<td>4</td>
<td>-338</td>
<td>-433</td>
<td>-526</td>
<td>-479</td>
<td>-89</td>
<td>-122</td>
<td>-140</td>
<td>-2127</td>
</tr>
<tr>
<td>5</td>
<td>-260</td>
<td>-373</td>
<td>-4</td>
<td>-10</td>
<td>-64</td>
<td>-125</td>
<td>-245</td>
<td>-1081</td>
</tr>
<tr>
<td>6</td>
<td>-275</td>
<td>-131</td>
<td>-97</td>
<td>169</td>
<td>-147</td>
<td>-10</td>
<td>-224</td>
<td>-715</td>
</tr>
<tr>
<td>7</td>
<td>245</td>
<td>-217</td>
<td>57</td>
<td>-72</td>
<td>88</td>
<td>52</td>
<td>-112</td>
<td>+ 41</td>
</tr>
<tr>
<td>8</td>
<td>-533</td>
<td>-245</td>
<td>-49</td>
<td>-408</td>
<td>-15</td>
<td>-251</td>
<td>-528</td>
<td>-2029</td>
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<tr>
<td>9</td>
<td>-528</td>
<td>-171</td>
<td>-312</td>
<td>-351</td>
<td>-276</td>
<td>-289</td>
<td>-174</td>
<td>-2101</td>
</tr>
<tr>
<td>10</td>
<td>-68</td>
<td>-57</td>
<td>72</td>
<td>227</td>
<td>77</td>
<td>-360</td>
<td>-590</td>
<td>-771</td>
</tr>
</tbody>
</table>


decisions to move because of the income support provided under the NCARP program and because the northern cod moratorium was initially expected, by many, to last only two years (in keeping with the planned duration of the NCARP program). Once the moratorium was extended indefinitely in 1994 and another five year program (with stricter conditions) was announced, the impetus to move apparently increased. Field data indicate that, as might be expected, most of those moving were young, single males. More recently, however, it appears that entire families, not only single individuals, are leaving the region. Local estimates\(^{50}\) suggest that, since the northern cod moratorium and as of

\(^{50}\) No published migration data were available for units smaller than census division. The data presented in the remainder of this section are figures consolidated from estimates received from personal interviews with several local people from each community in the study area, including the town mayors and town clerks.
June, 1996, about sixty people had left Bonavista, thirty from Port Union, twenty-five from Catalina, and twenty from Little Catalina. Most striking, however, have been the losses from the smaller communities. For example, Keels experienced a 20 percent drop in population, from 123 to 98, between January, 1993 and June, 1994, while the population of Duntara fell from 120 to about 80 from 1991 to 1995, with half of the loss occurring after May 1994. On the other hand, there was less evidence of out-migration from King's Cove, which may be attributable to its lower dependency on the fishery and the comparatively older population of that community.

Migration seems mainly to have been to western Canada, particularly Alberta, and Ontario. Migrants from larger communities appear to have been those recently cut from the TAGS program or those that have taken advantage of the program's Mobility Assistance option. Data from Keels and Duntara, however, suggest that many of those moving were, in fact, still eligible for income support under TAGS, but have chosen to move anyway. This may be an indication of the particularly grim employment prospects and the state of morale in the region's smaller communities.

4.4.2 Local Development

Prior to the northern cod moratorium, the majority of locally-based development efforts in the region were initiated by the area's two RDAs. The Bonavista Area Regional Development Association (BARDA) was established in 1975, and the Bonavista South Development Association (BSDA) was established in 1983. Both RDAs have continued to operate in the region with BARDA encompassing the communities on Trinity Bay including Bonavista, Catalina, Little Catalina and Port Union, and the BSDA serving the Bonavista Bay side of the Headland, including King's Cove, Duntara and Keels.
The potential for tourism development on the Headland was recognized as far back as the 1960s. In the early years, BARDA worked in conjunction with the local historical society and various other ad-hoc groups to restore both the Cape Bonavista lighthouse and the Mockbeggar property (an old fish merchant's home) and built two small museums (one in Bonavista and another at the Cape Bonavista lighthouse). Another group, the Discovery Trail and Tourism Association (DTTA), established on the Peninsula in the mid-1980s, was also active in this early period working to develop a network of hiking trails on the Peninsula in addition to promoting tourism generally. With the exception of these few projects, however, nearly all other development in this early period came from the RDAs and took the form of either short-term fisheries-infrastructure projects (e.g., slipway and wharf construction) or social enhancement projects such as the construction of baseball diamonds and recreation centres.

A strategic plan produced in 1994 credits this paucity of non-fisheries/social initiatives to the fact that the region was one of the few in the province that had near full employment, with few social problems and a relatively high standard of living (JTC/IAS Committee 1994:1). The plan goes on to suggest that the major issue facing community leaders is not one of "how to develop a region with a high standard of living", but one of "how to maintain what already existed in the region" (p. 1). This point is perhaps supported by the fact that a Community Futures office was only established in the region in 1991 -- one of the last five in the country. Community Futures offices were typically placed in areas of economic downturn, yet, according to the past Director of Community Futures in Bonavista, there had previously been no need for an office in the region since the area had experienced an economic boom through most of the 1980s.

With the fishery gone, at least for now, the prospect of maintaining the standard of living in the region has meant exploring other types of development. The moratoria have caused the RDAs to refocus their efforts on other industries such as tourism. In addition,
a number of new development organizations have sprung up (e.g., Cabot Resources in Catalina and the Bonavisteers in Bonavista) with similar mandates of developing a more diversified local economy.

The efforts that are currently in progress in the region can be grouped into five main categories: tourism; agriculture/silviculture/aquaculture; fishing for under-utilized species; cottage manufacturing industries; and others. These are summarized in Table 4.7. The projects are in various stages of development. Some are at the proposal stage where an idea is being examined but where no money has been committed. Others are in various stages of development ranging from preliminary feasibility assessment (e.g., aquaculture), to job-training (e.g., berry harvesting), to actual construction activities (e.g., the Legacy Building). Still other projects are in operation (e.g., sea urchin harvesting) or have been completed (e.g., Eastern College training courses).

4.4.2.1 Tourism

Probably the main thrust of development efforts in the region, at least in terms of the number of projects, has been on tourism. Much of this tourism effort is being directed at the 1997 celebrations commemorating the 500th anniversary of John Cabot's landing in Newfoundland. The celebrations are scheduled to take place throughout the province but because Cabot is deemed to have first landed at Cape Bonavista, some of the main 500th anniversary celebrations will occur on the Headland, particularly in the town of Bonavista itself.

A large number of organizations have been involved in the planning of events for the Cabot Anniversary. In Bonavista itself, the need to prepare for 1997 had been recognized since the 1980s when the Old Bonavista 500 Committee was formed by
Table 4.7
Development Projects on the Boavista Headland: 1992 - 1996*

<table>
<thead>
<tr>
<th>Project</th>
<th>Primary Source of Initiative</th>
<th>Primary Source of Control</th>
<th>Primary Source of Funding</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tourism</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cabot 500 Anniversary Celebrations</td>
<td>VISTA 97 and Federal</td>
<td>Federal</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td></td>
<td>Government</td>
<td>Government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legacy Building</td>
<td>Legacy Committee</td>
<td>Local Committee</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Government</td>
<td></td>
</tr>
<tr>
<td>Ryan Premises</td>
<td>Federal</td>
<td>Federal</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td></td>
<td>Government</td>
<td>Government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Theatre Production at Ryan Premises</td>
<td>Bonavisteers</td>
<td>Federal</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td></td>
<td>Government</td>
<td>Government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonavista Waterfront Development</td>
<td>VISTA 97 and Bonavisteers</td>
<td>Bonavista Town Council</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Government</td>
<td></td>
</tr>
<tr>
<td>Bridge House Restoration</td>
<td>BARDA</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Waterfront Inn and Restaurant</td>
<td>local entrepreneur</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Silver Linings Bed and Breakfast</td>
<td>local entrepreneur</td>
<td>local entrepreneur</td>
<td>local entrepreneur</td>
<td>in operation</td>
</tr>
<tr>
<td>Butler's by the Sea Bed and Breakfast</td>
<td>local entrepreneur</td>
<td>local entrepreneur</td>
<td>local entrepreneur</td>
<td>in operation</td>
</tr>
<tr>
<td>Paradise Trailer Park Expansion</td>
<td>local entrepreneur</td>
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<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Coaker Property Restoration</td>
<td>Coaker Foundation (local)</td>
<td>Coaker Foundation</td>
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</tr>
<tr>
<td>King's Cove Lighthouse Festival</td>
<td>King's Cove Historical Society and BSDA</td>
<td>King's Cove Historical Society and BSDA</td>
<td>Federal Government</td>
<td>in operation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Agriculture/ Silviculture/ Aquaculture</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Berry Farming (training)</td>
<td>Cabot Resources</td>
<td>Cabot Resources</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td>Berry Processing Operation</td>
<td>Cabot Resources</td>
<td>Indian Bay Packers</td>
<td>Indian Bay Packers</td>
<td>under development</td>
</tr>
<tr>
<td>Silviculture</td>
<td>BSDA</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Christmas Tree Farming</td>
<td>Cabot Resources</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Dairy Goat Production (training)</td>
<td>Cabot Resources</td>
<td>Cabot Resources</td>
<td>Federal</td>
<td>under development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Government</td>
<td></td>
</tr>
<tr>
<td>Aquaculture</td>
<td>Community Futures</td>
<td>?</td>
<td>Provincial Government (site assessment)</td>
<td>under development</td>
</tr>
<tr>
<td>Project</td>
<td>Primary Source of Initiative</td>
<td>Primary Source of Control</td>
<td>Primary Source of Funding</td>
<td>Status</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>------------------------------</td>
<td>----------------------------</td>
<td>---------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Crab Fishery Expansion</td>
<td>Provincial Government</td>
<td>Provincial Government</td>
<td>Provincial Government</td>
<td>in operation</td>
</tr>
<tr>
<td>Sea Urchin Harvesting Operation</td>
<td>Local Entrepreneurs</td>
<td>Local Entrepreneurs</td>
<td>Federal Government (training)</td>
<td>in operation</td>
</tr>
<tr>
<td>Full Utilization Seal Processing</td>
<td>Cabot Resources</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Charleston Plant Reopening</td>
<td>Charleston Plant Action Committee and BSDA</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Port Union/Bonavista Plant Consolidation</td>
<td>Port Union Town Council</td>
<td>FPI</td>
<td>FPI</td>
<td>proposed</td>
</tr>
<tr>
<td>Wicker Furniture Manufacturing (training)</td>
<td>Cabot Resources</td>
<td>?</td>
<td>Federal Government</td>
<td>under development</td>
</tr>
<tr>
<td>Eastern College Training Courses</td>
<td>Eastern College</td>
<td>Eastern College</td>
<td>Federal Government</td>
<td>completed</td>
</tr>
<tr>
<td>Garment Manufacturing</td>
<td>Cabot Resources</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>CED Course</td>
<td>Local Entrepreneurs and Memorial University</td>
<td>Local Entrepreneurs and Memorial University</td>
<td>Federal Government</td>
<td>under development</td>
</tr>
<tr>
<td>Community Profile</td>
<td>JTC</td>
<td>JTC</td>
<td>Provincial Government</td>
<td>completed</td>
</tr>
<tr>
<td>Business Portfolio</td>
<td>Cabot Resources</td>
<td>Cabot Resources</td>
<td>Cabot Resources</td>
<td>completed</td>
</tr>
<tr>
<td>Shirley's Haven Retirement Community</td>
<td>Local Entrepreneur</td>
<td>Local Entrepreneur</td>
<td>Local Entrepreneur</td>
<td>in operation</td>
</tr>
<tr>
<td>Power Slate</td>
<td>Local Entrepreneur</td>
<td>Local Entrepreneur</td>
<td>Local Entrepreneur and Federal Government</td>
<td>in operation</td>
</tr>
<tr>
<td>Wind-Powered Generators</td>
<td>Bonavista Town Council</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
<tr>
<td>Golf Course</td>
<td>Local Entrepreneur</td>
<td>?</td>
<td>?</td>
<td>proposed</td>
</tr>
</tbody>
</table>

Source: Field Data

*The table includes all projects that were at some stage of development during the period 1992 to 1996. Most of those included were proposed and/or initiated post-moratoria, but the initial groundwork for four of the projects was undertaken in the 1980s, prior to the moratoria. These four projects were the Cabot 500 Anniversary Celebrations, the Ryan Premises, Shirley's Haven Retirement Home and Power Slate Inc. The question marks indicate proposed projects where the primary source of control and/or funding remains undetermined.*
residents of the area. That group was later replaced by VISTA 97 -- the organization currently responsible for most of the Cabot Anniversary events on the Headland. 

Provincially, the John Cabot 500th Anniversary 1997 Celebrations Corporation was formed in 1994 with the mandate to plan and coordinate all 1997 celebrations across the province. In November, 1995 this corporation was restructured and brought under the control of the Newfoundland Department of Tourism, Culture and Recreation. The name was changed to the Cabot 500 Celebrations Committee, but the mandate remained the same -- to plan a series of celebrations and activities across the province for 1997. One other group, the O Buena Vista Committee, was also set up to plan and oversee Cabot 500 events (with the entire Bonavista Peninsula as their geographic scope). While some initial work was done to plan 1997 activities, as of September, 1996 the committee was inactive and had unofficially been disbanded. While the celebrations will be province-wide, many of the main events are taking place in the town of Bonavista itself. These include re-enacting John Cabot's voyage from Bristol, England to Bonavista with a scaled-up replica of John Cabot's vessel, the Matthew, making the trans-Atlantic crossing. The landing of the Matthew in Bonavista in June, 1997 will officially open two weeks of celebrations expected to draw as many as 30,000 people to the Bonavista area, including a visit by the Queen. While the celebrations themselves promise to attract a large amount of short-term revenue into the region, many of the anniversary-related tourism projects are being approached as a longer term tourism investment, with the 1997 celebrations serving as the impetus for, but not the ultimate goal of, the developments.

One of the main projects under way is the Legacy Building. Final federal government approval for the $1.8 million project was only given in June of 1996. The Legacy Building will be constructed on the Bonavista waterfront and will feature, among

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51 The 24 metre replica of the Matthew is actually larger than John Cabot's original. It was necessary to build it this way because a smaller vessel, by today's standards, was considered unsafe for the trans-Atlantic crossing and no company was prepared to insure it.
other things, store fronts imitating 15th century Bristol, England, retail space for local craft producers and a full scale-replica of the Matthew which will float in a large, indoor display tank. A local committee is overseeing the project and while some are optimistic that it will be completed in time for the Cabot celebrations, the reported main purpose of the project is to provide a year-round tourist attraction for the region beyond 1997. Other federal funding has been provided to beautify the Bonavista waterfront ($175,000) and to install new docks for the arrival of the Matthew ($250,000).

A similar type of development is that of the Ryan Premises in Bonavista, identified by Parks Canada in 1987 as the best single site in the Atlantic region to commemorate the Atlantic fishery. Funded largely by Parks Canada, the six buildings, which were once the headquarters of English fish merchant James Ryan in the 1800s, are being restored and are scheduled to be officially opened by the Queen as part of the Cabot 500 celebrations in June, 1997. The building will house several local craft retailers and will serve as the stage for a seasonal theatre production depicting traditional outport life. The project may also include the restoration of the docks behind the Ryan Premises but this portion of the project is on hold until the details of the Cabot 500 Celebration Committee dock plans are finalized.

The theatre production aspect of the Ryan Premises development is one of the initiatives of the Bonavisteers, a local volunteer group formed after the moratoria whose objective is to develop tourism in the region. Some of the other projects the Bonavisteers are involved in include: producing a book of the history of the region, renovating a local one-room school house as a tourist attraction, trail and waterfront development and a proposed community centre for Bonavista.

Another heritage project currently being proposed is the restoration of Bridge House, the oldest registered house in Newfoundland. Currently owned locally, the proposal is to have ownership transferred to BARDA in order to permit application for
government funding. Bridge House would be opened to the public as a historic site in the same manner as the Ryan premises. The same local businessperson who owns Bridge House is also considering developing an old-fashioned store, 20 room inn and restaurant on the harbour front near the Legacy Building and Ryan Premises. This project is still under discussion.

A number of other individual tourism initiatives have taken place, or are being planned, in Bonavista. These include a boat tour operation, two new bed and breakfast establishments (only one existed prior to the moratorium) and the proposed expansion of the Paradise Trailer Park. Elsewhere on the Headland, a group in Port Union is lobbying for the renovation of the old Coaker Property, the former headquarters of William Coaker, the founder of the province's first fishermen's union (the Fishermen's Protective Union - FPU)

In King's Cove, the community lighthouse was refurbished in 1993 and is used as the location for an annual weekend music festival which succeeded in drawing somewhere in the order of 400 people in 1995. The Light House festival was the result of a joint effort between the King's Cove Historical Society and the BSDA and was financed through local fund-raising efforts as well as federal funds.

4.4.2.2 Agriculture/Silviculture/Aquaculture

Agricultural development is another type of initiative taking place on the Headland, mainly through the efforts of Cabot Resources, a newly formed development organization operating out of Catalina. Cabot Resources is the product of an earlier committee, an ad-hoc group called the Joint Town Council (JTC) which formed just after the northern cod moratorium. The JTC included mayors and town councillors from the towns of Bonavista, Elliston, Port Union, Catalina, Little Catalina and Melrose. The
provincial government funded the formation of an Industrial Adjustment Strategy (IAS) committee in May, 1994 which included businesspeople, labour and educational representatives from the same six communities. This committee subsequently merged with the JTC forming the Joint Towns IAS Committee which produced a Strategic Economic Plan (SEP) laying-out proposed initiatives in six different economic sectors including agrifoods, the fisheries and tourism. The Joint Towns IAS Committee then formed Cabot Resources, a 'not-for-profit' development corporation to implement the specific goals outlined in the SEP. While Cabot Resources has officially maintained the same six community membership status as the JTC and IAS committees, an on-going dispute concerning representation on the board has effectively limited participation to Port Union, Catalina, Little Catalina and Melrose -- Bonavista and Elliston are reported to have little to do with the organization. In addition to the voluntary representation from its member communities, Cabot Resources employs 3 full time staff, including an economic development officer.

The main agricultural project proposed is the development of a berry picking and processing industry. Approximately 2,500 acres of wild berry lands would be initially converted into approximately twelve berry farms growing an assortment of berries, but particularly blueberries. As of July, 1996, the first phase of the project (agricultural training) has been completed. The training was funded by HRD and provided to fifty people, thirty-five of whom were TAGS recipients. The second phase of the project, the development of the land and the purchasing of equipment, is presently on hold. HRD has requested that Cabot Resources scale down its capital requirements and more clearly identify the lands to be developed. The processing aspect of the project is a private venture by a consortium of companies including hotel chains and Indian Bay Packers, an

52 At present, each community, regardless of size, has the same number of representatives on the board. Bonavista feels that it should have a stronger voice on the committee owing to its larger population (4,597). Elliston (population 533) seems to have limited their own participation on the basis of traditional ties with Bonavista.
Ontario-based food company. The processing operation will be housed in the old Mifflin fish processing plant in Catalina. Processing is expected to initially generate twenty-five local jobs with the possibility of seventy-five to one hundred jobs after a few years of production. The industry is expected to produce soups, pet foods and juices in addition to berries and jams, and is expected to go ahead regardless of the outcome of the local berry harvesting proposal.

Other initiatives in this category on the Headland remain in the formative stages. The BSDA is looking into developing silviculture for their region and Cabot Resources has identified Christmas tree farming as a potential opportunity. In Bonavista, where there are already a few small beef cattle operations, there has been some talk of an expanded livestock rearing industry. One proposal is to raise dairy goats to meet a locally perceived demand for goat milk products in Newfoundland which are all apparently imported from Nova Scotia. As part of the proposal, the dairy goat farm would possibly double as a petting zoo to generate extra income. A seven week training program has been initiated under the Green Project component of TAGS to train approximately ten people for this industry while markets are being further explored.

Aquaculture development on the Headland has been one of the main efforts of the Community Futures office in Bonavista. They commissioned a study, with the help of $110,000 in provincial government funding, to assess the potential for aquaculture development on the Peninsula. While there were no suitable sites on the Headland itself due to strong winds and rough waters, a number of possible locations were identified further south on the Peninsula in the BSDA region and around Trinity. The BSDA reports

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53 While the local berry production industry would complement the Indian Bay processing operation, it is not vital, since the company has apparently identified other berry suppliers elsewhere in the province.
54 In 1996 this office was downscaled considerably. It now functions only as the Bonavista Peninsula and Surrounding Area Business Development Centre — the former lending arm of Community Futures.
that some TAGS recipients in their area have voiced an interest in aquaculture, but, to date, there has been no development of this industry in the Headland region.

4.4.2.3 Fishing for Underutilized Species

Despite the loss of the groundfishery, the fishery, especially the crab fishery, continues to serve as the primary economic engine of the region. The FPI plant in Bonavista was converted from a groundfish filleting to a crab processing plant in 1969 and continues to operate seasonally employing some 300 people. In 1994 and 1995, crab prices rose dramatically making it a lucrative and much needed industry in the region55. The profits, however, are shared among relatively few people. In 1995, an additional 20 inshore crab licences were awarded by draw for the Bonavista Headland region. Considering reports that some crab boat skippers earned over $100,000, and many deckhands earned over $60,000 for a 5 to 6 week season, it is not surprising that several hundred entered their names in the draw and it is no less surprising that considerable animosity has developed between crab fishers and those bringing in only a fraction of those earnings through TAGS.

While the crab fishery has been extremely important to the economy of the Bonavista Headland since the groundfish moratoria, there is some concern being expressed that the boom will soon come to an end. In 1996, not only did crab prices drop from 1995 levels, but more and more licences have being issued and reports of frequent and liberal dumping of the smaller, less valuable crab have led to warnings that the stock is destined for collapse. So far, however, there is no indication that this is the case. Overall

55 Crab prices were typically $.50 to $.75/pound in the late 1980s and early 1990s. This increased to a high of $2.50/pound in 1995. Prices have since declined to approximately $1.20/pound in 1996.
crab landings were good in 1996 and with few cod around, crab appears to have few other predators.

One would naturally expect people to look most favourably upon the development of new industries which they have some personal familiarity with and which they could easily adjust to. On the Bonavista Headland where traditional dependence has been on a single industry (the cod fishery) it is therefore not surprising to find considerable local support for the idea of expanding the fishery to include different species of fish. While there is much talk of exploiting 'underutilized species' only one new operation has materialized on the Peninsula. A sea urchin harvesting enterprise began operating out of Bonavista in 1994. The four men making up the crew of the sea urchin boat were all former groundfish fishers and NCARP clients, and each received their SCUBA diving certification through that program.

There is also talk of an expanded seal fishery with a 'full utilization' plant proposed for the Catalina area (as a component of the Indian Bay berry processing operation). Such a plant would produce pelts for the fur industry, meat for local consumption, pet food from other parts of the seal carcass, and some have proposed that the male sex organs be exported to the orient for sale in the lucrative aphrodisiac market.

Further south on the Peninsula, the Charleston Plant Action Committee, in conjunction with the BSDA, is attempting to have FPI's Charleston plant reopened to process crab, shrimp or other species. Alternatively, the groups are working to find another, non-fishing industry to take over the plant which, in doing so, would take advantage of FPI's offer to sell the entire plant for one dollar. The offer, which also applies to FPI's Port Union plant, carries with it the conditions that: 1) the new industry

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56 The SCUBA training course occurred amidst considerable local controversy when it was discovered that the average cost of certifying one diver through the NCARP program was in the order of $35,000 — much greater than the cost of comparable courses offered elsewhere. Open water diving certification, for example, can be obtained for less than $500.
can in no way compete with FPI Ltd.; 2) significant employment must be generated; and, 3) the community and plant employees must consent to the sale. To date, no serious offers to take over the plant have been reported.

Perhaps a more viable, but locally far more contentious proposal, is to consolidate operations at FPI's Port Union plant. This would involve transferring the crab production operation presently at FPI's Bonavista plant to the Port Union FPI plant which has been closed since the northern cod moratorium. With crab to process, the larger, more modern Port Union plant would be allotted other species such as Russian cod, herring, salmon, lumpfish and redfish. Several hundred jobs would be regenerated to process the additional species and the proposal guarantees that all current crab processing jobs at the Bonavista plant would be carried over to the Port Union plant. However, while Port Union is in favour of the consolidation, Bonavista is solidly against it. Closing down the community's fish plant and transferring jobs out of the community, under any circumstances, is a highly contentious local issue and, despite growing local frustration, it remains unclear whether FPI will proceed with the proposal.

4.4.2.4 Cottage Manufacturing

Cabot Resources is involved in starting a wicker furniture manufacturing operation in the old TA Lench High School outside of Little Catalina. HRD approved $50,000 in funding for six months of training to eight TAGS recipients. As of January, 1997, training has been completed, markets have been more thoroughly examined and the project is reported to be ready to proceed into operation phase. Other manufacturing projects which may materialize in the future are those stemming from the various NCARP and TAGS

57 Demonstrations were held outside the Port Union plant in June and July, 1996 demanding that either government or FPI intervene in the dispute and go ahead with the consolidation proposal. Demonstrations were later held in Bonavista to fight the consolidation proposal which included a short wild cat strike.
training programs which have been delivered over the last four years by the Bonavista campus of Eastern College. The college adjusted its curriculum to accommodate those NCARP and TAGS clients opting to train for other professions. In addition to the Adult Basic Education (ABE) course taken by many, some of the new skills training programs that were offered included apparel technology (clothing manufacturing) (fifteen students), eco-tourism (twelve), heritage carpentry (fifteen) and business administration (twenty-five). Students of the heritage carpentry course have received some practical experience working on renovations to the Ryan Premises and the college is currently working in conjunction with Cabot Resources to assess the potential for a small garment manufacturing industry. Preliminary projections from Cabot Resources suggest that as many as forty people could be employed in such an industry within a few years.

4.4.2.5 Other

A number of other projects, which do not fit into the above classifications, are either underway or have been proposed. Another educational program which is being developed cooperatively by the local branch of the Fisheries Food and Allied Workers Union (FFAW) and Memorial University's Education Program is the "Community Economic Studies Program". This course recognizes the need to seek endogenous employment opportunities as opposed to depending on outside industries. It is designed to give people the background, knowledge and confidence necessary to research and develop alternative industries. The program will teach "specific skills in personal, group, organizational and community development" (Community Economic Studies [n.d.]: 3)

Cabot Resources has been active in producing promotional material to attract industry into the Headland region. These have included a "Community Profile" which provided information on, among other things, labour force characteristics, real estate,
taxes, transportation, services and supplies for the Headland region and a promotional business portfolio which outlined specific investment opportunities in the region.

Two developments which are now in operation are Shirley's Haven, a newly opened retirement home in Port Union, and Power Slate, a slate mine in Keels. Neither of these developments can be accurately termed a 'response' to the moratoria since preparations for each were well underway prior to the loss of the fishery. However, both represent new and substantial sources of employment, with Shirley's Haven employing seventeen and Power Slate nine, with the latter number expected to double by 1997 when the stripping work is completed and production increases\(^{58}\). Shirley's Haven was almost entirely a private venture with very little involvement from local development agencies. Power Slate received ACOA funding for its initial tests in 1989 and, more recently received TAGS funding when it trained twenty-four TAGS recipients for jobs in the industry.

A number of other private venture ideas are being discussed in the region. Two of the more interesting are a proposal to erect wind powered electric generators on Cape Bonavista (in response to a call for proposals by Newfoundland and Labrador Hydro for additional power generation) and the building of an eighteen hole golf course on Cape Bonavista designed to resemble the traditional wind-swept and barren golf courses of the Scottish Highlands.

4.4.2.6 Development Project Summary

From the preceding description of development projects on the Headland, several generalizations can be made:

\(^{58}\) "Stripping" refers to the removal of the younger, lower quality slate close to the surface to access the older, more valuable slate underneath, suitable for products such as floor tiles, shingles and wall panels.
1) While a great deal of hope is being placed on the return of the groundfishery and the reopening of the Port Union and Charleston processing plants, most of the development effort in the region is being expended on non-traditional (i.e., non-fishery) types of activities. Therefore, it appears that there is a genuine local effort to diversify the economy.

2) Many of the development projects on the Headland are based on seasonal industries — agriculture, alternative fisheries and particularly tourism. Twelve of the thirty-three projects are directed at tourism and the money expended on the four largest projects (all tourism-related — Cabot 500 celebrations, Legacy Building, Ryan Premises and Bonavista Waterfront Development) far exceeds the amount spent on all other development in the region since the moratoria.

3) While there are a number of development projects proposed or being developed in the region, to date, few have progressed to the 'production' stage (revenue or job generation). Development always takes time and it is clear that the Bonavista Headland is no exception. Of the thirty-three development projects discussed, eleven have not advanced beyond the proposal stage, twelve are under-going development and only ten are 'producing'. Furthermore, two of the larger developments that are now operating (Shirley's Haven and Power Slate) began preliminary development work in the mid-1980s — that is, they took nearly ten years to develop.

4) Most of the projects that have progressed to the 'production' phase have either been small-scale, private ventures which have not generated many jobs (two bed and breakfasts [two jobs each]; sea urchin harvesting [four jobs]; Shirley's
Haven [seventeen jobs]; Power Slate [nine jobs]) or short-term projects designed to aid future development (college courses, community profile, business portfolio). Hence, with the exception of the expanded crab fishery, few new, long-term jobs have been generated since the moratoria and, depending on the ongoing status of the stocks and prices, this last source of jobs could be a short-lived one.

5) While some of the main projects are the result of external initiative (e.g., the expanded crab fishery and the Ryan Premises) and while other major projects are largely proceeding (or would proceed) under external planning, decision-making and, ultimately, control (e.g., the Cabot 500 Celebrations, the berry processing operation, the expanded crab fishery and the proposed Port Union/Bonavista Plant Merger), the majority of development projects on the Headland (in terms of numbers if not development dollars) have been initiated locally and, of those that have proceeded beyond the proposal stage, many have maintained local control.

6) Nearly all development that has occurred on the Headland since the moratoria has been funded externally. The federal government was the source of funding for thirteen projects, the provincial government for two and external corporations, viz., Indian Bay Packers and FPI will be the primary sources of funding should the berry processing operation and plant consolidation proposals proceed. Funding sources for the remaining proposed projects would very likely need to come from the federal and/or provincial governments. To date, only five projects have utilized local funding (both bed
and breakfasts, the King's Cove Lighthouse development, Shirley's Haven and Power Slate).

4.5 Chapter Summary

The loss of a primary industry in any single industry community represents a formidable challenge. However, the challenges faced by communities on the Bonavista Headland are perhaps even more severe than those of most SICs. The region as a whole depended on the fishing industry for at least half of its employment and in some communities this dependence exceeded 70 percent. Under a worst-case scenario -- one of no future fishery in the region -- some 1,800 new jobs would need to be created. Perhaps a more realistic scenario is of a renewed fishing industry but with a greatly reduced workforce -- even under these conditions, however, the total permanent job loss would still likely exceed 1,000.

Creating so many new employment opportunities would be difficult anywhere, even under the best of conditions. As reviewed in this chapter, however, the conditions for development on the Bonavista Headland are far from encouraging. There are few immediately apparent employment possibilities outside of the fishery, the region is profoundly dependent on government UI support, education levels are extremely low, a large number of people are tied to the fishery through their financial investments, and the two consecutive federal government support programs have, despite their objectives, essentially anaesthetized the region, to date, and delayed decisions to seek alternative employment.

Despite these conditions, some local responses have been evident. Probably the most immediate and noticeable response was outmigration which, in 1995, despite 'migration-constraining' forces such as TAGS support and high rates of home ownership,
continued to occur at an unprecedented level both provincially and on the Bonavista Headland.

A number of development-related responses have also been proposed on the Headland by and for those who have chosen to stay. Most of these have been initiated locally and most have focused on non-traditional economic activities. Development has largely been controlled by community groups in the region in terms of decision-making. In terms of funding, however, government involvement has been substantial. To date, few development projects have proceeded beyond the initial, formative stage and hence, few long-term, permanent jobs have been generated.

The information provided in this chapter is important because, as stated, the purpose of this research is to examine the ways in which communities on the Bonavista Headland are approaching economic development and, more specifically, to assess the degree to which the characteristics comprising the normative model of CED have actually been employed. This chapter provided an overview of development conditions and the state of development projects in the region. However, in light of the very recent nature of the development impetus (1992), the preliminary state of most development occurring on the Headland, as well as the strong presence of government influence through federal support programs, and large, externally-funded projects such as the Cabot 500 Celebrations, it is difficult to adequately examine the region's own approach to development using only the information explored in this chapter.

The development approach is determined by the people involved, not by the development projects themselves — the projects are merely a manifestation of the approach. Therefore, to examine the approach, it is necessary to understand the attitudes of the key development players who drive the approach for what they perceives as the most appropriate course of development action will likely be applied in practice. The next
chapter discusses attitude research and its application here, and describes the research
design and analysis employed in this thesis.
Chapter V

Research Design
5.1 Introduction

This research addresses community development in the Bonavista region. It compares the approach to development which community leaders believe to be most appropriate with a normative model of 'successful' development. Comparisons are made in approaches between different sized communities and among different groups within these communities. Those individuals within the study area who were thought likely to have the most influence over development in the community (Key Development Players - KDPs) were identified. A questionnaire designed to test the attitudes of KDPs toward development was developed and administered, along with follow-up personal interviews with some KDPs.

The main type of information generated by these research instruments was attitudinal in nature. Section 5.2 addresses attitudinal research and explores the debate over the relationship between attitudes and behaviour. A description of the sample and of the research instrument is provided in sections 5.3 and 5.4 respectively. Decision tree analysis was the principal statistical technique employed to examine the question of community and group comparisons. This and other analyses conducted are discussed in section 5.5 of this chapter.

5.2 Attitudinal Theory and Research Design

5.2.1 Rationale for Attitude Research

The purpose of this research, as stated in Chapter I, is to examine the ways in which communities on the Bonavista Headland are approaching community economic development. This is done within the context of a normative model of successful CED
While the development approach of the region would be best examined using information from actual developments, as discussed in Chapter IV, post-moratorium development in the Bonavista region is, for the most part, still in the planning stages. Prior to the moratorium, development efforts were typically fisheries enhancement activities such as wharf repair, or social enhancement projects such as playground or sport facility developments. Few attempts at real economic diversification have been operationalized to date, and therefore, there is little opportunity to assess the degree to which the characteristics comprising the model have actually been employed in past or current development activities in the town and their effectiveness.

The data used in the research were generated from an attitude survey of the KDPs in the region (the selection of KDPs is discussed in section 5.4). The underlying assumption of this methodology is that the development approach which a community will likely practice will be a reflection of the approach to development which the KDPs perceive as being most appropriate. This assumption, that a person's attitude serves as a predisposition to behave in a certain way, is one which has long been the subject of debate in the social sciences.

5.2.2 The Attitude - Behaviour Debate

There has long been the implicit assumption that an individual's behaviour towards an object will change automatically with their attitude. Empirical evidence, however, has not always supported this assumption and according to Kim and Hunter (1993:102): "...the difficulty of finding a strong, predictive relationship between attitudes and behavioral tendencies has turned into one the greatest controversies in the social sciences." It is perhaps so controversial, in part because it is so important: "Behavior is the bottom line in
social psychology. Without behavior, attitudes become irrelevant whims." (Baron and Byrne 1987:140).

Attitude research emerged as a significant part of the social sciences during the first few decades of the 20th century when sociologists and psychologists focused on describing and measuring attitudes (e.g., Bain 1928; Thurstone, 1928; Likert, 1932; Droba 1934). The first study relating attitudes to behaviour was LaPiere's (1934) frequently cited investigation of American restaurant owner's discrimination against Orientals. He found that forty-five percent of those he sampled claimed a policy of discrimination in spite of practicing non-discrimination when LaPiere personally visited these establishments with his two oriental companions. LaPiere concluded that self-reports of many types of attitudes will not reflect behaviours.

LaPiere's study received little immediate attention. Most researchers of the era referred to LaPiere's study as simply a precautionary note before ignoring their own caution in interpreting their findings (Kraus 1995). It was not until the 1960s that LaPiere's work and the question of attitude - behaviour (A-B) relations received significant attention. The debate which ensued resulted in the emergence of two fundamentally opposing positions on the A-B relationship. The first position argues that attitudes have no consequence on the way people act and, therefore, that they cannot predict behaviour (e.g., LaPiere 1934; Kutner et al. 1952; Blumer 1955; Deutscher 1966, 1973; Bandura 1969; Larson and Sanders 1975). A second group of researchers argue instead that attitudes and behaviour are, in fact, closely related (e.g., Ajzen and Fishbein 1977, 1980; Andrews and Kandel 1979; Bentler and Speckart 1979; Kahle and Berman 1979; Kahle 1986).

The inconsistency of A-B results led many to examine the methodology behind attitudinal research. Dillehay (1973) charges that the 'classic' studies of LaPiere (1934) and Kutner et al. (1952) probably obtained attitude and behaviour measures from different
subjects and that the studies did not measure 'attitudes' at all, but were rather statements of institutional policy. Ajzen and Fishbein (1977) suggest that some A-B studies have observed low correlations because the attitudes and behaviours did not correspond in their 'target' and their 'action' elements. Another methodological explanation for low A-B correlation is offered by Sears (1986) who notes that roughly 70 percent of social psychological research uses students as subjects. He speculates that students would demonstrate low A-B correlations because their attitudes tend to be still developing, and are not based on direct experience. Another study conducted by Piliavin (1981) supports the notion that the predictive ability of attitudes for behaviour is subject to the quality of the research methodology. She found the strength of the A-B relationship to be significantly correlated with the year of publication, suggesting that recent improvements in methodology have increased A-B correlations.

Two other studies should be acknowledged at this point which may offer a useful synopsis of the above debate. Meta-analyses were conducted by Kim and Hunter (1993) and by Kraus (1995) in an attempt to synthesize the volume of A-B literature which has accumulated over the past few decades. Both of these studies concluded that attitudes significantly and substantially predict behaviour (Kim and Hunter study: \( n = 138, r = .79 \); Kraus study: \( n = 88, \text{mean } r = .38 \)).

5.2.3 Research Characteristics and the Strength of the Attitude - Behaviour Relationship

Although there is strong support provided in the empirical literature that attitudes do serve to predict behaviours, it is also important to note that the current study appears to be unique. A review of the A-B literature\(^{59}\) revealed only one other study which

\(^{59}\) The literature review strategy involved searching the Social Science Citation Index (SSCI) from the years 1985 to 1995 (1985 is the first year covered by the SSCI) using combinations of the key words: community(ies); economic; development(s); leader(s); attitude(s); belief(s); behavior(s); behaviour(s); and action(s). Twenty-
focuses on community leaders' perceptions of development (Walzer and Gruidl 1991). Walzer and Gruidl's study, however, concentrated on perceived problems in the community and constraints to development rather than the development approach itself and, furthermore, the authors made no attempt to infer the attitudes of the leaders to any type of behaviour or action. The literature review revealed no other study which assesses attitudes concerning community development in the same manner as the current study.

While there is clearly a contribution to be made by original research, the singularity of this particular approach brings into question the assumption that attitudes will predict behaviour in this study in particular. It is useful, therefore, to examine the characteristics of other A-B studies to attempt to establish some commonalties between the current research and others which have observed high A-B correlations.

A number of personal, attitudinal and situational factors have been found to influence the strength of the A-B link (Kim and Hunter 1993). Fazio et al. (1982) found that people with direct experience with the attitude being tested yielded substantially higher A-B relationships than those who had equal knowledge of the attitudinal subject but no direct experience. Similarly, Sivacek and Crano (1982) observed that people who had a vested interest in the attitudinal issue also demonstrated high A-B correlations. Ajzen and Fishbein (1977) found that studies directed at specific attitudes (e.g., liking pickles on your hamburger) produced a stronger A-B link than studies concerned with more general attitudes (e.g., opposing racial discrimination). The A-B link was also found to be strengthened by the accessibility of the attitude, that is, the propensity of the attitude to come to mind just prior to the related behaviour. The more often a subject thinks about a particular attitude, the more likely it is to come to mind again and influence their behaviour (Fazio 1986; Fazio et al. 1986). These researchers further contend that

seven books were also searched for reference to any AB research related to community-based attitudes towards self-initiated community change, especially with regards to economic development.
personal, attitudinal and situational factors are often not mutually exclusive, citing that
direct experience and vested interest in the attitudinal issue have been found to increase
attitude accessibility.

The current research would appear to have these characteristics of enhanced
attitude - behaviour correlation. The nature of the respondents (see section 5.4) and the
subject matter of the attitudinal questions suggests that the key informants have both
direct experience and a vested interest in the issues being examined. As perceived
community leaders, it can be assumed that many of the respondents will have previously
encountered the development issues raised in this study, and have direct experience with
them, either in thought or in practice. Second, the development issues in question would
likely have a significant effect on the respondent's own life and, therefore, they are likely
to have a vested interest in these issues.

Many of the attitudes being assessed in the questionnaire are quite specific and
should translate to equally specific action. For example, the questionnaire asks about
attitudes toward tax concessions as a means of attracting investors. This is a specific
attitude with an equally specific action that would logically follow: a KDP with a positive
attitude towards tax concessions would presumably be more inclined to promote them as a
means of attracting outside investors.

Finally, the nature of community development is treated here as a pre-conceived
and planned process rather than as a series of occasional or spontaneous acts. As such,
this would suggest that the attitudes being assessed would be reasonably accessible. Prior
to any action being taken in a community development project, the issue will normally be
discussed at length among community leaders and, one would hope, among the local
public as well. The various views and attitudes of those involved should be brought forth
and it follows, that these attitudes should become apparent in the development actions
which follow.
Considering the trend indicated in the A-B literature and the presence of personal, attitudinal and situational factors in the current study which have been shown elsewhere to enhance A-B relations, it is assumed that the attitudes of community leaders toward community development should serve as a reasonable indicator of the approach to development which these communities have adopted, and will be likely to practice. This approach may be top-down, bottom-up or some combination of the two and the development approach which unfolds in practice will, of course, do so within the confines of the development conditions, particularly public policy, which exist at the time.

5.3 The Sample

This research focuses on the perceptions and attitudes of those individuals who are most active in and most likely to initiate development in the community. These Key Development Players (KDPs) serve as the sampling frame for the study. The sampling strategy employed in the study was *purposive* in that only those individuals identified as KDPs were included in the sampling frame and no inference is made from the results to a larger population.

The sampling frame was drawn from the seven communities included in the study area (Bonavista, Catalina, Little Catalina, Port Union, Keels, King's Cove and Duntara)\(^6^0\). These communities were selected because they represent the diversity of fishing communities on the Headland. Bonavista is the largest community in the study area. Its economy is largely based on the inshore fishery and crab processing plant. However, Bonavista's economy is the most diversified of any on the Headland. It serves as the

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\(^6^0\) Two respondents were drawn from outside of the study area. These were development workers with Enterprise Newfoundland and Labrador (ENL) living in Clarenville but working on development projects throughout the Bonavista Peninsula. These respondents were included in the overall regional analysis and the group comparison but were omitted from the community comparison because neither resided in any of the communities in the study area.
regional service centre, being the location of the regional college and hospital as well as several large service and retail outlets. Catalina, Port Union and Little Catalina are all largely based on the offshore fishery, drawing much of their employment from the large offshore processing facility in Port Union. King's Cove, Duntara and Keels are small communities (approximately 100 to 200) with practically no other source of employment besides the inshore harvesting sector. This distinction between communities provides a useful means of grouping and comparing communities on the Headland and allows for further examination of Poetschke's (1984) work which describes differences in vulnerability between large and small and plant/non-plant fishing communities in Atlantic Canada.

The sampling frame was composed of local politicians (mayors and members of town councils), businesspeople and potential entrepreneurs\(^{61}\), development workers (both government and community-based) and volunteers (non-paid residents of the region volunteering their time to organizations or committees working toward community development endeavours). A total of seventy-five potential respondents were identified in the study, seventy-one of whom agreed to participate. The breakdown of respondents by community and by group is provided in Table 5.1.

A partial sampling frame was constructed prior to the field work. A list of currently serving elected officials and development officers was obtained from the town council office in each community. Other key informants were less readily identified and in order to achieve as exhaustive a sample as possible, a 'snowball' sampling technique was employed. In snowball sampling those respondents included in the initial sampling frame on completing the questionnaire were asked to identify others; a process which continued

\(^{61}\) Businesspeople are defined as those already in business. Potential entrepreneurs are defined as those individuals making a serious effort to start up a business (that is, they have an idea or ideas which they are exploring the feasibility of, or developing).
Table 5.1
Breakdown of Sample by Community and Group

<table>
<thead>
<tr>
<th>Community</th>
<th>Politicians</th>
<th>Business people</th>
<th>Development workers</th>
<th>Volunteers</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>5</td>
<td>11</td>
<td>4</td>
<td>7</td>
<td>27</td>
</tr>
<tr>
<td>Catalina</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Little Catalina</td>
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<td>3</td>
<td>0</td>
<td>0</td>
<td>9</td>
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<tr>
<td>Port Union</td>
<td>6</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>King's Cove</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Keels</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Duntara</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26</strong></td>
<td><strong>21</strong></td>
<td><strong>10</strong></td>
<td><strong>14</strong></td>
<td><strong>71</strong></td>
</tr>
</tbody>
</table>

until no additional informants were identified (for further information on these sampling strategies see Sheskin [1985]).

There is generally a danger in snowball sampling that certain individuals or groups may be 'outliers' and not be identified by any of the other respondents and thereby 'missed'. This risk should be minimal in this study due, first, to the nature of economic development and, second, to the social networks which are common in small communities such as those being studied. Planning and implementing development is usually a group activity or in cases of individual initiative, group involvement is nearly inevitable since some sort of group approval for the project will be required, even if it is only for a permit. The chance of one individual working on a development project in isolation from the rest of the community is therefore extremely slim. This possibility is further reduced when the communities in question are as small as those in the Bonavista region. If the small town maxim that 'everybody knows everybody else's business' holds true, then it would be
virtually impossible for something as significant to a small town's economy as a new business proposal to go unnoticed.

5.4 The Research Instrument

The research examines development in the Bonavista region within the context of the five principles and numerous characteristics comprising the normative model of successful community development presented in Chapter III. The study applied two types of survey instrument: a self-administered questionnaire and a personal interview.

5.4.1 The Questionnaire

The principal objective of the questionnaire was to address as many of the various characteristics of theCED model presented in Chapter III as possible. This was achieved through a combination of open and closed-ended questions (see Appendix I for a copy of the questionnaire). The questionnaire was predominantly composed of closed-ended questions where respondents were asked to answer using a rating scale. Rating scales have been applied in the measurement of attitudes since the 1920s (e.g., Thurstone 1928; Likert 1932) and remain the most commonly applied questionnaire format for attitude assessment used (Kahle 1986). Closed ended formats are normally associated with higher response rates (Sheskin 1985). This has been found to be particularly true in regions such as rural Newfoundland where formal education levels and literacy may be an issue (see Chapter IV) since the semi-literate could find it difficult or impossible to participate in a self-administered, open-ended questionnaire (Sheskin 1985). A closed-ended format also

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62 As will be discussed in more detail in later chapters, not all characteristics of the model lent themselves to assessment through this type of research instrument. The questionnaire and personal interview were designed to target as many of these attitude-based characteristics of the model as possible.
lent itself particularly well to this research by enabling a direct focus on each of the multiple components of the normative model.

The closed ended questions were of two types: *attitudinal* and *observational*. Those characteristics of development which rely primarily on the action or the initiative of the KDPs lent themselves quite well to an *attitudinal* question format. For example, the effective development characteristic, *willingness to take risks* was assessed, as follows, in question C2:

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

This community should proceed with development cautiously - this is not the time to take risks.

From the previous discussion on the A-B link, it follows that the attitude of the respondents will serve as a predisposition to act in an accordant fashion, or, in this instance, that those development leaders who claim to support the notion of risk-taking will be more willing to support, promote or take risks in practice (e.g., supporting different and unusual development ideas).

Other characteristics of development contained in the model are less concerned with the behaviour of the leadership of the community and more so with the social environment for development. An example of this type of characteristic is a *strong sense of community* which is tested in question D9 of the questionnaire:

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

There is a strong sense of community in this town.
This type of question is seeking the respondents' personal observations about a particular development characteristic rather than their attitudes toward it. Attitudinal questions would have little utility in assessing this type of characteristic since there would be no readily defined, corresponding behaviour to be predicted (e.g., a respondent who has observed a strong sense of community in their town may or may not act to promote a strong sense of community).

Most of the closed-ended questions followed either a Likert-type scale of agreement, or similarly, a scale of importance response format. The scale of agreement format is the more familiar Likert-type scale of the two (e.g., Question A1):

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

The fishing industry in this region will completely recover.

It was felt that some development issues would generate a better range of responses if options were presented as a scale of importance such as in Question C5:

<table>
<thead>
<tr>
<th>Not at all Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

How important is it to invest money in improving infrastructure such as roads, water and sewer services to promote community development?

Both formats employed a seven-category scale as opposed to the more traditional five category scale. Increasing the number of categories in this way adds variance, thereby
providing greater flexibility in the analysis, and increasing the reliability of the responses (Mueller 1986). As will be discussed, the categories were collapsed for the analysis.63

A number of open-ended questions were also included in the questionnaire. These questions were not directly related to the model, serving in a more contextual role instead. They appeared primarily in the personal information section and accommodated those questions where the range of responses was large and/or unknown (e.g., Question F1 - "Where were you born?" and Question F4 - "What is your current occupation?).

Each respondent in the study signed a consent form, stating their agreement to participate in the study (see Appendix II for a copy of the consent form). The questionnaire was then left with the respondent to complete at their convenience. Respondents were not asked to provide their name on the questionnaire. An appointment to collect the completed questionnaire was made with each respondent at which time a follow-up personal interview, in some cases, was conducted.

The questionnaire was reviewed in-house by members of the Memorial University Eco-Research Project64 and pre-tested on nine individuals in the community of Petty Harbour who were from comparable occupation groups to the Bonavista region sample. Pre-test respondents completed the questionnaire, primarily with a view to identifying any questions they had difficulty in interpreting or were uncomfortable in answering. They provided additional feedback on the format of the questionnaire and the length of time

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63 The seven point scale was originally chosen as a precaution to ensure the data generated from the questionnaire could be examined in various ways, using a broader array of statistical techniques than would be available should a three or a five point scale been employed. Although the descriptive statistical and DTA techniques used here were best applied to a reduced category data set, the seven point scale may prove to be useful should further examination of this data set be conducted in the future.

64 This research is a part of a larger, three year study being conducted by Memorial University's Eco-Research Project. The Eco-Research team is applying an interdisciplinary approach to explore the question of sustainability in a cold ocean environment. The project has been funded by Canada's three main academic units (SSERC, NSERC and MRC) and the research is concentrated in two areas of Newfoundland - the Bonavista Headland and the Isthmus of Avalon.
required to complete it, and offered suggestions for improvement. Following each review the questionnaire was revised accordingly.

In order to establish contacts and to identify ongoing development initiatives, exploratory field work in the Bonavista region was conducted in the spring and summer of 1995. The main field work (questionnaire circulation and personal interviews) was conducted in the Bonavista region in September and October of 1995.

5.4.2 The Personal Interview

Personal interviews were conducted with selected respondents. These interviews were designed to explore a number of development issues that could not be addressed with a closed-ended question format. Such open-ended, exploratory questions are best addressed in a personal interview format, normally resulting in increased response rates and more in-depth information than would be possible from a questionnaire (Sheskin, 1985). A personal interview component was also felt to be especially important in this research in order to gain an understanding of the more subtle nuances or 'flavour' of development issues in the region.

The personal interviews were semi-structured, drawing questions from a list of potential topics (see Appendix III). The questions asked in the personal interviews varied according to the respondent's position and experience with development. Overall, the interviews were guided by five central objectives. To provide:

1) examples and characteristics of past development activities;
2) examples and characteristics of current development activities;
3) a descriptive sense of the community's development environment and the issues which are important in the community's development;
4) an opportunity for respondents to expand on any points made in the questionnaire; and,

5) an opportunity for respondents to express more personal viewpoints about the state of the community, their vision of the future, etc.

A total of thirty interviews were conducted which ranged in length from thirty minutes to three hours. The selection process for personal interview respondents focused on those KDPs with the greatest amount of direct experience with past or on-going development (government and community-based development workers), and those with the most decision making authority (town mayors). Eight of the ten development workers, and six of the seven town mayors included in the questionnaire survey were subsequently interviewed. The other sixteen personal interviews were conducted with businesspeople, entrepreneurs, union leaders and educators with direct experience in past or current development initiatives (as screened through Question F8 of the questionnaire: "Please list any community development projects or programs which you have been involved in during the past five years", or as reported by other respondents).
5.5 Data Analysis

5.5.1 Review of Research Objectives

Three central research questions are addressed in the data analysis. As outlined in Chapter I, these were:

1) **Regional Analysis:**
   To identify what key development players in the Bonavista region perceive as being the most important elements in achieving economic development and to compare these elements with a normative model of 'successful' community economic development.

2) **Community Comparison:**
   To examine differences in the perceived importance of the various elements of economic development success among different communities.

3) **Group Comparison:**
   To examine differences in the perceived importance of the various elements of economic development success among different groups of people within the region.

These objectives are addressed using both quantitative and qualitative information, generated from both the self-administered questionnaires and from the personal interviews. The quantitative aspect of the regional analysis is approached using descriptive statistics (primarily measures of central tendency and frequency distributions). The quantitative
element of the community and group comparisons applied decision tree analysis
(ANGOSS 1994) - a robust, multivariate technique for measuring the significance of
group differences. The results generated from the quantitative analyses are supplemented,
in all three groups of analyses, by the more descriptive, qualitative information derived
predominantly from the personal interviews.

5.5.2 Regional Analysis

The regional analysis primarily applies descriptive statistical techniques. Standard
measures of central tendency were calculated for each of the fifty-five questionnaire
variables and frequency distributions were examined by generating histograms of each. To
simplify the presentation of the regional analysis results and to provide a more meaningful
set of data, the seven categories of the model variables were collapsed into three (e.g.,
strongly disagree, moderately disagree, and somewhat disagree = disagree; neither agree
nor disagree remains unchanged; and, somewhat agree, moderately agree, and strongly
agree = agree).

The three groups of variables comprising questions B1 - B3 (see copy of
questionnaire in Appendix I) displayed very little variance. These questions, which
examined the perceived importance of various groups or organizations in funding,
generating ideas for, and controlling community development, produced highly and
uniformly skewed results; that is, the majority of respondents felt that all groups were
highly important in these activities. With so little variance within and between these
variables, there was no obvious statistical technique available to distinguish between these
groups and organizations in terms of their relative perceived importance. Probability
distributions were, therefore, generated for each of the three variable groupings to
graphically illustrate the differences in the perceived importance of the various development responsibilities. These appear as Figures 6.1, 6.2 and 6.4 in Chapter VI.

5.5.3 Community and Group Comparison Analysis

The more commonly applied multivariate techniques for measuring the significance of group differences such as ANOVA, MANOVA and discriminant function analysis were not appropriate in this application. Running either a series of ANOVA's or a MANOVA would be subject to several limitations including the assumption of normality (dependent variables must be normally distributed), linearity (assumes a linear relationship between any two dependent variables), multicollinearity (no two variables should be perfectly or nearly perfectly correlated), singularity (no score should be a linear or nearly linear combination of others) and sample size (the number of dependent variables in any one group should not exceed the number of groups) (Tabachnick and Fidell 1983).

Discriminant function analysis is far more robust to failures of normality, linearity, multicollinearity and singularity but remains sensitive to small sample sizes (Tabachnick and Fidell 1983). When the number of cases exceeds the number of dependent variables, overfitting may become a problem. Overfitting occurs when group differences are found to be quite pronounced due to artificially good fitting of the dependent variables (Type I error). In this study, where fifty-five dependent variables were considered, and where the smallest sample size was fifteen in the community comparison and ten in the group comparison, the danger of overfitting was pronounced. The results from the discriminant function analyses proved these concerns to be warranted (Table 5.2). Perfect classification of groups, very high Eigenvalues and very low values for Wilks' Lambda are all indicative of overfitting (Tabachnick and Fidell 1983).
Table 5.2  
Results from Discriminant Function Analysis  
of Community and Group Comparisons

<table>
<thead>
<tr>
<th>Percent of 'Grouped' Cases Correctly Classified</th>
<th>Community Comparison</th>
<th>Group Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Function 1 = 94.65</td>
<td>Function 1 = 94.65</td>
<td></td>
</tr>
<tr>
<td>Function 2 = 41.48</td>
<td>Function 2 = 34.41</td>
<td></td>
</tr>
<tr>
<td>Function 3 = 6.63</td>
<td>Function 3 = 6.63</td>
<td></td>
</tr>
<tr>
<td>Wilks' Lambda</td>
<td>Wilks' Lambda</td>
<td></td>
</tr>
<tr>
<td>Function 1 = 0.0002</td>
<td>Function 1 = 0.0003</td>
<td></td>
</tr>
<tr>
<td>Function 2 = 0.0235</td>
<td>Function 2 = 0.0093</td>
<td></td>
</tr>
<tr>
<td>Function 3 = 0.1310</td>
<td>Function 3 = 0.1310</td>
<td></td>
</tr>
</tbody>
</table>

Given the limitations of these standard techniques, another multivariate method of analyzing group differences was selected, decision tree analysis, using the KnowledgeSEEKER software package. Decision tree analysis partitions a data set, using one predictor variable at a time, into mutually exclusive, exhaustive subsets which best describe the dependent variable. Decision tree analysis is similar to cluster analysis, except instead of lumping cases together, groups of cases are split apart (Reddy and Bonham-Carter 1991).

Tree structures have been informally used by the natural sciences for years in biological taxa identification, but formal decision tree models have only originated recently with the development of Automatic Interaction Detection (AID) (Sonquist et al. 1973) and CHAID (Kass 1980). There were a number of criticisms of these earlier decision tree programs including the inability of AID to test for significance and to identify spurious relationships as well as its misuse in small samples. There were also general problems of incomprehensible results with CHAID (Biggs et al. 1991) and only nominal dependent
variables could be used in both AID and CHAID (Simms 1993). A refinement and expansion of these techniques is available in the software program KnowledgeSEEKER (ANGOSS 1994).

KnowledgeSEEKER (KS) handles nominal, ordinal and interval level dependent variables and includes a comprehensive significance testing procedure where all splits from a nominal or ordinal dependent variable are evaluated using a Chi Square test, and all those splits resulting from an interval dependent variable are evaluated using an F test. This procedure ensures that non-significant partitions are rejected. KS also includes a "Bonferroni Adjustment Factor" which effectively enhances the level of significance, further minimizing the discovery of chance relationships. Furthermore, analysis using KS includes none of the assumptions that the aforementioned multivariate techniques do. It makes no assumptions regarding the normality, linearity, multicollinearity nor singularity of the data. Most important for this data set, however, is the fact that KS can be used with confidence on small datasets. According to Biggs et al. (1991:61): "... KS can confidently be used with small categorical data sets and will not, on average, detect spurious relationships between the response and predictor variables more often than the specified Type 1 error rate".

Decision tree analysis is best explained with an example. Figure 5.1 shows the results of an "environmental awareness" analysis (ANGOSS 1994) where survey respondents were asked whether they could distinguish between reduce, reuse, and recycle. Those who could distinguish between the three were said to be 'environmentally aware'. As shown in the top box of the tree, 64.2 percent of the population could distinguish between the 'three R's'. Therefore, approximately two-thirds of the survey respondents were identified as environmentally aware. Environmental awareness served as the dependent variable in this study.
Figure 5.1
Environmental Awareness Decision Tree:
Differentiation Between Recycling, Reducing and Reusing
The KS algorithm calculated that the most significant split was provided by the education variable. In other words, education is the independent variable which value is the most useful statistically for predicting environmental awareness. Over 80 percent of university graduates could distinguish between the three R's as compared to under 52 percent of those with less than a high school education. There may be a number of significant primary predictors of the dependent variable identified with KS which may be individually explored, or any particular split may be explored further to uncover variations within it. In this example, the education split is further examined by moving down the university graduate branch. This split indicates the incremental effect of ethnic background on environmental awareness (among those who had graduated from university). Those university graduates with a British, French Canadian, eastern European or French ethnic background had a higher likelihood of distinguishing between the three Rs (88.4 percent) than those university graduates from other ethnic backgrounds (62.2 percent).

The tree continues to grow in this way until no more significant splits are found. In the environmental awareness example two further splits are illustrated. The difference between the level of environmental awareness of university graduates from British etc. ethnic backgrounds was found to be best explained by the age variable; the ability to distinguish between the three Rs was greater among those under sixty-five years of age. Of those in the younger age class, community size was revealed to be the strongest predictive variable; environmental awareness was significantly higher in larger (population 50,000 and up) communities than smaller ones. Decision trees may be grown manually, where the researcher can explore any significant split, or automatically, where the entire tree is constructed using only the most significant splits.

In this research, KS is used to isolate those variables which are most statistically significant in predicting group membership (i.e., those characteristics of development
which are perceived differently between communities and between groups of people within those communities). Trees were grown manually and only as far as the first split. While this application underutilizes the KS approach, it is not uncommon (ANGOSS 1994). The decision tree results may be presented in the form of a decision tree, as shown in this example, or as a contingency table. While the tree serves as a useful illustration to explain the decision tree splitting procedure, they are large and cumbersome, particularly in an application such as this one where trees are grown only as far as the first split. Hence, the results from the decision tree analysis are reported here in the form of contingency tables. Table 5.3 illustrates the contingency table which would be produced from the first split of the environmental awareness example. Also, in this application of DTA, the seven point Likert scale responses were collapsed into three categories just as they were for the regional analyses (e.g., strongly disagree, moderately disagree, and somewhat disagree = disagree; neither agree nor disagree remains unchanged; and, somewhat agree, moderately agree, and strongly agree = agree). Using a full seven point scale with a small data set would result in a large number of splits based on a very small number of cases (i.e., one or two individuals). Grouping all the agree and all the disagree responses together in this manner therefore served to enhance the identification of significant splits. Some variables demonstrated significant yet 'meaningless' differences between groups or communities. For example, if a significant difference were identified in a variable where the split between groups was based on a high or low proportion of one group which responded strongly in the neither agree nor disagree category, then this split would be classified as meaningless. While statistically significant, it says little about that group's approach to development compared to others. Therefore, only those splits which were meaningful, in addition to being significant, are reported in this thesis.

Communities were also grouped in this application of decision tree analysis. Comparing seven different communities produced somewhat incoherent results and,
Table 5.3
First Split of the Environmental Awareness Decision Tree:
Differentiation Between Recycling, Reducing and Reusing Based on Education

<table>
<thead>
<tr>
<th>Education</th>
<th>same thing</th>
<th>different thing</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than high school</td>
<td>48.3%</td>
<td>51.7%</td>
</tr>
<tr>
<td>graduated high school</td>
<td>36.2%</td>
<td>63.8%</td>
</tr>
<tr>
<td>graduated university</td>
<td>19.5%</td>
<td>80.5%</td>
</tr>
</tbody>
</table>

Source: Based on ANGOSS (1994)

hence, the seven communities were collapsed into three groups. These groupings were logical, based on geography, size and economic function. The first group was composed of the three small inshore fishing communities on the Bonavista side of the Peninsula (King’s Cove, Duntara and Keels). The medium sized, offshore fishery-dependent communities on the Trinity Bay side of the Peninsula (Port Union, Catalina and Little Catalina) comprised the second group. Finally, the third group was made up of a single community, namely Bonavista (the largest community in the region, based on the inshore fishery and processing industries and also serving as the regional service and retail centre).

The data were also weighted using the frequency weighting option in KS to ensure that larger communities like Bonavista, and larger groups like politicians would not unduly influence the results. In order to equally compare the attitudes of one community or one group to another, they must have the same potential to influence the decision tree. To illustrate this, consider a fictional example of two towns, Community A - population 500; and Community B - Population 100, where every person is asked whether they agree or disagree with the statement: "crime is increasing in this town". In the unweighted decision tree provided in Figure 5.2A it is shown that the majority (66.6 percent) of those who agree with the statement that crime is increasing in their community are from Community
A. This masks the fact that 100 percent of those people from the smaller, Community B, believed that crime was increasing.

When a weighting scheme is applied, results are produced that are proportionate to the size of the sample. By giving Community A and Community B equal influence, the frequency weighted tree (Figure 5.2A) provides a more accurate depiction of the relative strength of the belief that, "crime is increasing". Now it is shown that Community B is substantially more concerned with crime (accounting for 71.8 percent of those in agreement with the statement) than Community A which accounts for only 28.6 percent.

There are two main weighting options available in KnowledgeSEEKER: frequency weighting and sampling weighting. Frequency weighting essentially inflates the number of times that a given observation appears in the data set and adjusts the reported frequencies upward. In the example above, frequency weighting counted each observation from Community B five times to produce two equal samples of n=500. This was the preferred method over sampling weighting which is designed for use in stratified samples. Sampling...
Weighting would be appropriate if, for example, only ten people were sampled from each of Communities A and B and if the results were to be inferred to the larger regional population. In such a case, those observations from Community A would be assigned a weight of five, according to the larger proportion of the regional population derived from Community A. The snowball sampling strategy employed in this research was designed not to achieve a stratified sample but rather a complete sample of the sub-population (KDPs). The sampling weighting procedure was therefore inappropriate for this application.

A number of other KS settings were applied in this application: 1) The Bonferroni Adjustment Factor was set at the default value of 1 to filter out all but the most significant of groupings; 2) Exhaustive analysis was employed rather than Cluster analysis in order to achieve a more thorough search of the data and to find the most significant relationships; and 3) the significance level was set at the default value of 0.05 (characteristics of
development will typically be grouped correctly 95 times out of 100) (for details see ANGOSS 1994).

5.6 Chapter Summary

This chapter has described the research design which is applied in this thesis. The relationship between attitudes and behaviour was discussed with particular reference to the application of A-B research in this study. The survey sample was defined and described and the two components of the research instrument (the questionnaire and the personal interview) were presented and explained. Finally, the quantitative and qualitative techniques applied to the regional, and community and group comparison analyses were described and explained. The results of these analyses will be presented and discussed in the following chapter.
Chapter VI

Results
6.1 Introduction

The purpose of this thesis is to examine the ways in which communities on the Bonavista Headland are approaching community development. More specifically, the thesis identifies what KDPs perceive as the most important elements in achieving effective community development and compares these elements with a normative model of successful Community Economic Development (CED) (Figure 3.2). Comparisons are also made between communities and between groups. As described in Chapter V, the research utilized two main research instruments -- a questionnaire and a personal interview. This chapter presents the information generated from these two instruments and, more specifically, it compares this information with the characteristics of successful CED outlined in Figure 3.2 (Research Objective #1) and compares the perceptions of development among communities (Research Objective #2) and among groups (Research Objective #3). Explanations of the results are offered here, but the implications of the findings are reserved for Chapter VII.

The chapter is organized according to the five principles of the CED model -- Entrepreneurial Spirit, Local Control, Community Support, Planned Process and Holism. The CED characteristics from each principle are discussed utilizing both the quantitative and, to a lesser degree, qualitative information generated from the questionnaires as well as the qualitative information from the personal interviews. Some characteristics of the CED model lent themselves particularly well to attitudinal testing (e.g., the characteristics of self-reliance, positive attitude and willingness to take risks). However, as discussed in Chapter III, some characteristics of the model are neither attitudinal nor appropriate for attitude-type measurements (for example, the incidence of local ownership or the prevalence of strong local leadership). Such characteristics are instead explored using available data from past or ongoing developments.
Most of the quantitative data in the thesis are provided as percentage values. For the regional analysis, percentage values are presented in mainly tabular, but also in graphic form. The decision-tree analysis generated a total of six significantly different variables among communities and eighteen significantly different variables among groups. The most salient percentage values from the community and group comparisons are included in the text, but are accompanied by contingency tables encapsulating the full data set generated from the decision-tree analysis.

6.2 Entrepreneurial Spirit

Entrepreneurial spirit is depicted in Figure 3.2 as the engine or driving force of CED. It is not merely about entrepreneurship, although individual entrepreneurs are a vital ingredient in successful CED — it is concerned with ordinary people embracing and managing change in their communities. To possess entrepreneurial spirit requires that the region break away from the top-down approach which views development as something that takes place in a region through outside investment. Entrepreneurial spirit is about local initiative and the spirit of 'do-it-yourself-ness'. As illustrated in Figure 3.2, there are four main characteristics of entrepreneurial spirit: self-reliance, positive attitude, risk-taking and creativity and innovation. The findings pertaining to each of these characteristics are discussed below.

6.2.1 Self-Reliance

For this community to develop, we're going to need a big industry to come in and utilize the infrastructure (the fish plant) and the workforce of the community.

( Politician, Catalina area)
The characteristic of self-reliance was discussed in the normative model as encompassing both a self-reliant attitude which states that, 'if something is to be done here, we'll have to do it ourselves' and goals of self-reliance where the community is able to break away from traditional dependency relationships with government and large, external industries. The findings indicate that while most KDPs embrace the general notion of self-reliance (in terms of initiating and controlling if not funding development), they also support specific development strategies which are, in fact, contrary to the notion of self-reliance. Questions B2 and B3 of the questionnaire asked how important various potential sources (e.g., federal government, local businesspeople, unions etc.) should be in: 1) generating ideas and starting development activities, and 2) controlling development activities.

The problem with this type of absolute response question became apparent from the lack of variance observed in the responses (many people identified all sources as important for initiating and controlling development)\textsuperscript{65}. It was difficult, therefore, to explore the relative perceived importance of the sources -- whether, for example, the federal government was seen as a significantly more important source of initiative or control than, for example, the union. To better assess the relative, as opposed to the absolute perceived importance of the sources, a ranking-type question might have been more successful (for example, to have respondents rank a list of potential sources in terms of their importance in controlling development). The drawback to this strategy, however, is that the number of categories must be limited to perhaps seven\textsuperscript{66}. By addressing each potential source separately, questions B2 and B3 were able to include eleven and eight categories respectively. While the responses within each question did not generate enough

\textsuperscript{65} It should be noted that the responses generated from the questions during the pre-test displayed sufficient variance and did not suggest any problems with the question.

\textsuperscript{66} Sheskin (1985) suggests that this is the maximum number of categories which the average respondent can accurately order.
variance to demonstrate statistically significant differences among the various sources, an important trend is, nonetheless, evident once the variables are graphed.

Upon initial examination it appears that a self-reliant attitude is present among KDPs. As illustrated in Figures 6.1 and 6.2, local groups are perceived by KDPs in the region to be more important sources of development initiative and control than are external groups such as senior government and large corporations. Figure 6.1 indicates that local businesspeople and entrepreneurs, community development groups and community volunteers are perceived as the three most important sources of development initiative with over 80 percent of respondents reporting that these groups should be extremely important in generating ideas for and starting development. Somewhat less important were large corporations, local politicians, government development agencies, federal and provincial politicians and professional consultants which were identified as extremely important by 70 - 80 percent of KDPs. The least important sources of initiative were reported to be unions (44 percent) and the church (36 percent).

Figure 6.2 illustrates the relative importance of selected groups in controlling development and while the pattern is similar to the 'ideas' graph, the bottom-up predisposition is even more apparent. Community-based development groups and local businesspeople and entrepreneurs were identified as the two most appropriate sources of community development control with over 70 percent of KDPs identifying these groups as extremely important. Local politicians and community volunteers were perceived as somewhat less vital (over 60 percent identified these groups as extremely important), as were government development agencies (just over 50 percent). The least important groups in controlling development were identified as provincial politicians, federal politicians and large corporations. These groups were perceived to be extremely important sources of control by only 46 percent, 38 percent and 36 percent of respondents respectively.
Figure 6.1
Question B2 -- Perceived Importance of Various Sources of Development Initiative

These two questions, taken alone, and examined for the region as a whole, suggest
Figure 6.2
Question B3 -- Perceived Importance of Various Sources of Development Control

groups of respondents. Local politicians and volunteers generally failed to differentiate
Table 6.1
Sources of Development Initiative

A Large corporations were perceived to be extremely important sources of initiative by 90.8% of businesspeople, 88.5% of politicians and 64.2% of volunteers but by only 40% of development workers ($X^{67}=99.99\%$)

| How important should large corporations be in generating ideas and starting development activities in this community? (Question B2g) |
|---|---|---|---|
| | Not Important | Somewhat Important | Extremely Important |
| Politicians | 0.0% | 11.8% | 31.2% |
| | 0 | 3 | 23 |
| Business-people | 25.0% | 4.9% | 32.0% |
| | 1.2 | 4.6% | 90.8% |
| Development Workers | 0.0% | 61.4% | 14.1% |
| | 0 | 15.6 | 10.4 |
| Volunteers | 75.0% | 21.9% | 22.7% |
| | 3.7 | 5.6 | 16.7 |

B Professional consultants were perceived to be extremely important sources of initiative by 80.8% of politicians, 78.5% of volunteers and 66.9% of businesspeople but by only 30% of development workers ($X = 99.98\%$)

| How important should professional consultants be in generating ideas and starting development activities in this community? (Question B2i) |
|---|---|---|---|
| | Not Important | Somewhat Important | Extremely Important |
| Politicians | 0.0% | 24.0% | 31.5% |
| | 0 | 4 | 21 |
| Businesspeople | 25.0% | 22.4% | 26.1% |
| | 5 | 3.7 | 17.4 |
| Development Workers | 65.6% | 31.3% | 11.7% |
| | 13 | 5.2 | 7.8 |
| Volunteers | 9.4% | 22.3% | 30.7% |
| | 1.9 | 3.7 | 20.4 |

67 $X$ provides the confidence level of the decision tree analysis. For example, we can be 99.99 percent certain that the results obtained from Question B2g are not spurious, that is, that the differences between groups are not occurring merely by chance.
Table 6.1 continued...

C Government development agencies were perceived to be extremely important sources of initiative by 92.3% of politicians, 78.5% of volunteers and 70% of development workers but by only 57.3% of businesspeople (X = 99.97%)

<table>
<thead>
<tr>
<th></th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>0.0%</td>
<td>7.7%</td>
<td>19.2%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>100.0%</td>
<td>14.2%</td>
<td>57.3%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>0.0%</td>
<td>0.0%</td>
<td>29.2%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>0.0%</td>
<td>21.5%</td>
<td>26.4%</td>
</tr>
</tbody>
</table>

D Provincial politicians were perceived to be extremely important sources of initiative by 88.5% of politicians and 85.8% of volunteers but by only 60% of development workers and 43.1% of businesspeople (X = 99.94%)

<table>
<thead>
<tr>
<th></th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>0.0%</td>
<td>11.5%</td>
<td>31.9%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>77.0%</td>
<td>23.8%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>23.0%</td>
<td>37.7%</td>
<td>21.7%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>0.0%</td>
<td>14.2%</td>
<td>30.9%</td>
</tr>
</tbody>
</table>
Table 6.1 Continued...

E  Federal politicians were perceived to be extremely important sources of initiative by 92.3% of politicians and 85.8% of volunteers but by only 60% of development workers and 52.3% of businesspeople (X = 99.77%)

<table>
<thead>
<tr>
<th>How important should federal politicians be in generating ideas and starting development activities in this community? (Question B2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Politicians</td>
</tr>
<tr>
<td>Businesspeople</td>
</tr>
<tr>
<td>Development Workers</td>
</tr>
<tr>
<td>Volunteers</td>
</tr>
</tbody>
</table>

F  The church was perceived to be not important as a source of initiative by 70% of development workers but by only 33.5% of businesspeople, 28.5% of volunteers and 26.9% of politicians (X = 98.43%)

<table>
<thead>
<tr>
<th>How important should the church be in generating ideas and starting development activities in this community? (Question B2a)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Politicians</td>
</tr>
<tr>
<td>Businesspeople</td>
</tr>
<tr>
<td>Development Workers</td>
</tr>
<tr>
<td>Volunteers</td>
</tr>
</tbody>
</table>


Table 6.2
Sources of Development Control

A Government development agencies were perceived to be extremely important sources of control by 65.4% of politicians and 64.2% of volunteers but by only 38.1% of businesspeople and 20% of development workers ($\chi^2 = 99.98\%$)

<table>
<thead>
<tr>
<th></th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>0.0%</td>
<td>34.6%</td>
<td>65.4%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>9.9</td>
<td>16.2%</td>
<td>38.1%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>52.5%</td>
<td>26.7%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>7.5%</td>
<td>25.4%</td>
<td>34.2%</td>
</tr>
</tbody>
</table>

B Federal politicians were perceived to be extremely important sources of control by 57.7% of politicians and 50% of volunteers but by only 20% of development workers and 14.2% of businesspeople ($\chi^2 = 99.83\%$)

<table>
<thead>
<tr>
<th></th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>11.9%</td>
<td>20.0%</td>
<td>40.6%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>39.4%</td>
<td>39.7%</td>
<td>14.2%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>41.3%</td>
<td>25.9%</td>
<td>14.1%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>7.4%</td>
<td>23.2%</td>
<td>35.2%</td>
</tr>
</tbody>
</table>
Table 6.2 continued...

C Large corporations were perceived to be not important as sources of control by 80% of development workers but by only 28.5% of volunteers, 26.9% of politicians and 23.8% of businesspeople ($X = 99.94\%$)

<table>
<thead>
<tr>
<th>How important should large corporations be in controlling development activities in this community? (Question B3c)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Politicians</strong></td>
</tr>
<tr>
<td>16.9%</td>
</tr>
<tr>
<td>26.9%</td>
</tr>
<tr>
<td>23.8%</td>
</tr>
<tr>
<td>28.5%</td>
</tr>
</tbody>
</table>

D Volunteers were perceived to be extremely important sources of control by 100% of development workers but by only 57.7% of politicians, 52.3% of businesspeople and 50% of volunteers ($X = 99.84\%$)

<table>
<thead>
<tr>
<th>How important should volunteers be in controlling development activities in this community? (Question B3a)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Politicians</strong></td>
</tr>
<tr>
<td>41.8%</td>
</tr>
<tr>
<td>38.8%</td>
</tr>
<tr>
<td>0.0%</td>
</tr>
<tr>
<td>7.3%</td>
</tr>
</tbody>
</table>

| **Businesspeople**                                            | Not Important | Somewhat Important | Extremely Important |
| 33.5%                                                        | 8.7           | 3.2%                | 13.6%               |
| 32.3%                                                        | 26.9%         | 19.4%               | 19.2%               |

| **Development Workers**                                       | Not Important | Somewhat Important | Extremely Important |
| 0.0%                                                         | 0.0%          | 0.0%                | 10.0%               |

| **Volunteers**                                                | Not Important | Somewhat Important | Extremely Important |
| 19.4%                                                        | 41.5%         | 50.0%               | 13.0%               |
Table 6.2 continued...

E  Community development groups were perceived to be extremely important sources of control by 100% of development workers but by only 84.6% of politicians, 78.5% of volunteers and 61.9% of businesspeople ($X = 95.77\%$)

| How important should community-based development groups be in controlling development activities in this community? (Question B3b) |
|---|---|---|---|
| | Not Important | Somewhat Important | Extremely Important |
| Politicians | 0 | 15.4% | 26.4% | 84.6% | 22 |
| Businesspeople | 2.5 | 7.4 | 49.1% | 16.1 |
| Development Workers | 0 | 0.0% | 0.0% | 100.0% | 26 |
| Volunteers | 7.3% | 14.2% | 24.5% | 78.5% | 20.4 |

The contingency tables used throughout this chapter require some explanation. The bold number in the centre of each cell represents the raw number of responses. The values for businesspeople, development workers and volunteers are weighted (accounting for the fractions) to give those groups equal influence to politicians (26 respondents). Similarly, the values for the King’s Cove, Duntara, Keels group were weighted to give that group equal influence to the Bonavista and Catalina, Little Catalina, Port Union groupings (27 respondents each). In some contingency tables the bold centre values do not add to the expected sum (104 in group comparisons [26 X 4]; 81 in community comparisons [27 X 3]). This is due to one or more non-response to that question. The bottom left value in each cell represents the percentage of that group which responded in such a fashion and the top right value represents the percentage of the total sample who responded in such a fashion who were from that group. For example, in the top right cell
of Table 6.1A, it is shown that twenty-three politicians reported that large corporations should be extremely important in generating ideas and starting development in their community. This accounts for 88.5 percent of the politicians sampled and, of those KDPs who reported large corporations to be "extremely important", 31.2 percent were politicians.

It is apparent from these data that development workers perceive development as a significantly more community-based or self-reliant venture than other groups. Development workers stressed the importance of local initiative and control (e.g., volunteers [Table 6.2D] and community-based development groups [Table 6.2E]) and downplayed the importance of external initiative and control (e.g., large corporations [Tables 6.1A and 6.2C] and federal politicians [Tables 6.1E and 6.2B]). Businesspeople also appear to support a community-based or self-reliant approach to development, albeit to a lesser degree than development workers. They reported that several external groups were inappropriate sources of development initiative and control (e.g., federal politicians [Tables 6.1E and 6.1B] and government development agencies [Tables 6.1C and 6.2A]). However, they also stressed that some other external groups were important. For example, businesspeople perceived large corporations to be a more important source of both development initiative and control than any other group (Tables 6.1A and 6.2C). They also saw professional consultants as an important source of development initiative (Table 6.1B) and reported that two local groups (volunteers and community-based development groups) should not play an important role in controlling community development (Table 6.2D and 6.2E).

Hence, while there is an apparent view in the region that development would be best initiated and controlled locally -- it is a view which is primarily expressed by two groups: development workers and, to a lesser degree, businesspeople. These contrary attitudes are encapsulated in the words of two different respondents:
The self-reliant view:

There's no use in waiting for government to keep baling us out. Big things can happen in this region, and they're going to happen, but we're the ones who have to do it, not government and certainly not (expletive deleted) FPI.

(Businessperson, Catalina area)

and, the dependent view:

What this town needs is for someone from outside to come in and take authority, take the reins and change the economy — as long as its the same ones in town hall year after year, we won't get anywhere.

(Volunteer, Bonavista)

Such dramatic inter-group differences were evident throughout the research and will recur throughout this chapter in many different aspects of development. These differences in attitude are not particularly surprising, especially in the case of development workers. Development workers are trained to think local development and to promote self-reliance. Nonetheless, while not particularly surprising, such differences do have serious implications for development which will be further discussed in Chapter VII.

Questions B2 and B3 were intentionally general, designed to obtain a sense of KDP's relative attitudes toward the involvement of local as opposed to external groups. Three other questions addressed more specific qualities of the self-reliance characteristic and found that, the above notwithstanding, self-reliant views expressed by some KDPs (development workers and businesspeople) have not been translated into practical development terms. The majority of respondents, regardless of group affiliation, continue to advocate specific development strategies directed at making the community more attractive to investment by improving its infrastructure or by offering fiscal or other
incentives. Such traditional top-down approaches reinforce the notion that development is something that takes place in an area through outside intervention and investment.

Questions C5, C6 and C7 asked respondents for their viewpoints on three traditional top-down development tools — improving infrastructure, offering tax concessions and producing an information package. Each of these strategies is designed to attract outside investment and/or industry to the region and each of these strategies received overwhelming support from the KDPs in the Bonavista region. Improved infrastructure was seen as extremely important by 88.8 percent of respondents (Question C5), tax concessions by 87.3 percent (Question C6) and information packages by 97.2 percent of respondents (Question C7).

<table>
<thead>
<tr>
<th>Question C5</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important is it to invest money in improving infrastructure such as roads, water and sewer services to promote industrial development in this community?</td>
<td>4.2%</td>
<td>7.0%</td>
<td>88.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question C6</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important do you think it is for local government to offer tax concessions to industries interested in establishing here?</td>
<td>4.2%</td>
<td>8.5%</td>
<td>87.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question C7</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important is it to produce an information package to help attract outside investment into this community?</td>
<td>0.0%</td>
<td>2.8%</td>
<td>97.2%</td>
</tr>
</tbody>
</table>
Finding an industry to occupy the vacant fish plant is seen by most in the area as the main development priority. As one businessperson from Bonavista expressed it:

The real effort should be made in filling the empty [fish processing] plant with another industry ... what this region really needs is for one big industry to come in and take over where the fishery left off.

This priority is evident in many of the on-going development activities. The Charleston Plant Action Committee, for example, was set up to find another tenant for that region's fish plant and many of the activities underway in the Catalina area are directed at finding alternative industries for the closed Mifflin fish plant or the large Port Union FPI plant. In fact, Cabot Resources has already produced at least two information packages promoting the opportunities and advantages of setting up business in the Bonavista and Catalina region, highlighting the available industrial infrastructure offered at the closed fish plants.

Of the three strategies, information packages received the most overwhelming support. This may be, in part, due to the fact that such information packages are relatively easy to produce compared to other industry enticement strategies and because they have already been produced by at least one group in the region. However, support for the other two industry enticement strategies was not quite as unanimous. The decision tree analysis showed that the King's Cove, Duntara, Keels cluster of small communities were significantly less enthusiastic about improving infrastructure and offering tax incentives to industry than were the larger (fish plant) communities in the region. While 92.6 percent of Bonavista respondents supported infrastructure investment as did 100 percent of respondents from the Catalina area, only 60 percent of KDPs in the King's Cove area perceived this to be an appropriate development strategy (Table 6.3). Similarly, 100 percent of Bonavista respondents and 92.6 percent of Catalina area respondents indicated
Table 6.3
Infrastructure - Community Differences

<table>
<thead>
<tr>
<th></th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>0 0.0%</td>
<td>2 27.0%</td>
<td>25 36.7%</td>
</tr>
<tr>
<td>Catalina Area</td>
<td>0 0.0%</td>
<td>0 0.0%</td>
<td>27 39.6%</td>
</tr>
<tr>
<td>King's Cove Area</td>
<td>5.4 100.0%</td>
<td>5.4 73.0%</td>
<td>16.2 23.8%</td>
</tr>
</tbody>
</table>

\[ X = 99.87\% \]

Table 6.4
Tax Concessions - Community Differences

<table>
<thead>
<tr>
<th></th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>0 0.0%</td>
<td>0 0.0%</td>
<td>27 39.6%</td>
</tr>
<tr>
<td>Catalina Area</td>
<td>1 21.7%</td>
<td>1 12.2%</td>
<td>25 36.7%</td>
</tr>
<tr>
<td>King's Cove Area</td>
<td>3.6 78.3%</td>
<td>7.2 87.8%</td>
<td>16.2 23.8%</td>
</tr>
</tbody>
</table>

\[ X = 99.80\% \]

the importance of offering tax concessions to attract industry and investment. In the King's Cove area, only 60 percent of respondents supported this strategy (Table 6.4).

These findings are perhaps not surprising. King's Cove, Duntara and Keels have little or no history of industrial activity, nor, given their size and lack of infrastructure, is it likely that they would be selected as a location for an industry over larger, better serviced
neighbouring communities such as Bonavista. There would, therefore, seem to be little point in trying to attract industry into their communities. Greater enthusiasm might, in fact, be expected for measures to attract large industry to other, larger communities such as Bonavista given the employment benefits which small, neighbouring communities such as King's Cove, Duntara and Keels undoubtedly accrue.

A final component of self-reliance is that of sources of development funding. Funding, or more specifically, the shortage of it, was one of the most salient development issues identified in the research. Question F10 asked respondents to identify what they saw as the major constraints to development in their community. Overwhelmingly, the most common response was the lack of funding, specifically, the lack of corporate and government funding (forty responses) (Figure 6.3). By comparison, only nine respondents identified the lack of local capital as a constraint. This provides an indication of where KDPs perceive the most appropriate sources of development dollars ought to be -- government and large business, as opposed to people or groups within the community itself.

The dependence on external funding was reiterated in the responses to Question B1 which found, in contrast to the issues of initiative and control, that most KDPs in the region perceived that government and big business should be substantially more important as sources of funding than those groups and individuals within the community itself. As illustrated in Figure 6.4, the most important sources of funding were seen as the provincial and federal governments with 92 percent and 90 percent of respondents identifying them as extremely important. The municipal government was the next most important (76 percent), followed by business and private sector (70 percent), community organizations (55 percent), community residents (54 percent) and finally, unions (51 percent). This characteristic was common throughout the region -- there were no significant differences
Figure 6.3
Question F10 -- Major Development Challenges and Issues

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Number of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>No External Funding</td>
<td>(40)</td>
</tr>
<tr>
<td>No Cooperation</td>
<td>(23)</td>
</tr>
<tr>
<td>Negative Attitude</td>
<td>(15)</td>
</tr>
<tr>
<td>Government Bureaucracy</td>
<td>(14)</td>
</tr>
<tr>
<td>Dependence on Fishery</td>
<td>(12)</td>
</tr>
<tr>
<td>Aging Population</td>
<td>(11)</td>
</tr>
<tr>
<td>No Development Experience</td>
<td>(10)</td>
</tr>
<tr>
<td>No Local Capital</td>
<td>(9)</td>
</tr>
<tr>
<td>Poor Location</td>
<td>(7)</td>
</tr>
<tr>
<td>Ineffective Local Leadership</td>
<td>(4)</td>
</tr>
<tr>
<td>No Infrastructure</td>
<td>(3)</td>
</tr>
</tbody>
</table>

Notes:
1 Government and corporate funding
2 Between communities, namely Bonavista and the Catalina area
3 Includes a reliance on the fishery as well as on UI and TAGS support etc.
4 Includes poor weather

between groups or communities. The words of one volunteer from Bonavista speak for
projects, and more recently, NCARP and TAGS. Many respondents believed that government support, particularly support through employment programs and further TAGS-type packages, will continue to be an integral component of the region's economy.
Make-work projects are essentially an outdated concept and practice. They have been subject to widespread institutional criticism (for example, the policy statement of the Task Force of CED in Newfoundland and Labrador [Newfoundland 1995a]) and, therefore, it is somewhat surprising that nearly half of the KDPs (people who would be expected to be aware of such major policy trends) would believe in their long-term usefulness. People may simply assume that make-work projects are 'givens' — a baseline condition with little or no value ascribed. Alternatively, the fact that people believe that make-work projects will always be a part of life may instead be an indication of their own lack of independence and self-reliance. If this is the case, unless a community believes that it can develop beyond the point where such programs are no longer needed to sustain their economy from year to year, then they will in all likelihood, continue to struggle.

The dependence on external funding is also apparent in Question A5, where it was found that 82.7 percent of KDPs agreed that the community would need another TAGS-type program. It is not completely clear why there was a higher rate of agreement for this question over the previous make-work question. The question wording differed somewhat between the questions. Respondents may have been more prone to agree that...
another (suggesting at least one more) TAGS program would be required, than they would agree that make-work projects would always be part of the community's economy. Respondents may also have been reluctant to suggest that another TAGS type program was not required in case the information be used by policy makers to justify not delivering another package. In addition to the income support payments offered under TAGS (which have been a vital component of the region's economy) both NCARP and TAGS have included education and retraining components (see Section 4.3.5) which, contrary to make-work schemes, are endorsed in the province's vision of the "new economy" (ERC 1994). Some might argue that the overwhelming support for another TAGS program could be indicative of local people's appreciation of the potential future benefits to be accrued through the educational and retraining aspects of the program. However, given recent evaluations of the TAGS program (e.g., Savoie 1994; Price-Waterhouse 1995) which suggested that most recipients in the province perceived the training component of TAGS as little more than a condition for receiving income support, it seems more likely that people would like to see another program simply to continue the flow of income support payments into the community.

6.2.2 Positive Attitude

The model of successful CED describes the need for a generally positive attitude in the community towards the future and towards development. While a self-reliant attitude says, 'if its going to be done, we have to do it', a positive attitude states, 'we can do it'. Unfortunately, many in the Bonavista region believe that they can't do it. The

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68 According to the ERC, the "new economy" should feature, among other things, knowledge-based, as opposed to resource-based industries, information as opposed to manual workers in the labour force, advanced as opposed to basic levels of education, and a job climate where literacy is not desirable but essential.
predominant view appears to be that unless the fishery returns there is no hope for the area. The words of two respondents reflect the perceptions of many in the region:

If the fishery don't return, this whole peninsula is finished ... I don't see one bit of future here for a young person.

(Politician, King's Cove region)

and,

What this community needs is for the fishery to return. Nothing else will save the region.

(Volunteer, Bonavista)

Others were more specific in their appraisal of the future:

Unless the fishery returns to what it was, this region will become nothing but a big retirement community — no young people, no jobs ... just welfare and service sector workers.

(Businessperson, Catalina region)

Not all KDPs were this negative. Some spoke with great enthusiasm and optimism about the potential for economic development and diversification into a wide number of alternative sectors. However, even among the more positive respondents, there was a recognition that the prevailing attitude in the community at large was quite negative and that this would be a serious barrier to development. In fact, negative attitudes were the third most commonly identified constraint to development reported in Question F10 (Figure 6.3).

The attitudes of the local population were also explored in Questions D1, D2 and D3 of the questionnaire. Over 70 percent of KDPs agreed that people in their community
believed that there was no future for them (Question D1) and nearly 60 percent of KDPs reported that people place little faith in the idea of community development (Question D3).

<table>
<thead>
<tr>
<th>Question D1</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>People here feel there is no future for them in this community.</td>
<td>21.7%</td>
<td>7.3%</td>
<td>71.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question D3</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>People here generally do not place much faith in the idea of community development.</td>
<td>23.9%</td>
<td>16.9%</td>
<td>59.2%</td>
</tr>
</tbody>
</table>

The findings from these two questions are congruent with many of the opinions expressed in the personal interviews. One development worker from Bonavista, for example, described the attitude of local residents as follows:

The greatest challenge to overcome here is people's attitudes. I've never known people to be so damned negative ... the general feeling among people is that development will never happen. There is always someone there to knock your ideas.

Most of those who expressed such negative perceptions of local resident attitudes were development workers. Table 6.5 illustrates that while 90 percent of development workers believed that most people see no future for themselves in their community, the proportion was 78.5 percent of volunteers and 65.4 percent of politicians with only 57.3 percent of businesspeople making the claim.

The results from question D2 run somewhat contrary to the negative attitudes perceived by most respondents observed in Questions D1 and D3. Over half (52.1.
Table 6.5
Positive Attitude - Group Differences

<table>
<thead>
<tr>
<th>People here feel there is no future for them in this community. (Question D1)</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>22.5%</td>
<td>40.2%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>19.7%</td>
<td>0.0%</td>
<td>61.9%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>30.9%</td>
<td>34.9%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>27.0%</td>
<td>24.9%</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

**X = 99.87%**

percent) of respondents reported that people generally believed that the community's economy could be based on something other than the fishery. The sense, therefore, coming from most KDPs is that while the community is negative about the future (particularly if the fishery does not return) and while most appear to place little faith in the idea of community development, most nonetheless, also appear to believe that the economy could be based on something other than the fishery.

The explanation for this apparent contradiction is not completely clear. It may be indicative of a perceived difference between resident's views of the community's future and their belief in their own ability to be part of that future. In other words, while residents may be able to envision a 'new economy' (over half of KDPs reported that they could) an...
even greater majority fail to see themselves as a part of the new economy (71 percent of KDPs reported that people see no future for themselves in their community).

Another contributing factor may be that residents equate community development with government involvement and trust of government is especially low. Development in the region has typically been controlled externally and, as Section 6.2.1 discussed, many KDPs perceived government and corporations as important future players in their region's development. However, when asked about external involvement in development during the personal interviews, the majority of respondents expressed a great deal of contempt for, and distrust of, external intervention, particularly government intervention. Many in the region blame the federal government for the collapse of the groundfishery, many dislike how the federal government has delivered the NCARP and TAGS programs and, furthermore, many distrust federal, or any other political involvement in the development process, fearing, as several respondents put it, "ulterior motives" and "secret agendas".

One businessperson from the Catalina area articulated this distrust, reporting that:

Government is blocking the way and just stealing the ideas of people in this region to use somewhere else in the province. Government agencies are acting as walls to development rather than liaisons.

Hence, the negative attitude perceived by KDPs towards the future and towards development seem to be indicative of their lack of confidence in themselves and/or in government-induced development (which is essentially all the region has been exposed to). While one might expect this lack of confidence to be reflected in a lack of belief in the community's ability to respond effectively, this is apparently not the case for the prevalent belief appears to be that the community's economy could be based on something besides the fishery.
If people believe that other industries can be established, the next question is, 'what are these industries?' Figure 6.5 summarizes the results from question F9 -- the types of industries or businesses which KDPs believed could be established in their community. The most commonly identified industry was tourism (the tourism figure would be that much higher if accommodations and restaurants are considered as part of the tourism industry). Agriculture, various cottage industries and an expanded fishery were also frequently identified as potential growth areas.

The potential industries identified are roughly as might be expected. They tend to mirror the sorts of industries actually being developed. It is not surprising that tourism is emphasized, given the general belief that tourism is a growth industry world-wide and the

**Figure 6.5**

*Question F9 -- Perceived Potential Businesses and Industries*

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism1</td>
<td>63</td>
</tr>
<tr>
<td>Agriculture2</td>
<td>37</td>
</tr>
<tr>
<td>Alternative Fisheries3</td>
<td>30</td>
</tr>
<tr>
<td>Cottage Manufacturing</td>
<td>28</td>
</tr>
<tr>
<td>Accommodation / Restaurant</td>
<td>26</td>
</tr>
<tr>
<td>Large Manufacturing</td>
<td>9</td>
</tr>
<tr>
<td>Aquaculture</td>
<td>8</td>
</tr>
<tr>
<td>Slate Mining</td>
<td>7</td>
</tr>
</tbody>
</table>
expectation, particularly in Newfoundland, that 1997 should be a hallmark year for tourism. Furthermore, it is not surprising that agriculture, alternative fisheries and cottage manufacturing are commonly cited, given the ongoing development of, for example, the berry-picking project, sea urchin farming and wicker furniture manufacturing on the Headland.

6.2.3 Risk Taking / Creativity and Innovation

The final two characteristics included under the principle of entrepreneurial spirit — risk taking and creativity and innovation — are closely related and are discussed together. Effective CED requires that the community take risks and respond to the conditions affecting it through unconventional, creative and innovative ways. Not only must community leaders be willing to take risks but community residents must also be willing to allow risks to be taken. The community as a whole must be willing to embrace creative and innovative approaches to development. It appears that the Bonavista region is decidedly split on the question of 'doing things differently'. From the personal interviews it was clear that, for many, the future of the region hinges on the return of the fishery, or the introduction of some equally large, external industry to replace the fishery. In either case, the approach is clearly passive, that is, an attitude of 'sit back and wait and hope that development will happen to us'. There is little risk, creativity or innovation associated with this sort of approach. From question C2 of the questionnaire it is apparent that nearly half of the KDPs in the region (47.9 percent) are against the idea of risk-taking in development, favouring instead a more cautious, conventional approach. There were no significant differences noted between groups or communities regarding risk taking.

There is, however, also evidence of a willingness to take risks as well as creative and innovative development ideas. Again, from question C2 we see that a substantial
proportion (42.3 percent) of the KDPs in the region do support the idea of risk-taking in development. It may also be reasonable to assume that those who are willing to take moderate risks in development will be more apt to support atypical development ideas, of which there is some evidence in the region. While such industries remain largely in the formative stages, the berry-picking project, the goat's milk producing proposal and the proposed wicker manufacturing industry are all examples of atypical industries which represent an innovative approach to local economic development.

6.2.4 Entrepreneurial Spirit Discussion

To summarize the findings on entrepreneurial spirit, there appears, at present, to be a shortage of entrepreneurial spirit on the Bonavista Headland. There was little evidence of a self-reliant attitude. Only one group, development workers, made a clear distinction between the importance of local versus external sources of development initiative and control, and a large majority of KDPs (particularly those in larger communities) favoured development strategies which ultimately encourage external control such as offering tax concessions to large industries. Nearly all KDPs reported that development funding should come from external, as opposed to internal, sources and a large number of KDPs reported that government assistance through make-work projects and TAGS-type packages would continue to be a reality and a necessity in the region's future economy.

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While berry picking and livestock rearing are traditional activities in the region, they have not typically been pursued as commercial industries, that is, for the purpose of income generation and job creation.
There was also little evidence of positive attitudes. Many KDPs themselves spoke of the paucity of hope in the region and many more indicated that the general population was extremely pessimistic about the future and negative towards development. Finally, with regards to risk taking / creativity and innovation, the findings were inconclusive. While there has been some evidence of creative development and while some KDPs reported that risk-taking is a necessary ingredient in development success, no consensus was reached.

This paucity of entrepreneurial spirit (that is, the lack of self-reliance, the negative attitudes toward development and toward the future and the questionable willingness of KDPs to take risks) has undoubtedly been shaped by a number of conditions. Perhaps foremost among these conditions is the tradition of the fishery. The economy of the Bonavista Headland was built on the fishery and until recently, as a general rule, if one wished to work, there was always a job to be found on a fishing boat or in the fish plant. There was apparently little perceived need for an economic development strategy and hence little need for entrepreneurial activity in the form of creating new, non-fishery enterprises. With the collapse of the fishery, however, there is now a clear need for such alternative entrepreneurship and development. Despite this need, years of reliance on a single industry appears to have limited people's sense of alternatives and inhibited entrepreneurial spirit.

As the primary industry in the region, the fishery has traditionally been the only industry many local people have experience with. Because entrepreneurship involves, first and foremost, having an idea and possessing the necessary resources as well as the personal skills and tenacity to pursue it, then entrepreneurial potential is certain to be constrained in a region where experiences, and hence the opportunity for creative and

70 Not including a range of informal work activities common to outport Newfoundland such as wood cutting, carpentry, hunting and trapping etc.
innovative idea-generation are so limited. While it was not examined directly in this thesis, the researcher's impression of the residents in the region is that many have limited experience, not only outside of the fishery, but outside of the community as well.

In an entrepreneurial community, new ideas are very often not 'new' ideas at all, but rather 'transferred' ideas (e.g., applying an idea found to be effective elsewhere to a new area). Without such expanded experience there is limited opportunity for idea transference. This certainly appears to be the case on the Bonavista Headland. The respondents who most clearly demonstrated the characteristics of entrepreneurs were typically either new-comers to the community or local people who had been away and had returned. This raises an interesting question which will be addressed in the conclusions of the thesis: does CEO necessarily require that local people, meaning people from the region, be the sparkplugs for development?

The long tradition of the fishery in the region has undoubtedly contributed to the creation of some other realities which have potentially affected entrepreneurial spirit. While in the early 1900s the Bonavista region boasted a dynamic, growing economy, times and markets have changed, yet the communities on the Bonavista Headland, like most in outport Newfoundland, have failed to change with them. The Headland economy has been in decline for some time and the moratoria have essentially accelerated that decline. Entrepreneurial spirit is most prevalent in dynamic, growing economies where ideas generate ideas and opportunities generate opportunities. Hence, in a region like Bonavista where the economy has been stagnant or declining for such a long time, where opportunities are limited by, among other things, the scarce local physical resource base (besides fish) and geographic location and where diversification has been nearly non-existent, it is not surprising to find such scant evidence of entrepreneurial spirit.

Incomes in the fishery are typically low (Chapter IV) and, hence, in the Bonavista region where so many have relied on the fishery for their livelihoods, there is little local
capital to invest in entrepreneurial endeavors. Acquiring capital from lending institutions is difficult without personal collateral, thereby preventing many prospective local entrepreneurs from pursuing development ideas. However, even for those local entrepreneurs who are financially able to pursue a development idea, the prospect of starting up a new business remains risky, perhaps even more risky than usual. Not only must the entrepreneur draw from perhaps quite limited financial resources, but they must also face the reality of a very uncertain local market. Outmigration from the region is high and incomes are low and, as TAGS support is trimmed and eventually terminated, incomes will further decline and outmigration will likely continue to climb. Under these conditions there will be fewer people and they will have lower incomes with which to support local businesses.

Related to the tradition of the fishery, is the tradition of big enterprise. For the past several decades at least, the fishery has been associated with large industry. Fisheries Products International (FPI) has long been the largest and primary employer in the region. This has meant that people have not only become accustomed to working for someone (as opposed to self-employment) but also that they have become accustomed to living in a community where the employment reality is of one large industry. This history seems to have affected many people's sense of self-reliance — to many development means bringing in another large, externally controlled industry to fill up the plant. The implication is that development is not up to the community, but rather the responsibility of some external entity. The mindset becomes one where the community believes all it can do is make itself more attractive to outside investment — a mindset which runs contrary to the principle of entrepreneurship described in the model of successful CED.

Associated with the tradition of the fishery, is another long-standing reality of life on the Bonavista Headland — dependence on government and on government employment and income supplementation programs. As mentioned, the long history of government
assistance in the region, through programs such as make-work projects and a heavy dependence on UI, has undoubtedly affected the sense of self-reliance in the region, particularly with respect to development funding. The culture of dependence which has evolved throughout outport Newfoundland, including the Bonavista region, and which was discussed in Chapter IV, possibly accounts for the perception among many KDPs that community development is something that should be paid for, almost exclusively, by government.

The entrepreneurial spirit of the region has also very likely been influenced by more recent government involvement, namely the NCARP and TAGS programs. As discussed in Chapter IV, NCARP and TAGS were designed with several objectives in mind, one being to "restructure" local economies by training fishers and plant workers for non-fishery occupations. These training programs had the potential to positively influence the entrepreneurial spirit of outport regions like Bonavista. The training programs, if successful, would provide people with skills, trades and education which in some cases could be applied to entrepreneurial endeavors. However, this potential, for the most part, was not realized. One problem with the NCARP and TAGS programs was that the training was often not taken seriously. Training was seen, by many, as nothing more than a bureaucratic formality one was required to endure in order to receive one's income support benefits. Furthermore, many fishery workers opted to train for occupations within the fishery fearing that by expressing any interest in non-fishery trades that they would become exempt from further fishery benefits or denied access to the fishery when and if it returned. This was particularly the case in the NCARP program. NCARP and TAGS, and their income support payments, placed many people, and indeed entire communities,

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71 It is not suggested that everyone has the capacity to become an entrepreneur. Entrepreneurship requires certain personality traits which the majority of people probably do not have.

72 Several evaluations of the NCARP and TAGS programs have been conducted. See, for example, Savoie (1994) and Price-Waterhouse (1995).
in a 'sit back and wait' mode rather than a more entrepreneurial, 'self-reliant, positive and risk-taking' mode.

Another recent public policy dimension which has possibly influenced entrepreneurial spirit in the region is government inaction. This has been the failure of the federal government to define a core fishery, that is, to decide if and when the fishery returns, who will be employed in the fishery and who will not. With most estimates suggesting that the fishery of the future will employ approximately half the previous workforce, it is clear that until a core fishery is defined, thousands of people living in the Bonavista region will remain waiting for the fishery to return with the hopes that they will be a part of it. If a core fishery is defined, many fishery workers will be forced to look seriously toward other employment possibilities and some may be forced into an entrepreneurial mode (if possible -- depending on the individual). Until that time, however, entrepreneurial spirit among this large group of people, and to some degree, the community as a whole, may be understandably restrained.

People's attitudes toward development and toward the future were examined as indicators of entrepreneurial spirit. However, attitudes may also serve to explain the paucity of entrepreneurial spirit in the region by looking at the attitudes of people toward entrepreneurship and toward entrepreneurs themselves. As discussed, on the Headland the general attitude towards the future and towards development is quite negative. Respondents reported that most people believe that unless the fishery returns the community is doomed and that the process of community development offers little promise for a better future. While these are not (hopefully) the attitudes of the community's entrepreneurs themselves, constant exposure to such a negative mindset could be quite discouraging. More critical, however, are residents' attitudes toward entrepreneurs themselves. Although many people reportedly recognize opportunities in the community, most apparently do not recognize them as opportunities for themselves
personally, and, furthermore, as will be discussed in the community support section, many resent the idea of someone else from the community taking advantage of these opportunities. This mistrust and resentment of local entrepreneurs could be quite debilitating to entrepreneurial spirit and towards the development process. Other issues which may help to explain the paucity of entrepreneurial spirit in the region include the lack of cooperation between towns and between groups in the region as well as the issue of development planning. These will be discussed in later sections.

6.3 Local Control

As discussed in Chapter III, the principle of local control deals more specifically with self-reliant action, as opposed to self-reliant attitude. In the previous section on entrepreneurial spirit, attitudes toward self-reliance were explored. This section discusses the principle of local control and, because it is a principle based on action rather than attitudes, the discussion draws largely on the characteristics of actual development taking place in the region and, to a lesser degree, on KDP's perceptions.

6.3.1 Utilizing Local Resources

Traditionally, there has been very little in the way of local commercial resource utilization on the Bonavista Headland. The fishery was always essentially the only industry in the region and while it, of course, utilized local physical resources, it only partially utilized the region's human and financial resources. Most fish was shipped out in its raw form with little or no secondary processing and, consequently for many people, employment lasted only ten to twelve weeks. Also, the fishery relied almost exclusively on external corporate financial resources as opposed to local capital.
There are some positive signs from recent developments that the region is attempting to utilize its other local resources. Berry picking, Christmas tree farming, adventure and heritage tourism and slate mining — these are all examples of proposed or actual developments that utilize local natural resources. However, a significant problem for some potential industries, including tourism, appears to be in getting local people to recognize the opportunities that these resources offer. One businessperson from Bonavista described this problem in the tourism industry as follows:

People just don't see the potential in tourism because they just don't appreciate the resources we've got for that sort of thing. I hear people who visit say all the time, "you guys have got it here but we don't know anything about it". People just can't believe that someone would come all the way up here just to look at an iceberg or the coastline or just to walk around the harbour watching the boats come in.

While there are signs that local natural and physical resource opportunities are beginning to be tapped, it appears that local financial resources may be far more difficult to access. While there are a few examples of local development taking place using indigenous capital, such as the slate mining operation and the retirement home, as reviewed in Chapter IV, all of the major projects underway on the Headland, including the Cabot 500 celebrations, the Ryan Premises reconstruction and the Legacy Project, are dependent on external financial resources. Information pertaining to the savings and assets of people in the region are clearly difficult to obtain and are not available in this discussion. There is an implicit assumption, however, throughout the CED literature that no matter how desperate the financial situation of any given community, there is always some local capital which could potentially be invested. Indeed, on the Bonavista Headland, while the overwhelming majority of people may be effectively unable to launch any sort of business venture by themselves, from their own money, it would no doubt be
possible through a collective effort (particularly, for example, if there were to be an incentive such as matching funding from government). However, local sources of development funding are not generally recognized and consequently have rarely been mobilized in such a collective manner.

The problem may be further compounded by a general lack of trust in one particularly important group of potential local investors — businesspeople. Not only are external groups such as government and large corporations perceived to be more important sources of development capital than groups and individuals within the community (as discussed in Section 3.2.1) but, as will be described in the community support section of this chapter, local businesspeople, particularly those who have substantial personal capital, appear to be mistrusted by many in the region.

Local human resources are best utilized through active public participation in the development process. As will also be discussed in the community support section, there is apparently, on the part of KDPs, both an appreciation of the need for public participation and a perceived willingness on the part of the community-at-large to take an active part in the region's development. While these attitudes could promote the utilization of local human resources, the local population's contribution to development may, in fact, be substantially curtailed by the depletion of the human resource through out-migration. As outlined in Chapter IV, net outmigration from Newfoundland in 1994 and 1995 was at the highest level ever observed, and local reports suggest that the rate of population decline in the Bonavista region is not atypical. Several respondents pointed to the recent loss of people, particularly the young and the better educated, as a critical blow to the region's development potential:
I'd estimate that fifty families left this region last year alone. Many of them were young people too. They're the lifeblood of this town. Without the young people, where's the future?

(Volunteer, Bonavista)

Another constraining factor to the region's human resource potential is the level of formal education and non-fishery job skills. As discussed in Chapter IV, formal education levels in Newfoundland and on the Bonavista Headland in particular, are very low (nearly two thirds of those in the region have less than a completed high school education). The ABE courses offered through NCARP and TAGS have undoubtedly increased education levels in the region. However, while furthering one's basic literacy and numeracy skills has some benefits, including bolstering one's self-esteem, these skills may not necessarily lead to employment. Perhaps more employable are those TAGS clients trained for specific trades (e.g., heavy equipment operators, hairdressers, welders). However, while people with these specific trades skills are probably more employable than those without, many of the benefits of the TAGS training have not been realized in the Headland communities themselves due to outmigration from the region. Several local development workers commented that although TAGS training has increased education and skill levels of individuals, the overall level in many communities has remained essentially the same since many of the newly educated or trained individuals have moved away.

Question C4 of the questionnaire explored how important KDPs in the Bonavista region perceived the importance of the TAGS training programs for community development. Responses were quite evenly distributed with approximately one third of KDPs reporting that TAGS had been either not important, somewhat important or extremely important in the development of their community.

73 288 people from the Bonavista Headland region enrolled in ABE courses through TAGS (Newfoundland 1996).
There were, however, significant differences noted between communities. Two thirds (66.7 percent) of KDPs from the King's Cove region reported that TAGS was not important for community development, while only 26.9 percent of Catalina region residents and 18.5% of Bonavista respondents claimed the same (Table 6.6).

**Table 6.6**

**TAGS and Development - Community Differences**

<table>
<thead>
<tr>
<th>Community</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>5</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>18.5%</td>
<td>25.9%</td>
<td>55.6%</td>
<td></td>
</tr>
<tr>
<td>Catalina Area</td>
<td>7</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>26.9%</td>
<td>42.3%</td>
<td>30.8%</td>
<td></td>
</tr>
<tr>
<td>King's Cove Area</td>
<td>18</td>
<td>3.6</td>
<td>5.4</td>
</tr>
<tr>
<td>66.7%</td>
<td>13.3%</td>
<td>20.0%</td>
<td></td>
</tr>
<tr>
<td>X = 99.87%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The apparent reason for the more positive attitude of those in the larger communities towards TAGS-related training and its benefits for community development was articulated by several respondents from the King's Cove area who remarked that the TAGS program was essentially more successful in developing *individuals* than in developing *communities*. As one development worker from the King's Cove area expressed it:
TAGS training was good for some people, but for them there was nothing to keep them in the region — they moved away. In Bonavista, someone who trained for hairdressing for example, may have at least made a go of it in town — no one would try that in Keels. In this way TAGS was a positive effect on the individual, but a negative effect on the community.

Another respondent remarked that had there been no TAGS package, the development process might have been accelerated for it would have forced people to explore other opportunities and job creation possibilities within their own community. It should be noted that some respondents became quite literally incensed when asked about the program. One respondent from Keels, for example, was so enraged by the TAGS program that he exclaimed (with a deeply reddened face and a shaking fist pounding down on the kitchen table):

> When people starts talking about TAGS, the blood goes straight to me head! I gets right poisoned about it!

Upon further discussion with this respondent he expressed the belief that because TAGS was so damaging to small outport fishing communities and because it so strongly favoured larger communities, that it was, in fact and by design, a covert government resettlement strategy. He suggested that the program's true objectives were essentially no different from the governments' resettlement programs of the 1960s and 1970s — to eliminate small, 'inefficient' outport communities.

6.3.2 Local Ownership and Control

Just as the region has not traditionally utilized local resources in its development, neither has it possessed local ownership nor control of its development. The region's single industry, the fishery, was primarily owned and controlled by outside interests (viz.,
corporate ownership of the fish processing plants and large vessels and government control over the exploitation levels of the stocks).

As was discussed in the self-reliance section, the questionnaire indicated that there is a desire for local control over development, but that it is a desire mainly expressed by development workers and businesspeople, and that it is embraced primarily in terms of initiative and control, not in terms of funding. Furthermore, while the desire for local control was expressed, practical know-how appeared limited. Most KDPs approved of specific strategies which would ultimately serve only to thwart local control (e.g., tax concessions offered to large external corporate interests). The attitudes expressed in the questionnaire appear to correspond with the development being practiced since the moratoria. The tradition of external control has apparently persisted; most of the main developments currently taking place in the region are under external ownership and control (e.g., the Ryan Premises, most of the Cabot 500 celebrations and the berry processing industry). Also, a great deal of local effort is being directed at attracting external corporations into the empty plants to utilize that infrastructure. While these empty plants represent an opportunity for local ownership and control (based on FPI's standing offer to sell both the Port Union and the Charleston fish plants for one dollar each) there has been little local interest expressed to date. While attracting outside investment into the region is, of course, a better scenario than having the plants remain empty, it also promises to do little to free the region from the long tradition of external ownership and control.

74 While the Ryan Premises is being developed “in partnership” with the local trade college, most local involvement has been limited to employment generated from the construction phase of the project. Parks Canada owns the property and has ultimate control over all major decisions regarding the property.

75 This lack of local interest may be attributable to a number of factors including FPI's conditions of sale, the paucity of entrepreneurial spirit discussed in the preceding section and quite simply the reality of the situation — how many alternative uses are there for a fish plant of this size in this area?
There is, however, some evidence of locally owned and controlled development taking place in the region. Some of the more promising of these developments are the several bed and breakfast establishments in Bonavista, the slate mine in Keels and the retirement home in Port Union. There is the belief, among some KDPs in the region, however, that government is more supportive of large externally controlled developments (such as those currently under way in the region) than those which are locally-initiated and community-based. One development worker from the Catalina region argued that some government development agencies continue to approach development from a top-down paradigm, failing to entrust local people with the power necessary to implement effective community-based development. In his words:

Government agencies like ACOA and ENL do not take local people seriously. If we're going to do anything in Newfoundland, we're going to have to support our own people... This is the difference between local development and government development -- we help local people build their own communities. Government doesn't give us any credit.

The need for local control over development was expressed quite forcefully during many of the personal interviews. Several KDPs expressed a great deal of frustration over the present system of development and many emphasized the need for less government involvement and bureaucracy and greater community control over the development process. A number of KDPs spoke of government involvement in development as stifling, or as one businessperson from Bonavista described it, "a bureaucratic stranglehold". Entrepreneurs, in particular, complained of the restrictions and red tape that local businesspeople need to overcome in order to initiate development:
The biggest constraint here is government bureaucracy. There are plenty of people in the region with good ideas but few will be willing to jump through all the hoops necessary to get the funds or the green light.

(Businessperson, Bonavista)

or, just to remain in operation:

I have a viable operation here, but these restrictions and bureaucracy really put the thumbscrews to a small businessman.

(Businessperson, Bonavista)

These remarks appear to run contrary in many ways to some of the attitudes toward government apparent from the questionnaire data. While government is seen by many as an important player in development, their involvement (beyond the realm of funding) is resented by many. The prevailing attitude could probably be expressed simply as, "give us the money with no questions asked and no strings attached!" This raises some interesting questions regarding government's most effective role in development in this region. Given their accountability to the larger public, if government is to contribute to the development of a region, must they not have some manner of involvement in the region's use of the money? The notion of a 'partnership' between government and communities is a recurring theme in the CED literature. Clearly, the nature of such a partnership remains an unresolved issue on the Bonavista Headland. This question of balancing government with community involvement will be discussed further in the conclusions of the thesis.
6.3.3 Local Leadership and Local Decision-Making

While it is beyond the scope of this thesis to assess leadership and decision-making abilities in the region, several observations can be made which may provide an indication of the region's strengths and weaknesses in this regard and which may influence the region's ability to attain local control over the development process.

Leadership may come from a variety of sources but, as discussed in Chapter III, it is essential in effective community development for strong leadership to be displayed by recognized community leaders, such as local politicians. The responses generated from question B3, however, suggested that most KDPs have little confidence in the ability of local politicians to stimulate and direct effective development. Furthermore, while Figure 6.2 indicated that local politicians are seen as an important source of development control compared to external sources such as government and corporations, the decision tree analysis revealed that the only group who strongly supported the notion of local political control over the process were, in fact, the local politicians themselves. While local politicians were perceived to be extremely important sources of development control by 80.1 percent of politicians, they were seen as important by only 64.2 percent of volunteers, 52.3 percent of businesspeople and 50.0 percent of development workers (Table 6.7). A volunteer from Bonavista expressed this lack of faith as follows:

If our future is in the hands of that lot down in town hall, then I'd say we're in for a mighty rough go of it!

Another factor affecting the leadership and decision-making ability of the region is the issue of cohesiveness. While there is ample evidence of people in the region performing leadership roles in development, there is very little evidence of a collective
Table 6.7
Control by Local Politicians - Group Differences

<table>
<thead>
<tr>
<th>How important should local politicians be in controlling development activities in this community? (Question B3g)</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>0.0%</td>
<td>19.9%</td>
<td>32.6%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>51.3%</td>
<td>19.7%</td>
<td>21.2%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>35.9%</td>
<td>31.0%</td>
<td>20.2%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>12.8%</td>
<td>29.5%</td>
<td>26.0%</td>
</tr>
</tbody>
</table>

X = 97.19%

effort. The leadership in the region is severely divided, particularly between Bonavista and the Catalina region, and this division will almost certainly impair the ability of the region to achieve control over its development and its future. The lack of cooperation between these communities and between groups within these communities will be explored in greater depth in a later section.

Finally, the issue of outmigration again comes to the fore. The effects of the moratoria have certainly not been limited to fishers and plant workers. Everyone, including those committed to and working toward development of the region, is vulnerable to economic change and is uncertain of the future. This uncertainty was evident in the responses to Question E1 of the questionnaire. Only about one-third of the region's KDPs indicated that they would definitely be living in their community in five years time. In fact, follow-up discussions with several respondents indicated that over the course of the year since the field work was conducted, at least four of the KDPs who participated in this study have left the region. Should this trend continue, the region may
be threatened not only by the so-called 'brain drain' said to affect rural areas, but also by a 'leadership-drain' as well. If this becomes the case, then more communities may find themselves in the predicament described by a development worker from the King's Cove area:

There's plenty of volunteer spirit here ... plenty of people ready to pick up a hammer and follow instructions, but there's no leaders, no sparkplugs, no one to give the instruction.

6.3.4 Local Control Discussion

In summary, the Bonavista Headland has had little control over its development, either in the past or presently. Local physical, financial and human resource utilization has been limited by the long-standing dependence on the fishery and while there is now some evidence of other local resources being utilized, there appears to be a difficulty in getting local people to recognize the opportunities they offer. Local financial resources, albeit modest, are not being used to any significant degree (individually or collectively) and while local human resources ideally should be seen as the region's greatest asset, there are several factors constraining local human resource potential which include selective outmigration of the young and better educated, poor levels of formal education among the local population and the TAGS program. TAGS has provided many in the region with basic literacy, rather than specific job skills, and many of those who received specific job
skills training have apparently moved away from the region, particularly from the smaller communities in the region. Hence, while it provided training and education, the effect of TAGS on the human resource potential remaining within the region remains to be seen.

The Bonavista region has not typically had local ownership or control of its developments. While there was a general desire expressed to control development, most KDPs approved of specific development strategies which would ultimately only serve to take control away from the region and place it in the hands of external corporations and/or senior government. A great deal of effort is being expended on finding new takers for the empty fish plants and many KDPs believe that government is actually more interested in seeing such large external projects come into being, than small, community-based developments. Finally, there is little confidence in the ability of local politicians to provide the leadership and decision-making necessary for CED to succeed in a region and the local leadership potential of the region may be further inhibited by such factors as regional conflict and outmigration.

As introduced at the beginning of this section, local control has been primarily examined in terms of actual developments, rather than attitudes toward development. The lack of demonstrated local control has undoubtedly influenced many of the attitudes toward development which have been and will be examined in other parts of this chapter, and this paucity of control has some very interesting implications for the future development of the region. Hence, the issue of local control is one which resurfaces in other parts of this Chapter and in Chapter VII.
6.4 Community Support

6.4.1 Public Participation and Volunteerism

Public participation and volunteerism are closely related characteristics of community support and, owing to the difficulty in distinguishing between the attitudes expressed regarding each of these, they are discussed together. Most KDPs in the region noted the importance of public participation in the development process. Question B4 applied Arnstein's ladder of public participation (Arnstein 1969) and asked respondents to identify the degree of public involvement which they felt was most appropriate in the community development process. The most common response (69 percent) was for a

| Question B4 - How involved should the general public be in the community development process? |
|----------------------------------------------|-----------------------------------------|
| **Level of Public Participation**                      | **Percentage of Responses** |
| 1 They should have complete control over the development process. | 0% |
| 2 They should be given control over some parts of the development process. | 5.6% |
| 3 There should be a partnership and exchange of ideas between the general public and those responsible for the development process. | 69.0% |
| 4 Their opinions should be incorporated into the development process. | 14.1% |
| 5 They should be asked their opinions about the development process. | 8.5% |
| 6 They should be given information about the development process. | 1.4% |
| 7 They should have no involvement at all. | 1.4% |
partnership between the general public and those responsible for the development process. Another 14.1 percent of respondents believed that the public's opinions should be incorporated into the development process and 5.6 percent reported that the public should be given control over some parts of the process. Hence, in all, 88.7 percent of KDPs indicated that the public should be involved at least to the degree that their opinions are incorporated into the process.

This view was reiterated in the personal interviews. Nearly all KDPs emphasized that some element of public participation needed to be incorporated into the development process and into many of the on-going development initiatives. As one respondent expressed it:

You've got to get people involved right from the start or projects like the berry picking just won't work.

(Volunteer, Bonavista)

Respondents tended to disagree, however, over the degree to which residents wished to be involved. As one respondent expressed it:

We need many more people to get involved. There is a fair bit of volunteer work that goes on but it's always the same few people.

(Development Worker, Catalina Region)

Conversely, another respondent indicated that public participation in the region is excellent:

By my account, public participation is alive and well. I would estimate that there are between thirty and fifty people in this area alone (Port Union/Catalina) who are extremely committed to the process -- and they are all unpaid volunteers.

(Politician, Bonavista)
Questions D4, D5 and D6 examined the degree to which KDPs perceived that the public were: 1) willing to volunteer their time to the development process; 2) wished to take part in planning development; and, 3) had typically been supportive of development. Most respondents perceived a willingness to take part in development (62.8 percent indicated that people were generally willing to volunteer their time to development activities and 73.2 percent reported that people in their community wanted to have an active part in planning development) and most (64.3 percent) perceived that people in their community had always been supportive of development projects.

<table>
<thead>
<tr>
<th>Question D4</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>People in this town are willing to volunteer their time to community development projects.</td>
<td>18.6%</td>
<td>18.6%</td>
<td>62.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question D5</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>People here want to have an active part in planning this community's development.</td>
<td>15.5%</td>
<td>11.3%</td>
<td>73.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question D6</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>People here have always been supportive of community development projects.</td>
<td>20.0%</td>
<td>15.7%</td>
<td>64.3%</td>
</tr>
</tbody>
</table>

However, not all KDPs perceived this level of support and, as the decision tree analysis indicates, many of those who reported excellent public participation were politicians and most of those who reported poor public participation were development workers. Table 6.8 illustrates that politicians perceived community support to be greater than any other group (84.6 percent agreed that people had always been supportive of
Table 6.8
Community Support for Development - Group Differences

<table>
<thead>
<tr>
<th>People here have always been supportive of community development projects. (Question D6)</th>
<th>Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>35.8%</td>
<td>5.8%</td>
<td>8.3%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>20.2%</td>
<td>42.9%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>16.9%</td>
<td>30.0%</td>
<td>43.0%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>27.2%</td>
<td>21.4%</td>
<td>23.0%</td>
</tr>
</tbody>
</table>

X = 98.63%

development). Volunteers and businesspeople were less convinced of this (64.2 percent and 47.6 percent respectively) and development workers were the least impressed with typical public support for development (only 40 percent reported support).

Similarly, in Table 6.9, politicians most strongly perceived that people wished to be involved in planning development (92.3 percent agreed that people wanted to take an active part in planning). This perception was less evident among volunteers and businesspeople (71.5 percent and 61.9 percent respectively) and was, again, weakest among development workers (50 percent).

The decision tree analysis also uncovered one significant difference among communities -- the perception of strong public support for the development process was most apparent in the King's Cove and Catalina areas. While only 44 percent of KDPs from Bonavista suggested that people had always been supportive of community development projects, 74 percent of the respondents from the Catalina area and 80 percent of King's Cove area respondents reported strong public support (Table 6.10).
Table 6.9
Public Involvement in Planning - Group Differences

<table>
<thead>
<tr>
<th>People here want to have an active part in planning this community's development (Question D5)</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>33.5%</td>
<td>15.7%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>22.5%</td>
<td>29.1%</td>
<td>31.7%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>18.1%</td>
<td>40.7%</td>
<td>39.9%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>25.9%</td>
<td>14.5%</td>
<td>28.5%</td>
</tr>
</tbody>
</table>

X = 96.58%

Table 6.10
Community Support for Development - Community Differences

<table>
<thead>
<tr>
<th>People here have always been supportive of community development projects. (Question D6)</th>
<th>Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>22.4%</td>
<td>51.7%</td>
<td>64.3%</td>
</tr>
<tr>
<td>Catalina Area</td>
<td>37.3%</td>
<td>17.2%</td>
<td>35.7%</td>
</tr>
<tr>
<td>King's Cove Area</td>
<td>40.3%</td>
<td>31.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

X = 99.83%

6.4.2 Community Capital

The distinction between raising local capital for CED and local fundraising for other purposes such as local charities is sometimes not completely clear. Certainly, raising
funds to start up a community controlled business such as a cooperative is an example of community capital being used in development. Alternatively, raising money to fund a boy scout retreat is probably not. More difficult to distinguish are those fundraising efforts with apparently non-economic motivations (such as cleaning up a run-down section of town, painting the church fence or other 'community betterment' projects), but which may have an indirect effect on economic development (by beautifying the community, for example, the local tourism industry may benefit).

Defining community capital as those local funds raised for the purpose of CED, some indication of local attitudes toward this was provided by question B1 ("who should be responsible for funding development activities?"). A predisposition towards top-down funding was clear from those responses. As noted, the top two sources of funding support were identified as the provincial and federal governments, with local groups and community residents far down on the scale of importance. Hence, one would not expect that raising and utilizing community capital would be perceived as a particularly critical aspect of development and, in fact, considering recent development projects in the region (see Chapter IV) there are very few examples of this. The only observed instance of a collective effort to raise and use community capital occurred in King's Cove where several thousand dollars were raised locally for the renovation of the King's Cove lighthouse.

6.4.3 Cooperation and Partnership

I've seen rivalries between communities in Newfoundland, but never like I've seen between these communities. There is such a mistrust between these towns, they are blinded to what a cooperative effort could accomplish. The conflict is to the point where it is debilitating .. it actually stands in the way of development.

(Development Worker, Bonavista region).
The lack of cooperation and partnership between communities and, to a lesser degree, between groups within communities is possibly the most critical issue facing the development of this region. The lack of cooperation between communities and the duplication of effort which results (often nullifying the efforts of one or all of the communities involved) was the second most frequently identified constraint to development by KDPs in the region (Figure 6.3). By no means, however, is it a phenomenon unique to this region. There is a great deal of anecdotal evidence to describe conflicts between communities in various parts of Newfoundland. The general lack of cooperation between communities is perhaps best illustrated by the failure of the cooperative movement in this province, as discussed by Greenwood (1991). However, as suggested by the above quote from a development worker, the inter-community conflict on the Bonavista Headland is perhaps more extreme and more serious than many.

The conflict in the Bonavista region is primarily between the town of Bonavista and the group of communities composed of Little Catalina, Catalina, Port Union and Melrose. The exact source of the original conflict is unclear, but it is reportedly a deeply rooted conflict that goes back several generations. The intensity of the conflict between these communities was alarmingly apparent in 1993 when the plant consolidation proposal was first presented to the community of Bonavista by representatives from Port Union. Bonavista residents were outraged, and several respondents reported that physical violence nearly erupted between the two groups. The Catalina contingent had to be escorted from the Bonavista town hall in order to avert a violent confrontation.

According to Bonavista respondent, many Bonavista residents remain so enraged at the prospect of losing their plant to Catalina that they would prefer to see the plant moved out of the region altogether. In his words,
People here would rather see that plant go to Marystown than to Catalina.

(Development Worker, Bonavista)

Since the original confrontation, several demonstrations have been held outside the Port Union plant, and a wildcat strike was held at the Bonavista plant, forcing FPI to promise it would not proceed with the plant consolidation proposal. According to one respondent:

The plant merger controversy is at the very heart of the conflict between Bonavista and Catalina right now ... above anything else, that controversy stands in the way of regional development.

(Development Worker, Catalina region)

In question D7, 60.6 percent of KDPs reported that there was not much cooperation between towns in the region.

<table>
<thead>
<tr>
<th>Question D7</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is not much cooperation between towns in this region in community development.</td>
<td>26.8%</td>
<td>12.6%</td>
<td>60.6%</td>
</tr>
</tbody>
</table>

However, as might be expected, this sentiment was predominantly expressed by the residents of Bonavista, Catalina, Little Catalina and Port Union, rather than those KDPs from the King's Cove region. While 66.6 percent of Bonavista respondents and 74.1 percent of Catalina respondents reported that there was not much cooperation between towns, only 26.6 percent of King's Cove respondents reported the same (Table 6.11).

The conflict between Bonavista and Catalina seems to have seriously impaired the ability of regional development groups to function. Cabot Resources, for example, is supposed to have representatives from six communities on its committee (Bonavista,
Table 6.11
Cooperation Between Towns - Community Differences

<table>
<thead>
<tr>
<th>There is not much cooperation between towns in this region in community development. (Question D7)</th>
<th>Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonavista</td>
<td>18</td>
<td>48.1%</td>
<td>4</td>
</tr>
<tr>
<td>Catalina Area</td>
<td>20</td>
<td>0.0%</td>
<td>7</td>
</tr>
<tr>
<td>King's Cove Area</td>
<td>7.2</td>
<td>51.9%</td>
<td>14.4</td>
</tr>
</tbody>
</table>

Elliston, Little Catalina, Catalina, Port Union and Melrose). However, as discussed in Chapter IV, the towns of Bonavista and Elliston, rarely send a representative to the committee's meetings. According to one Bonavista respondent:

it is unfair that a town of 200 and a town of 5000 should have equal representation on the board. It should be based on the population of the town.

A respondent from Port Union provided the opposing view:

Bonavista is not thinking regionally, they're just building fences around themselves.

Question C1 asked whether a regional approach to development was preferable to a community-based one. Ironically, while so many identify the conflict between Bonavista and Catalina as an insurmountable obstacle to regional development, the majority of respondents (59.2 percent) reported that, indeed, a regional approach would benefit their community more than a community-based one.
This community would benefit more from a regional, rather than a community-based development strategy. | Disagree | Neutral | Agree |
---|---|---|---|
26.8% | 14.0% | 59.2%

As might be expected, this view was most strongly expressed by development workers, 90 percent of whom agreed that their community would benefit more from a regional rather than a community-based strategy. Other groups were more or less divided on the issue with 57.3 percent of businesspeople opting for a regional approach, 53.8 percent of politicians and 50 percent of volunteers (Table 6.12). Most of the development workers in the area are working within a regional development mandate set with the task of achieving cooperation between the various groups and communities involved. Many development workers reported that implementing a regional and cooperative, as opposed to the competitive and insular approach to development currently practiced, is one of their most important and difficult tasks. As one development worker from Catalina put it:

The greatest challenge for an economic development officer in this region is to get the region to speak with one voice.

By comparison, there is very little conflict evident in the King's Cove cluster of communities. While a few respondents from Duntara and Keels spoke of the apparent favouritism enjoyed by King's Cove in attracting regional development projects, most KDPs in this region reported very good relations and excellent cooperative efforts between King's Cove, Duntara and Keels. In the past, there has been very little cooperative development effort evident between the King's Cove cluster of communities and the Bonavista and Catalina cluster of towns. This may be due to the previous spatial organization of the region's development groups. Bonavista and the Catalina area were
Table 6.12
Regional Strategy Preferred - Group Differences

<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Businesspeople</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Workers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volunteers</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This community would benefit more from a regional, rather than a community-based development strategy. (Question C1)

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>14</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>14.9</td>
<td>5</td>
<td>6.2</td>
</tr>
<tr>
<td>Development Workers</td>
<td>23.4</td>
<td>2.6</td>
<td>0.0%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>13.0</td>
<td>3.7</td>
<td>9.3</td>
</tr>
</tbody>
</table>

X = 97.09%

part of BARDA (Bonavista Area Regional Development Association), while the King's Cove area was part of the BSDA (Bonavista South Development Association).

Cooperation between groups within the various communities was reported to be somewhat better -- 52.1 percent believed there was cooperation (Question D8). However, another 38 percent reported that there was not much cooperation between groups -- a problem which may, in part, be rooted in the community conflict issue, and which almost certainly would inhibit effective development.

<table>
<thead>
<tr>
<th>Question D8</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is not much cooperation between groups in this town in community development.</td>
<td>52.1%</td>
<td>9.9%</td>
<td>38.0%</td>
</tr>
</tbody>
</table>
One example of such inter-group conflict was reported between BARDA and Cabot Resources. These two development organizations are each mandated to pursue development in the region encompassing the town of Bonavista as well as the communities in the Catalina area. BARDA, however, is based in Bonavista, and Cabot Resources is based in Catalina. Consequently, to many, BARDA is perceived as the development association for Bonavista and Cabot Resources is seen as the development association for the Catalina area. This has resulted in frequent competition between the groups and substantial duplication of effort. To illustrate this point, in 1995, both BARDA and Cabot Resources were working separately on establishing a garment manufacturing industry in the region. They each vied for a cooperative agreement with Eastern College to provide the training component of the project. In the end, Eastern College joined forces with Cabot Resources to further pursue the idea and, as a result, BARDA’s time and expenditures were essentially wasted because of the duplication of effort. Respondents from Bonavista spoke with acrimony about how Cabot Resources had "taken the garment plan away" from BARDA.

Another reported example of inter-group conflict was between Cabot Resources and the local union. The union was allegedly blocking the berry picking project by spreading mis-information (a charge the union denies claiming that it was merely demanding greater public consultation out of concerns that the project represented a mis-allocation of TAGS funding). Whatever the case, the conflict did not come without a price -- support for the harvesting component of the berry picking project has been, at least for now, dropped. One can speculate that this cancellation might not have occurred had there been stronger regional support for the proposal.

While no significant differences were uncovered by the decision tree analysis, the personal interviews suggested that Bonavista is subject to greater internal division and conflict than other communities in the region. This may be, as mentioned in section 6.4.1,
a result of Bonavista's larger size. With a larger population there will likely be a greater number of interest groups and hence, a greater potential for conflict between these groups. Some of the other inter-group conflicts that were noted in Bonavista, but not elsewhere, included tensions between TAGS and non-TAGS recipients and crab and non-crab fishers, and open hostility between two Bonavista-based historical groups (John Cabot Heritage Society and the Bonavista Historical Society) each working toward heritage conservation and heritage-based tourism in the community.

Perhaps the most debilitating example of non-cooperation within Bonavista stems from the apparent mistrust of private entrepreneurs. One entrepreneur described the mistrust and resentment toward entrepreneurs and community volunteers that he has observed:

If people start to see somebody making a good living off something new they'll resent him for it. If someone joins town council, people don't think he's doing it to be of service to his community. They wonder, "what's he up to?" People don't like to see others get ahead.

(Entrepreneur, Bonavista)

This animosity towards entrepreneurs is well exemplified by the public reaction towards the twenty-room harbourfront inn and restaurant proposed by a prominent Bonavista businessperson. While most KDPs spoke supportively of the project and recognized its potential benefits, some also commented that there was very little public support for the project because of the distrust of the family involved. One development worker expressed the situation as follows:
There is a lot of distrust in the community when [this family] are involved because of the rich merchant image of years ago. They are still perceived as greedy.

(Development Worker, Bonavista)

Another Bonavista businessperson has more directly experienced the local animosity towards his success. This individual started up a tour boat operation in 1994 and has since enjoyed some success over two seasons of operation. In the summer of 1996, the tour boat was vandalized on several occasions and on another occasion a window was smashed in and a $500.00 radio was stolen. These experiences bring to mind an often-cited and well-known Newfoundland anecdote. It is said that you don't need to put a lid on a barrel of Newfoundland lobsters -- should one lobster decide to pluck up the courage and try to crawl out, you can be sure all the rest in the barrel will pull him right back in!

6.4.4 Sense of Community

The final characteristic of community support is the somewhat intangible sense of common identity, purpose and culture that binds people together and guides them towards a common destiny -- identified in the model as sense of community. A strong sense of community was reported by nearly 70 percent of respondents in question D9 and there were no significant differences observed among communities or among groups.

<table>
<thead>
<tr>
<th>Question D9</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a strong sense of community in this town.</td>
<td>18.3%</td>
<td>12.7%</td>
<td>69.0%</td>
</tr>
</tbody>
</table>
However, because the concept of sense of community is abstract, the findings from this single question should be interpreted cautiously and certainly warrant qualification. Perhaps a better understanding of what people perceive as sense of community can be obtained from the personal interview information. When asked about sense of community, many respondents used the word "home" to describe their town and many talked about the loss of people and how hard that was for others in the community to watch. A respondent from King's Cove described the fears of people in her community making reference to the attachment to place that people in King's Cove have:

People are worried ... afraid of another resettlement I suppose. Unless things change, this community could go belly up just like a lot in Newfoundland and nobody here wants to see that happen.... this is where people's homes are ... their families, everything.

There did not appear to be any noticeable difference between large and small communities in the region. Another respondent, commenting on the problem of outmigration, also communicates the notion of 'sense of community' in the Peninsula's largest town, Bonavista, saying:

People don't want to leave, this is their home, they only leave because they have to.

(Businessperson, Bonavista)

The concept of 'sense of community' was probably best captured, however, in this quote from a Catalina businessperson who makes note of the community cohesiveness and the willingness of people in his town to work together for a common future:
Sure there's some griping sometimes and this fella's got a problem with that fella but people here in Port Union / Catalina stick together. We all want to see people working and this town grow and prosper not just today but for our children and grandchildren as well.

6.4.5 Community Support Discussion

To summarize the findings from this section, most KDPs reported that the public should play an important role in the development process and most also agreed that the public had typically been supportive of development and had a strong desire to take part in decisions regarding the community's development. Bonavista respondents reported less public support for development and throughout the region politicians and volunteers indicated a higher level of public support and a greater willingness of the public to be involved in development than did businesspeople and development workers. There is little evidence to suggest a willingness to generate community capital for the purpose of development. Lack of cooperation is a very serious problem in the region, particularly between the town of Bonavista and those in the Catalina area. The conflict between these communities is deeply rooted and bitter and has been exacerbated recently by the plant consolidation proposal. Poor cooperation between groups was also reported and appeared to be especially bad in Bonavista where there is evidence of open competition and conflict between different development groups and between entrepreneurs and non-entrepreneurs just to name a few. Finally, the findings indicate that the respondents living in the communities in the study area all perceive a strong sense of community in their towns.

Some explanations of these findings may be offered. First, with regards to the findings on public participation, while a general recognition of the need for public participation was reported, the perceived level of support for development and the
perceived willingness of the public to take part in development varied significantly among groups and communities.

With regards to differences between groups, development workers may be assumed to have the greatest amount of experience in development and hence, perhaps their perceptions of the public's desire to participate are more accurate than other groups. However, development workers' training could also provide them with a greater understanding of the need for public participation and hence their responses may, instead, be indicative of that group's higher expectations for public participation than other groups. The fact that politicians perceived public willingness to participate and support for development to be so much greater than other groups could be an expression of the political optimism expected of elected officials. However, if politicians actually perceive public support to be so dramatically more positive than other KDPs, it might instead testify to that group's very poor understanding of their constituents and of the development process. Furthermore, it may also indicate a terrible lack of cooperation between politicians and other KDPs. Given the significantly different views expressed by these groups, one might rhetorically ask, 'have they been working on the same projects'?

The difference in public support for development observed between communities (Bonavista residents being generally less supportive of development) may perhaps be explained by the larger population base of Bonavista. More people living in a community means more varying interest groups and an increased potential for disagreement on a course of development action. Bonavista does, in fact, appear to be more internally divided than the other communities in the region. The lack of cooperation between groups within that community could possibly further explain the perception of poor public support for development in Bonavista.

The lack of cooperation between towns in the region is quite possibly the most salient and crucial consideration for development in the region and this will be further
addressed in the conclusions chapter. As mentioned, it is difficult to explain the poor cooperation between Bonavista and the towns in the Catalina region beyond saying that it is undoubtedly the result of a long and bitter conflict which exists between these towns.

It is perhaps not surprising to find a possible relationship between the lack of cooperation in the region and the strong sense of community perceived by most KDPs in the region. While the two appear to be related, it is unclear whether one is dependent upon the other. Did strong sense of community create the conflict between these communities, or did the conflict serve to isolate these communities from one another and thereby create the strong sense of community? While it is highly likely that the conflict influenced the sense of community, the answer is essentially a moot point. The real issue lies in the fact that while there is a number of communities with a strong 'sense of community', there is no 'sense of region'. The implications of this are as compelling as the lack of cooperation in the region and will be discussed in the conclusions chapter.

6.5 Planned Process

6.5.1 Planned Process Findings

Two questions from the questionnaire were directed at the attitudes toward the principle of a planned process — C8 and C9. Question C8 addressed the importance of having an economic development plan. The region as a whole strongly supported the need for an economic plan with 93 percent of respondents reporting that it was extremely important. As illustrated in Table 6.13, however, the perceived need for an economic development plan was particularly evident in the larger communities in the region. While 100 percent of Bonavista respondents reported that having an economic development plan
Table 6.13
Economic Development Plan - Community Differences

<table>
<thead>
<tr>
<th>How important is it to have an economic development plan for this community? (Question C8)</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bonavista</strong></td>
<td>0</td>
<td>0.0%</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>0</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>Catalina Area</strong></td>
<td>1</td>
<td>100.0%</td>
<td>15.6%</td>
</tr>
<tr>
<td></td>
<td>3.7%</td>
<td>3.7%</td>
<td>92.6%</td>
</tr>
<tr>
<td><strong>King's Cove Area</strong></td>
<td>0</td>
<td>0.0%</td>
<td>5.4</td>
</tr>
<tr>
<td></td>
<td>0.0%</td>
<td>20.0%</td>
<td>80.0%</td>
</tr>
</tbody>
</table>

$X = 95.65\%$

was extremely important, the figure was 92.5 percent in the Catalina area and 80 percent in the cluster of communities composed of King's Cove, Duntara and Keels.

It is apparent that while economic development plans are recognized as an important development tool, they are perceived by some to be more appropriate for either a large community or for a region encompassing numerous small communities. There is an acute sense among KDPs in the King's Cove area that while some development is possible for the region (for example, tourism, slate mining and the possibility of the Charleston plant reopening) the future of the King's Cove area will be heavily conditioned by whatever development takes place in Bonavista and the Catalina area. Consequently, some suggested that what King's Cove, Duntara and Keels needed was not, in fact, to each have an economic development plan, but rather to be included in an economic
development plan which encompasses the entire Headland\textsuperscript{76}. In the words of one respondent from Duntara:

What would we do with an economic development plan? We don't have any industry — not even a store. We've got to go to King's Cove or Keels for a loaf of bread. A plan is fine to have, but we'd have to include Bonavista and the whole Peninsula, especially for tourism.

While most KDPs agreed that economic development planning was important, there was far less consensus regarding the length of time it should take for development to take effect and establish a healthy, stable economy. The table for Question C9 illustrates that responses ranged from 1-5 years to over 20 years, with 7.2 percent of respondents indicating that the community would never establish a healthy, stable economy. The most common responses were 5-10 years (43.5 percent), 1-5 years (24.6 percent) and 10-20 years (21.7 percent).

<table>
<thead>
<tr>
<th>Question C9</th>
<th>less than 1 year</th>
<th>1 to 5 years</th>
<th>5 to 10 years</th>
<th>10 to 20 years</th>
<th>over 20 years</th>
<th>never</th>
</tr>
</thead>
<tbody>
<tr>
<td>How long do you think it would take for this community to develop a healthy, stable economy?</td>
<td>0.0%</td>
<td>24.6%</td>
<td>43.5%</td>
<td>21.7%</td>
<td>2.9%</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

Development is a long-term process, and in a region such as the Bonavista Headland, where development will surely require dramatic economic restructuring, it seems impractical to believe that such a task could be accomplished in less than a decade. Nonetheless, 68.1 percent of respondents reported that a healthy, stable economy could be

\textsuperscript{76} Of course, given the almost complete lack of cooperation in the region, it is questionable how feasible such a regional plan would be.
developed within 10 years. There were no significant differences in belief between communities or between groups.

According to the Bus Model of successful CED, the planned process should also be knowledge-based, participatory and flexible. From Section 6.4.1, it was reported that 73.2 percent of respondents believed that people wanted to take an active part in planning development (question D5). Also, 74.6 percent of respondents reported that the public should be involved in the development process, at least at a partnership level (Question B4). It can perhaps be surmised, therefore, that public participation in the planning process would be welcomed by most KDPs in the region. It is difficult to assess the degree to which a planning process in the region would incorporate such factors as market conditions, technologies and global economic trends, and it is beyond the scope of this thesis to assess the attitudes toward these specific components of economic planning. However, local ecological, social, cultural and economic knowledge are also vital factors to consider in economic development planning and these can only be tapped into through effective public involvement in the planning process. Generally positive attitudes were expressed by KDPs toward public participation and, to a lesser degree, it seemed that respondents are generally willing to take part in and support the development process (although not according to development workers). The Discovery Zone board would, no doubt, benefit from strong public support in its efforts to develop a SEP. There would be the potential to incorporate several of the most important aspects of a SEP (see Section 3.4.3) including bringing public participation and input to the plan. This assumes, of course, that there is not only a willingness to take part in the process, but also a willingness to cooperate with the other communities and groups involved.

Attitudes toward flexibility are difficult to assess, particularly in a region which has little or no prior experience with economic development planning and has never been required to adopt an economic development plan, nor to adapt it to changing
circumstances. Given these conditions on the Bonavista Headland, the research did not explore the issue of flexibility in the planning process any further.

Hence, it seems that the majority of KDPs recognize the benefits of working with a strategic economic plan, yet most expect the process to take less than a decade. To date, there has not been a single, official strategic economic plan developed for the region. While a number of different 'plans' have been developed by various development groups in the region, many of these (for example, BARDA's and the Bonavisteers') are akin to shopping lists. Projects are listed but no indication is provided of the specific goals of development, the resources required or available for achieving the goals, nor a time frame for meeting the objectives. Others are more detailed and provide a sense of not only what is to be achieved, but a strategy for getting there as well (e.g., the Strategic Economic Plan produced by the Joint Towns IAS Committee [Joint Towns IAS Committee 1994]).

What is clearly missing in the region, however, is a comprehensive, cooperative plan that not only includes the detailed needs and objectives of individual communities but which encompasses all the stakeholders of the larger region and accommodates the larger region's requirements and goals. As mentioned, one of the first tasks of the Discovery Zone regional development board is to develop a strategic economic plan for their region. This Zone covers a far larger area than the Headland. It encompasses the entire peninsula and the Isthmus of Avalon and, hence, it seems to have the potential to capture the larger development context. However, some have argued that the area of coverage is too large for a single plan to effectively manage the specific community-based needs and goals of all the local stakeholders. It remains to be seen, once this plan is in place, how well it balances the need for larger context and the need for detail, and how well it can bring together traditionally non-cooperative parties.
6.5.2 Planned Process Discussion

The information collected regarding the principle of a planned process in CED can be summarized as follows. The region as a whole demonstrated an extremely positive attitude towards the idea of economic development planning, but the importance of planning was expressed less strongly in the smaller communities in the region. Respondents varied in their views of the time required for development to take effect but most reported that a healthy, stable economy could be achieved within ten years. Given the findings previously reviewed regarding KDP’s positive attitudes toward public participation and an apparent willingness of the public to be involved, it was surmised that current and future development plans in the region have reasonable potential to be both participatory and knowledge-based. It was pointed out that, to date, no single, comprehensive plan has been developed for the region but that ongoing changes to the province's regional development structure (zonal boards) may bring about change in this regard.

It was perhaps not surprising to observe such a high degree of support for economic development planning. The idea of 'planning for the future' has become a common message in the last few decades. It has been delivered through the media by a countless number of groups, organizations and institutions including banks, trust companies, insurance brokers, investment companies, educational institutions and funeral companies. This familiarity with the notion of planning may have influenced the degree of support that planning for community economic development received in the research.

The question is, do the responses to the survey reflect true support for economic development planning or is this a reflection of the familiarity many have with the planning rhetoric? It would perhaps have been useful to have phrased the question so that planning carried a price. For example, "would you support the development of a strategic
economic plan for your community if it were going to cost you X dollars?" If the question had been worded in this way, it is quite possible that the differences noted between the large and the small communities in the region would have been even more pronounced. After all, as several respondents from the King's Cove area suggested, how important is it for a town of one hundred people to have a strategic economic plan? Hence, while the results from this question should not be dismissed, it seems prudent to point out that the wording of the question may have resulted in it being a 'motherhood' type of question. In reality, and taking into account the cost of producing a SEP, we could probably expect actual support for such a plan to be less than the 93 percent indicated here and we would probably notice an even greater difference between the attitudes of those KDPs from small and large towns.

Another finding from this section worth expanding upon, is the time requirement necessary for development. It is rather alarming that nearly 70 percent of KDPs reported that a viable economy could be realized in less than ten years. The reality is that development is a long-term process in the best of cases and, on the Bonavista Headland where significant economic restructuring is required, perhaps twenty years would be a more accurate estimate of the time required to achieve a healthy, viable economy. At first glance, these results might be interpreted as a sign of a positive attitude among KDPs. However, other findings from the research indicate quite the opposite -- that hope and optimism are actually in short supply in the region. To reiterate a few of the findings from section 6.2.2 (positive attitude), it was reported that 71 percent of KDPs believed that people felt there was no future for them in their community and many KDPs spoke of the future in similar terms to this King's Cove region politician:

If the fishery don't return, this whole peninsula is finished ... I don't see one bit of future here for a young person.
The implications of these perceptions of economic development planning and the time required for development will be returned to in the conclusions chapter.

6.6 Holism

6.6.1 Inclusive

The model of successful CED outlined that development should not only be concerned with economic goals, but social, cultural and environmental ones as well. Questions A6, A7, A9 and A10 were designed to assess the attitudes of KDPs toward balancing these considerations. The results, however, did not present a very clear indication of the leader's attitudes. It appears from Questions A6 and A7 that most KDPs see development as an economic growth and job creation exercise above all else. Over 70 percent of respondents identified job creation as the only true measure of success in community development (Question A6) and a resounding 90.1 percent reported that economic growth should be the main goal of development in the community (Question A7).

<table>
<thead>
<tr>
<th>Question A6</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The only true measure of success in community development is job creation.</td>
<td>23.9%</td>
<td>4.2%</td>
<td>71.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question A7</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic growth should be the main goal of this community.</td>
<td>5.6%</td>
<td>4.2%</td>
<td>90.1%</td>
</tr>
</tbody>
</table>
With such a strong association between community development and economic growth one might expect that other (non-economic) considerations would be seen as secondary in importance. However, from Questions A9 and A10, this was apparently not the case. Environmental and social issues were identified as extremely important considerations in the development process by 83.1 percent and 81.7 percent of KDPs respectively. While this might belie the impression that development is seen by most KDPs as simply an exercise in achieving economic efficiency, it is probably more indicative of a shortcoming in the questionnaire. Questions A9 and A10 would, perhaps, have been better presented as a cost or comparative question format (e.g., "at what environmental cost should development proceed?" or, "compared to the economy, how important are social issues in development?"). As they were presented in the questionnaire, it was perhaps too easy to state their importance without fully considering the potential economic tradeoffs.

<table>
<thead>
<tr>
<th>Question A9</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important are environmental issues in community development?</td>
<td>2.8%</td>
<td>14.1%</td>
<td>83.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question A10</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important are social issues in community development?</td>
<td>2.8%</td>
<td>15.5%</td>
<td>81.7%</td>
</tr>
</tbody>
</table>

The decision tree analysis revealed no significant differences in these attitudes between communities, but did show that development workers, as a group, perceived the goals of development to be significantly more broad-based, or inclusive, than other
groups. This was indicated by their views toward measuring success in community development. While 84.6 percent of politicians, 76.1 percent of businesspeople and 71.5 percent of volunteers agreed that job creation was the only true measure of community development success, only 30 percent of development workers agreed — the majority of development workers (70 percent) reported that there were other considerations beside job creation that should be used to measure the success of a community's development (Table 6.14). As one development worker put it:

Just getting people involved and getting them to take pride in their town is a major step by itself. That has to happen before we're going to see any real growth economically.

(Development Worker, Catalina Region)

Table 6.14
Job Creation - Group Differences

<table>
<thead>
<tr>
<th>The only true measure of success in community development is job creation. (Question A6)</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>22</td>
<td>0.0%</td>
<td>12.7%</td>
</tr>
<tr>
<td>84.6%</td>
<td>32.3%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Businesspeople</td>
<td>19.8</td>
<td>57.2%</td>
<td>11.8%</td>
</tr>
<tr>
<td>76.1%</td>
<td>29.1%</td>
<td>9.6%</td>
<td></td>
</tr>
<tr>
<td>Development Workers</td>
<td>7.8</td>
<td>0.0%</td>
<td>57.8%</td>
</tr>
<tr>
<td>30.0%</td>
<td>11.4%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Volunteers</td>
<td>18.6</td>
<td>42.8%</td>
<td>17.7%</td>
</tr>
<tr>
<td>71.5%</td>
<td>27.2%</td>
<td>7.3%</td>
<td></td>
</tr>
</tbody>
</table>

\( X = 99.99\% \)
With the exception of a few development workers, the personal interviews offered little evidence that development was seen, by most, as anything but an exercise in economic growth and job creation. Most respondents made no reference to the possible environmental, social, cultural or other consequences of development. For example, even in the aftermath of the worst resource collapse in the nation's history, all discussion of an expanded crab fishery and fishing for underutilized species was centred around two issues. First, people spoke vehemently of the government's failure to move more quickly on the issue and to expand the crab fishery. Second, people spoke excitedly about the potential for an expanded crab fishery to accommodate hundreds or perhaps even thousands of local people displaced by the groundfish moratoria. Very few respondents spoke of the long-term capacity of the stocks to withstand such an expansion. Another example of the economic priority present in people's thoughts about development comes from the slate mining operation in Keels. The opening of a slate mine could have certain environmental and social impacts such as the noise, dust and danger from the operation, as well as from the large trucks moving along the community's only access road. There is also the possibility of ecological damage from the blasting as well as the loss of forest and usable coastline. Not surprisingly, however, all talk of the slate mine in the Keels area was concerned with one subject -- jobs.

6.6.2 Integrative

Holistic development must also integrate the various social, cultural, environmental and economic concerns as well as ensure that development projects are complementary and not just a series of disjointed and possibly conflicting interests. No attitudinal assessment was conducted on this characteristic of development, primarily because the complexity of this issue did not lend itself well to attitudinal-type questions. Furthermore,
with development in such an elementary stage, it is impossible to assess, through direct observation, how integrative development is in the region, at this time. However, at least three observations, touched upon in previous sections, can be offered which relate to this characteristic of development. First, there has always been only one main sector in the regional economy — the fishery. This suggests that the region has very little prior experience with integrating economic activities. Second, the region does not, to date, have a comprehensive strategic economic development plan. Effective integration of social, economic, environmental and cultural considerations would be a monumental task without a sound blueprint to follow. Third, integration requires coordination and cooperation between the various groups and interests within the community. From Section 6.4.3, it is apparent that these are not qualities which the region can boast. Given these conditions, it can be surmised that integrated development may be a long time coming for communities on the Bonavista Headland.

6.6.3 Economically Diverse

We've always been a fishing community and we'll always be a fishing community.

(Volunteer, Bonavista)

Holistic development requires that the economic engine of development encompasses a broad spectrum of the economy. As a region of single industry communities, this is of critical importance for the Bonavista Headland. Questions A1, A2, A3 and A8 addressed this issue by examining the attitudes of KDPs toward the role of the fishery in the region's future economy.
The region as a whole was split on the issue of the recovery of the fishery (Question A1) -- just over half of respondents (50.7 percent) agreed that the fishing industry would completely recover and just under half disagreed (45.1 percent).

<table>
<thead>
<tr>
<th>Question A1</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The fishing industry in this region will completely recover.</td>
<td>45.1%</td>
<td>4.2%</td>
<td>50.7%</td>
</tr>
</tbody>
</table>

However, some interesting differences were noted between groups of respondents. Most of those who agreed with this statement were politicians and most who disagreed were development workers. While 73.1 percent of politicians felt that the fishery would completely recover, only 20 percent of development workers reported the same -- most development workers (70 percent) disagreed with the statement. Businesspeople and volunteers were divided on the issue, in proportions similar to the population as a whole -- approximately half of the respondents from each of these groups believed the fishery would completely recover and approximately half believed that it would not (Table 6.15).

Although only about half of respondents believe that the fishery will completely return, a somewhat greater proportion are of the opinion that the fishery will remain the region's primary industry. Nearly two thirds (64.8 percent) of respondents reported that the fishing industry will always be the main employer in the community (Question A2). One respondent remarked that:

There will never be another industry to replace the fishery. If the fishery doesn't return, this peninsula will be wiped out.

   (Politician, Bonavista)
Table 6.15
Fishery Will Recover - Group Differences

<table>
<thead>
<tr>
<th>The fishing industry in this region will completely recover. (Question A1)</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Politicians</td>
<td>40.9%</td>
<td>18.3%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Businesspeople</td>
<td>24.0%</td>
<td>0.0%</td>
<td>61.9%</td>
</tr>
<tr>
<td>Development Workers</td>
<td>11.2%</td>
<td>47.6%</td>
<td>18.2%</td>
</tr>
<tr>
<td>Volunteers</td>
<td>24.0%</td>
<td>34.0%</td>
<td>10.3%</td>
</tr>
</tbody>
</table>

X = 98.68%

<table>
<thead>
<tr>
<th>Question A2</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The fishing industry will always be the main employer in this community.</td>
<td>31.0%</td>
<td>4.2%</td>
<td>64.8%</td>
</tr>
</tbody>
</table>

Many respondents also perceived that the fishery of the future would not necessarily be the groundfish-based one of the past and that many of the losses from the moratoria could, in fact, be offset by developing other fisheries. In Question A3, 55 percent suggested that most of the jobs lost in the moratorium could be replaced by other non-groundfish fishery jobs. No significant differences were noted between groups or communities. Many KDPs emphasized the potential of developing fisheries for underutilized species. As illustrated in
Figure 6.5 this was the third most commonly identified opportunity for the region, ahead of cottage industries and accommodations / restaurants. One businessperson from Bonavista believed that the current fisheries workforce could easily be doubled if other species were utilized.

It is apparent, therefore, that most KDPs have not discounted the fishery. While not all agree that it will ever be as it once was, most do support the idea that their community will always be primarily a fishing community, although perhaps not quite with the same type of fishery as it traditionally had. It is also apparent that while a great deal of hope is being placed in the return of the fishery and while its position as the region's *raison d'être* seems to be firmly entrenched in the mind's of most KDP's, the majority of respondents also stressed the importance of economic diversification into other non-fishery sectors. In fact, an overwhelming 85.9 percent reported that even if the fishery completely returned, other businesses and industries would need to be established (Question A8).

<table>
<thead>
<tr>
<th>Question A8</th>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>If there is a complete return of the fishery, how important will it be to</td>
<td>5.6%</td>
<td>8.5%</td>
<td>85.9%</td>
</tr>
<tr>
<td>develop new business and industry in this community?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Nonetheless, most respondents indicated that such development would merely be supplementary to the fishing industry. As one politician worded it:

Development of other industries is a good idea but only as a way of generating employment to offset some of the losses ... as a means of supplementing the fishery.

(Politician, King's Cove area)
Some other KDPs disagreed with such statements and complained that such an attitude prevailed, not only among the general public, but among those in decision-making positions as well. This complaint was expressed, among others, by a volunteer from Bonavista:

Most people, including all those in town hall, are sitting back and waiting for the fish to return — very few people are talking about development outside the fishery.

and from a development worker in the King's Cove area:

Attitudes need to change. There was always a livelihood in the fishery — it's difficult for people to move away from that notion and accept that it will never be what it once was.

As illustrated in Figure 6.3 a reliance on the return of the fishery was perceived as a major constraint to development by only a few KDPs -- twelve responses as compared to the number one constraint (no external funding) with forty responses. Those few KDPs who did recognize that people's dependence on the fishery returning was a serious constraint to development also articulated the reasons why this was so. The problem of focusing on the fishery is, of course, that other development possibilities may not be given the attention or support which they deserve. Several respondents remarked, for example, that tourism is developing far more slowly than it could because, like most non-fishery development ideas, it is not taken seriously. As one development worker expressed the problem:
The perception of tourism development has to change — it is seen by too many as a "splash n putt" type of industry with no real economic benefits. Few people look beyond this.

(Development Worker, Bonavista)

6.6.4 Holism Discussion

The findings on holistic development can be summarized as follows. While there was some discrepancy in the questionnaire results, it was concluded that most KDPs do not see the importance of practicing an inclusive development approach in the Bonavista region. That is, they do not place equal priority on economic and non-economic considerations — the economy seems to be quite clearly the highest priority for most in the region. Development workers were the only group who displayed any significant variation from this belief, expressing the importance of taking into account non-economic considerations in the development process. While the subject of integration was not addressed directly, it appears, based on other observations from the findings, that integrated development may be a long time coming in the Bonavista region. Finally, with regards to economic diversification, many KDPs believed that the fishery would always be the region's primary industry and employer and that development was a useful activity, but only as a means of generating employment to supplement the fishery. Not all KDPs shared this view, however. It was expressed most commonly by politicians and least frequently by development workers.

The notion of holistic development is a relatively new one. Sustainable development and other inclusive and integrative theories of development have only gained recognition in the past decade. It is not that surprising, therefore, to observe that the principle of holistic development has not been fully embraced in a rural area such as the
Bonavista Headland where there may be a lag time in the acceptance of new ideas. However, the almost complete dismissal of the environment as a development consideration, particularly with regards to an expanded crab fishery, may be partly the result of another factor -- the long history of external control over natural resources. It may be argued that the community's sense of environmental responsibility may be strongly influenced by the source of control over that particular activity. This might be thought of as 'responsibility distance'. In the case of the fishery, control over and responsibility of the resource has traditionally been, and remains, almost completely out of the community's hands. The fishery is managed by the federal government, the plants are licenced by the provincial government and the catch (type, amount and price) is largely determined by large corporations such as FPI, international markets and other external sources. People have been raised in a system where they will fish if they are permitted to fish and it is up to someone else to determine what they catch and how much. The responsibility distance in this case is great and it is perhaps not overly surprising that residents of the region would express little concern for the welfare of the environment.

By this logic we could expect greater environmental consciousness over local developments where the 'responsibility distance' is significantly smaller -- the slate mining operation in Keels, for example. While the impacts of such a small slate mine are not likely to be extremely serious nor extensive, the important point to emphasize is that no concern was expressed by any respondent of the operation's potentially negative effects. All talk of the slate mining operation was concentrated solely on the issue of jobs. While it is not surprising that jobs are a priority in Keels, it does seem unusual that absolutely no questions are being asked about a new heavy industry which the community assumingly has little or no direct experience or knowledge of.

Hence, the apparent absence of non-economic considerations in the development thinking of the region's KDPs may have a more simple explanation than the slow
transference of ideas to rural areas, or the 'responsibility distance' factor. The high priority placed on the economy may strictly be a matter of survival. The question shall be addressed further in the conclusions chapter — can communities such as those on the Bonavista Headland, facing such serious challenges to their survival, afford to be holistic? Can they afford the luxury of considering longer term issues such as the environment? Conversely, can they afford not to?

Another interesting finding from this section was the difference between the perceptions of development workers and those of others regarding inclusive development. We might expect that development workers would be better versed in the rhetoric of holistic or sustainable development, given their training. A question which comes to mind, however, is "to what degree will the different perceptions of development workers (with regard to such characteristics of development as inclusiveness and integration) influence the actual course of development in the region?" This question will be further explored in the conclusions chapter.

Economic diversification may come slowly to the region since many KDPs perceive the community's future economy as a fishery-based one. It is not surprising to find so many in the region sharing this view, given the deeply-entrenched fishing community character of the towns in the region. As was discussed in the entrepreneurial spirit section, the fishery is the only industry that many local people have experience with and hence, it may be difficult for many people to conceptualize an economy based on anything besides the fishery. If there continues to be a paucity of entrepreneurial spirit in the region and unless creative and innovative ideas for development are accepted and attempted, then economic diversification and development as a whole will be a slow process indeed.
6.7 Chapter Summary

This chapter has presented the findings generated from the research questionnaire and personal interview and related these findings to the five principles and numerous characteristics of effective CED presented in the bus model of successful CED. It is clear that, in many respects, the perceptions of KDPs in the region differ from the normative model's characteristics of effective CED. The findings suggest a paucity of entrepreneurial spirit (principle #1) in the region with self-reliant, negative attitudes prevailing and a questionable willingness to attempt creative yet risky development ideas. The region has never typically had much control over its development (principle #2) and most of the main development efforts ongoing at this time promise to do little to reverse this trend. Perhaps the most promising findings were in the area of community support (principle #3). Generally KDPs recognized the importance of public participation and reported strong community support for development and public eagerness to be involved in the process. A strong sense of community was also reported in all towns in the study area. These positive characteristics of community support in the region were countermanded by the findings on cooperation, however. Cooperation between groups and particularly between the larger towns in the region is simply lacking and represents a serious and critical local development issue. Promising findings were also apparent regarding the fourth principle (planned process) where attitudes toward economic development planning were extremely positive, albeit unrealistically optimistic in terms of the time required for development to take place. Finally, the findings gave little indication that the KDPs of the region perceived development in holistic terms (principle #5). The economy was seen as the undisputed priority in the region and little importance was placed on the inclusion or integration of non-economic considerations in the development process. Also, the findings indicated little potential for meaningful economic diversification in the near future.
with a large number of respondents clinging to the hope that a renewed fishing industry would cure all the community's ailments.

A few significant differences were noted between communities. Most of these differences were observed between the cluster of small communities on the Headland (King's Cove region) and the other communities in the study area (large Bonavista and medium-sized Catalina, Little Catalina and Port Union). The smallest communities on the Headland were less inclined to support traditional top-down strategies such as offering tax concessions and improving infrastructure to promote industrial development. Respondents from the region's small towns reported that TAGS was less important for the development of their communities than it was for those living in larger communities and small town KDPs were less convinced of the importance of economic development plans than were those from Bonavista and the Catalina region. Cooperation between communities was also reported to be significantly better in the King's Cove area than elsewhere on the Headland. The largest community, Bonavista, stood alone in only one regard, community support, with its KDPs reporting significantly less public support for development initiatives than those in the region's other communities.

Far more differences were apparent between groups of KDPs in the region. Many of these significant differences were noted in terms of entrepreneurial spirit where a great deal of variation was noted between groups of respondents regarding sources of development initiative and control. The group which most strongly identified the importance of local initiative and local control were development workers followed by businesspeople and volunteers; the group which least favour local initiative and local control were politicians. Development workers as a group also most strongly favour a regional approach to development. This opinion was, again, expressed less strongly by businesspeople and volunteers and least strongly by politicians. Similarly, development workers were more holistic in their views of development than any other group, reporting
that job creation was not the only true measure of success in community development. This attitude was also expressed strongly by volunteers and to a lesser degree businesspeople; politicians as a group adhered very little to the CED model.

It is apparent from the findings therefore, that there are indeed significant differences between the perceptions of effective CED among groups of KDPs in the region. Specifically, development workers are clearly the most attuned to and supportive of the CED approach with businesspeople and volunteers apparently ranking second and third respectively. Politicians, as a group are clearly and unequivocally the least attuned to the principles of CED.

In addition to presenting the research findings, this chapter has also attempted to interpret these findings and to offer explanations whenever possible, including reporting limitations in the research design (questionnaire format, analysis etc.). It is apparent that in many regards the perceptions of community development expressed by KDPs in the Bonavista Headland region differ from the characteristics of successful CED outlined in the normative model (Figure 3.2) and that several important distinctions are evident between communities and between groups of KDPs on the Headland. Having identified, described and explained these differences and distinctions, the questions which clearly still remain unanswered are those which delve into the implications of the findings; that is, the "so what?" questions. The final chapter of the thesis will address the implications of the research results for the Bonavista region particularly and for CED theory in general.
Chapter VII
Conclusions
7.1 Introduction

Reviewing the main elements covered by the thesis so far, in Chapter I the research problem and objectives were outlined and the significance of the research was explained. Problems associated with single industry communities and rurality in Canada as well as in Newfoundland were described in Chapter II. That chapter also outlined the nature of the Newfoundland economy and the challenges brought on by the fishery collapse and subsequent moratoria. The concept of community economic development as an alternative to traditional top-down development was presented in Chapter III and a normative model of successful CED was introduced. In Chapter IV, the specific development challenges of the Bonavista Headland region were outlined and the developments which have occurred in the region since the moratoria were described. Chapter V presented the research method, outlined the format of the questionnaire and personal interviews and described and explained the statistical techniques employed in the analysis. Chapter VI presented the results of the field work, explained, interpreted and discussed the findings, and critiqued the research method where the findings were found to be inconclusive.

Hence to this point, the main research objectives of the thesis have been addressed. The perceptions of KDPs in the region have been compared with the characteristics of effective CED outlined in the normative model (Figure 3.2) and differences among communities and groups have been identified. Having identified, described and explained the results, the final task will be to explore the implications of these findings. The implications will be discussed as two broad themes: 1) the implications of the findings for the communities in the study area of the Bonavista Headland; and 2) the implications of the findings for community economic development theory in general.
7.2 Implications for the Bonavista Headland

It is quite clear that the communities on the Bonavista Headland need to respond to the crisis they are currently facing. The region has long been dependent on a single industry, the groundfishery, which is, for the time being, gone. Incomes in this industry have typically been low and those who have depended on this industry have also tended to depend heavily on government support in the form of UI. The prospects for the return of the fishery as it was are not promising, and even if the stocks do return to their formal levels, the industry itself, and the employment it generates, will likely only be a shadow of its former self. While crab licence holders have done well in the past few years and while an expanded shrimp fishery has recently been identified as holding promise for some additional jobs, the vast majority of the employment lost in the groundfish moratorium has not yet, and may never, be recovered by exploitation of other fisheries.

Traditional approaches to development will have limited utility under the current circumstances. Governments, both provincial and federal, are reducing their spending. Communities cannot expect the benefits afforded the community of Trepassey, for example, which was awarded $6 million in provincial and federal development funds in 1991 following the closure of its fish plant. Trepassey's situation at the time was unique, as, in retrospect, was its windfall. Today communities like those on the Bonavista Headland, face challenges as severe as did Trepassey. Now, however, these challenges are not unique — they are common to hundreds of other outport communities in Newfoundland.

The loss of the fishery is the primary, but by no means, the only challenge confronting the Bonavista Headland and other communities. Other fundamental constraints to development include poor levels of formal education, little or no industrial infrastructure, limited opportunities, high levels of outmigration, and traditional
dependence on a single industry and UI. While many of the fundamental challenges confronting communities in outport Newfoundland are the same, the specific conditions for development in each community will be different. This compounds the difficulty of development in outport Newfoundland. Clearly development will not be easy and a 'cookie-cutter' or 'blanket' approach to development will likely have limited success. Development of any given community or region must address the specific development conditions of that community or region. The findings presented in this thesis contribute to a better understanding of the development conditions facing the communities on the Bonavista Headland. The research has, in effect, presented the reality of life on the Bonavista Headland with respect to development, specifically community-based development. A series of development issues have emerged from the research which will serve as the organizational framework of this section. The implications of the findings for the Bonavista Headland will be discussed according to the following themes: Time, Return of the Fishery, Community Differences, Cooperation and Local Control.

7.2.1 Time

The first and possibly the most critical issue which the region faces in its development is that of time, or more precisely, the lack thereof. The region clearly cannot afford the luxury of waiting for development to happen to it, action must be taken and it must be taken now. The old top-down system of development is no longer an option. Not only have growth centre and growth pole strategies proven largely ineffective at developing local economies (as discussed in Chapter III) but, given the mandate of deficit and expenditure reduction which both the provincial and federal governments continue to follow, the government funding necessary to drive such programs is simply no longer available.
This year (1997) is a federal election year and it is therefore difficult to speculate whether monies or programs might be promised during the campaign. However, given the federal government's fiscal constraints and also taking into account the wide criticism of the NCARP and TAGS adjustment packages, it would seem unlikely that another such program will be forthcoming. Hence, with recipients currently being dropped from the TAGS program and with the standing promise that nobody will be carried past July, 1999, it seems that the safety net which these programs have provided will soon come to an end. TAGS, and the income support it has provided, has allowed many the luxury of waiting in the hopes that the fishery would return and that they would be a part of that new industry. However, as stated, forecasts by both government and industry estimate a future fishery workforce reduction of fifty percent. For the Bonavista region, this translates into several thousand new jobs needed (and that only to bring the employment rate up to its previous, unacceptably low level). Finally, as mentioned, there are many other communities in Newfoundland in 'the same boat'. Once TAGS ends and it becomes clear what the fishery of the future will look like, there will be hundreds of other small Newfoundland outports scrambling for solutions and perhaps looking for the same limited amount of government money to implement their development ideas. All these factors point to the need to take action now and not to wait until TAGS finishes, until the fishery returns, or until there are hundreds of other communities desperately vying for whatever government funding is available.

However, as Douglas' model of community development motivations suggests (Figure 2.6), while the need to take action increases with the severity of the crisis, so too does the propensity to turn to quick-fix 'band-aid' solutions. In Douglas' words, the greater the crisis, the lower the economic viability of the response to that crisis. If Douglas' model is correct, then this presents quite a discouraging scenario for those
communities on the Bonavista Headland and elsewhere in outport Newfoundland facing crises arguably deeper than any described in Douglas' model.

In fact, there does appear to be some evidence in the Bonavista Headland region of what Douglas refers to in his model. While the need to take action in the region is undeniably profound, this need was expressed by a surprisingly small number of KDPs. Many expect the fishery to return, many expect the fishery to always be the main employer and many are waiting for government or large industry to save the day. The propensity for quick fix solutions is apparent. Thus far, nearly five years since the initial northern cod moratorium, there has been little evidence in terms of long-term, sustainable development taking place on the Headland. Many of the activities that have taken place have been TAGS training programs, few of which have translated into actual new jobs. It was speculated in Chapter III that this propensity to turn to short-term solutions might be limited to TAGS clients, who are waiting for the fishery to return and are therefore reluctant to commit to another long-term career possibility. This appears to be an accurate speculation but it also appears that the 'short-term fix' mentality exists among KDPs as well. Many of these band-aid efforts are being concentrated on getting a new industry in to 'fill up the plant' and 'save the day'.

The entrepreneurial spirit discussion in Chapter VI provided a number of theories as to the reasons behind the region's seemingly modest response to the moratoria. The TAGS program was among these. The degree to which TAGS is responsible for this 'sit and wait' attitude is debatable. Perhaps TAGS was, as a number of respondents indicated, good for individuals but bad for communities. Perhaps the guaranteed income of TAGS has decreased the overall motivation to develop and is largely responsible for the relative lack of action that has been taken. Only time will tell. The end of TAGS, when it comes, will undoubtedly be a significant event for the Bonavista Headland and indeed for the majority of communities in outport Newfoundland. The implications of the termination of
TAGS are potentially very serious. What will happen? Will it mean massive outmigration, business closures and disaster for outport communities, or will it instead provide a powerful source of motivation for communities to respond? These are serious questions.

Outmigration in Newfoundland has already reached unprecedented levels and the effects of this population loss could be potentially devastating. While decline of the population base itself places a strain on existing businesses in the region, it is the nature of the outmigration which may have the most serious consequences. The loss of many of the region's KDPs, the young and the better educated represents a loss of present and future leaders and, hence, also a loss of development potential. If the trend continues, it could indeed mean disaster for some communities as they reach some sort of minimum population threshold and as they lose their leadership. Some respondents in this research claimed that this is, in fact, the intention of TAGS. Others have gone so far as to suggest that the entire series of moratoria were fabricated to provide a foundation for another round of outport relocation.

Another aspect of this issue is the time required for development, as reported by KDPs. The vast majority of KDPs reported that development could be achieved within ten years. As discussed, this appears to be an unrealistic goal, if we accept what Brodhead (1989) and others suggest, that it is normally at least ten to fifteen years before any tangible results are noticed in CED. It is bad enough that time is passing so quickly with so little happening on the Headland; this problem is further compounded, however, by such unrealistic expectations. With little concrete development to show after nearly five years since the northern cod moratorium, this leads to the question, what will happen in another five years if there is still no concrete evidence that development is occurring on the Headland? How many people will give up on the development process prematurely -- before it has a chance to succeed or fail on its own merits? How many more will leave the region with the same sentiment as the King's Cove area politician who opined that, "if the
fishery don't return, this whole peninsula is finished ... I don't see one bit of future here for a young person"?

It is not the intention here to be overly pessimistic about the region's future, but rather to express the view that action needs to be taken now. Outport Newfoundland communities have demonstrated a remarkable degree of resilience over the past several centuries. While the magnitude of the present problems are unprecedented, resource collapse and uncertainty have long been the reality of life in outport Newfoundland; nonetheless, communities have survived. They have also survived under more trying conditions than at present -- during times where there was no government support and when there were far fewer opportunities than are available today. There are opportunities in the region and none are more timely than the Cabot 1997 celebrations. Bonavista is fortunate indeed to be the alleged 'landing place' of John Cabot, 500 years ago. Bonavista is the first stop of the recreated Matthew and that landing is expected to be the largest single event of the year long celebrations. Tens of thousands of visitors are expected in the Bonavista region over the summer and there is a great opportunity for local people to take advantage of the event and to establish (in cooperation with the provincial government) a strong base for a tourism industry in the region. It remains to be seen to what degree this potential is realized and how successful the region will be at developing a long-term sustainable industry from this large single event. One thing is certain -- time is of the essence.

7.2.2 Return of the Fishery

Another important development issue arises from the possible return of the fishery. The findings demonstrated that many people are waiting in the hope that the fish will return and in the hope that they will be allowed to participate in the future fishery. This
waiting may be attributed to a number of factors including the strong traditional attachment to the fishery, the failure of government to define the core fishery of the future and the renewable and 'invisible' nature of the resource\textsuperscript{77}. The prospect of the fishery returning and the waiting and hoping which is occurring in the meantime, have some serious implications for local development in the region. There is little doubt that the natural reluctance, among many, to respond to the moratoria has slowed the development process. The question is, what effect would the fishery returning, or not returning, have on regional development?

It should be stated at the outset that despite the vulnerability and other problems associated with a single industry economy, little would be better for the Bonavista Headland than a renewed fishing industry. Should the fishery return it will probably bear little resemblance to the fishery of the past. The fishery will undoubtedly be more diverse, owing to recent efforts to expand the fishery into crab, shrimp and other underutilized species, and the groundfish portion of the fishery will likely be a much smaller component of the industry total. Nonetheless, a return of the fishery, of any proportion would be a great benefit to communities on the Headland in a very obvious way -- the region desperately needs jobs.

There are other issues to consider, however, beyond immediate job creation. A return of the fishery would certainly change the local conditions for development and while there are many possible scenarios, I will speculate on just a few of these here. How, for example, would the entrepreneurial spirit of the region be affected should the fishery return? Certainly, for those fortunate enough to remain in the fishery there would be little point in practicing entrepreneurship (beyond becoming more 'entrepreneurial fishers'; e.g., diversifying into alternative species). For these people a sense that 'the fish are back so it's

\textsuperscript{77} While it would seem irrational to wait for the return of the mine, or for the return of the forest (given that regeneration of a forest may take 50 to 100 years), it is not that irrational to wait for the return of the fishery. It is quite easy to believe that fish could indeed still be "out there" somewhere.
all OK again' could prevail. However, those permanently displaced from the fishery will have to make a rather critical decision -- stay to try to make an alternative living outside the fishery, or leave. Is there any reason to believe that this group will become entrepreneurs given the poor track record of the past? That is difficult to say.

On the other hand, considering that a renewed fishery would mean a stronger economy, then perhaps entrepreneurial spirit would, in fact, be bolstered through more positive attitudes toward the future and greater feelings of self-reliance (assuming that the past system of heavy government subsidization of the fishery was changed\textsuperscript{78}) and given the heightened security many would experience, a greater willingness to take risks on other development ventures. Indeed, to return to Douglas' Motivation model (Figure 2.6), he suggests that as the motivation to develop lessens, the actual viability of the response increases. Does it follow then that a lessened crisis in the fishery of the Bonavista region would lead to more viable, longer term, more entrepreneurial responses? Furthermore, it is also difficult to imagine a complete deterioration of the (albeit limited) entrepreneurial spirit in the region given: 1) the attitudes of most KDPs toward diversification (the majority stressed that development beyond the fishery was necessary) and 2) the 'investment' (of time and energy, not money) into diversification efforts, presently under way, particularly tourism initiatives surrounding the Cabot celebrations.

A renewed fishing industry could also influence community support for the CED process. The region has very strong social and cultural ties to the fishery -- fishing is the foundation of the region's identity. As one respondent from Bonavista put it, "we've always been a fishing community and we'll always be a fishing community". Permitting people to practice their traditional livelihood would undoubtedly serve to reinforce the strong sense of community observed in the region. The question is, would a stronger

\textsuperscript{78} While some form of government support will likely be present in the fishery for a long time to come, it promises to be much more modest than has been the case in the past.
sense of community, under these conditions, help or hinder CED? While a strong sense of
community is considered a valuable asset in CED, it would not be if the community's
identity was so firmly entrenched in fishing that other development options were ignored.
If the development focus did remain only on the fishery, this would not likely advance the
CED process. In essence CED would then take the form of (to return to the analogy) a
bus load of fishers heading to the wharf. It was not this researcher's impression, however,
that this was, or would be, the case. While cycles of boom/bust, fish/no fish have long
been a normal part of life in Newfoundland, this was no ordinary fish shortage. The
'scare' of this widespread stock collapse appears to have altered the perceptions of KDPs
toward the need for a more diverse local economy. Community support for CED is
positive now and will probably remain so when and if the fishery recovers.

There will be no community support if there is no perceived need to develop and
hence, the question of when the fish return may be as critical an issue as whether they
return. Should the fishery return too soon, the development process could be derailed for
lack of community support. If the fishery reopened at a time when there was still little or
no concrete proof that diversification efforts have worked, then support for further
development efforts could be quite weak. However, if enough time passes for
development activities to take hold and for results to be seen, then a renewed fishery
would hopefully be seen as a part of a larger economy and not the whole economy. This
assumes that 'all is not lost' in the meantime. Trepassey, for example, will likely never be a
fishing community again. Also, as discussed previously, generating new industries is
difficult enough — integrating them with existing industries, such as a fishery, is another
matter completely.

There is a countless number of possible outcomes regarding the return of the
fishery — when will it return? how large will the fishery be and which stocks will be fished?
how many and who will be allowed to fish? which plants will operate? Each possible
outcome represents a series of if/then options for fishers as well as for regional KDPs. For the economy of the Bonavista Headland to achieve any measure of sustainability, the fishery must be incorporated into the development process, without being the development process. A new balance must be struck between the fishery and other development and while it may take time to achieve some sort of new 'equilibrium' in the region, the potential for doing so would likely be enhanced if the principles of CED were adopted.

7.2.3 Community Differences

Community size has received relatively little attention in the CED literature as a factor of CED success. Few CED researchers suggest any advantage of being a large versus a small community in terms of CED. As such, community size was not included as a variable in the CED success model presented here and there were, in fact, very few differences noted in this research between respondents from large communities and those from small communities on the Headland. The perceived approach to development was essentially the same. The only differences were a slight small town aversion to tax concessions and infrastructure improvement, a more notable aversion to the TAGS program, greater cooperation among small towns and significantly less public support for development in the largest community, Bonavista. The fact that communities of such different sizes and industrial function should differ so little in their perceived approaches to development is perhaps surprising and raises some interesting questions regarding the development of the region.

One notable exception is Reed and Paulson (1990) who suggest that larger communities do have a distinct development advantage over smaller ones.
If a community favoured a top-down as opposed to a bottom-up or CED approach to development, then perhaps greater size would indeed have its advantages. Given the findings of this research which suggest that many local development leaders are adhering to a traditional top-down, or at best a liberal, bottom-up approach, it seems quite possible that the region's larger communities do indeed have an advantage. The Headland's smallest communities are not only more dependent on UI and have lower levels of formal education, they also have less infrastructure to offer than have the larger communities. Port Union in particular has a large, empty fish plant and while the principles of CED promote development from within and discourage external involvement it is clear that such a facility is wasted if left empty. According to CED theory, the ideal situation would be if a local individual or group bought and controlled operations in the plant. As explained, however, this may be difficult in Port Union, given the value of the plant and equipment and the conditions of sale. External ownership and control, therefore, may be unavoidable. This additional development option in Port Union would thus appear to give it a distinct advantage over non-plant communities since the dominant approach of the KDPs in the region appears to be in attracting outside investment.

This raises some interesting questions about the development approach in the Headland's smallest communities. While it is perhaps disconcerting that KDPs throughout the region remain largely unconvinced or unaware of the bottom-up development approach, it is especially serious to observe these perceptions of development in the region's smallest communities. Communities such as Keels do not have the industrial infrastructure of some of their neighbours and they, therefore, do not have the same potential to attract outside industry. It is, therefore, that much more important for such small places to adopt an aggressive community-based approach to development.

This issue of community size and development capability is by no means completely understood. More research needs to be conducted on the issues of community
size and function and development strategy which takes into account the unique
communities in outport Newfoundland (for example, characteristics and conditions of communities plant versus non-plant communities and the role of subsistence or informal economies.

7.2.4 Cooperation

Cooperation was identified as a vital component of successful CED in the bus model. On the Bonavista Headland there is serious conflict between communities as well as between groups of people within these communities. Neither the region as a whole, nor individual communities within the region, appear to have the cooperative spirit, the mutual trust, the sense of community and the sense of common purpose required to embark upon a cooperative development movement. The conflicts were perhaps less harmful in the past when the issues being debated were less critical -- such as which community would get a regional swimming pool. Now, however, with the survival of many communities in jeopardy, the stakes are much higher.

The lack of cooperation in the region and, more specifically, the lack of collective vision or planning, will clearly have serious implications for development. Projects which require a regional, cooperative development approach will be extremely difficult to initiate under current conditions. Entrepreneurial spirit will likely be discouraged as risk taking and maintaining a positive attitude about development will be much more difficult when one is surrounded by others who feel contempt for the project and all those involved. A great deal of energy could be wasted on redundant development efforts in a climate of competition as opposed to one of cooperation. Development, if it occurs at all, will more likely take the form of small, individual initiatives which will, by necessity, be independent of any sort of collective effort requirements.
Strong leadership is united leadership and because of the rift between many key
development individuals and groups, the local leadership capability of the region may be
limited. Likewise, local capital resources will be difficult to mobilize without better
cooperation. The region is not rich, and with such limited local financial resources
available, it is clear that a collective effort is required. As Flora and Flora (1988) report,
local capital resources are an essential part of the CED process and one important source
of such resources is the local tax base. They point out, however, that residents are
generally only supportive of higher taxes for the purpose of development when there is
strong evidence of strong local leadership and a collective vision of community goals.
These conditions are not apparent on the Bonavista Headland.

Public participation would also likely be hampered by the conflict issues. While
the findings suggest that the public has demonstrated a willingness to participate in various
past development projects, the full benefit of this support has not and likely will not be
experienced under the current conditions of conflict. While there is evidence of individual
efforts, there is very little evidence of, nor potential for, collective ones. While it was
reported that there is substantial support for individual development projects and a strong
desire among the public to participate in the process as well as a public willingness to
volunteer time to their community's development, it is also apparent that too often this
public effort is as divided and as disjointed as the leadership of the region. Until public
participation and support for development are directed toward common goals and
objectives it will likely do little to advance the state of the region. This is an important
development issue to address; it is also a difficult one. Getting the people of the region to
speak with one voice is, as one development worker put it, "the greatest challenge for a
development officer in this region".

The lack of cooperation evident in the region may also act as a barrier to the
development of a comprehensive, regional economic development plan. This has certainly
been the case to date where almost every development group in the region has proceeded independently with little or no attempt at cooperative efforts with other development organizations.

Finally, the conflict among communities and groups may have implications for the holistic aspect of the CED process. To successfully implement a community-based development process which integrates the various development interests and concerns in the region, it will be necessary to have a cooperative spirit among the various interest groups of the area.

Hence, poor cooperation is not simply a problem in and of itself. It will potentially affect a variety of other aspects of the CED process. It is important to recognize, however, that the conflict which continues to thwart cooperative development efforts in the Bonavista region operates within a dynamic situation and the ability of the region's communities and groups to successfully implement a cooperative CED process may be influenced by a number of current local events and ongoing changes.

The first of these is the plant consolidation issue. While cooperation between communities in the King's Cove area appears to be relatively good, the conflict between Bonavista and the communities of the Catalina area (Catalina, Little Catalina, Port Union, Melrose) is deep-rooted, intense, and without a doubt, debilitating to the development process. The conflict has been ongoing for years but is particularly intense at the present time as a result of the FPI plant merger controversy. Given that the plant merger controversy is a factor fueling the conflict between these towns, one question is, "how would the spirit of cooperation be affected if the controversy was resolved?" It is difficult to imagine the towns themselves arriving at a peaceful and mutually-agreeable settlement, given the intense animosity between them.

One conceivable scenario which might end the plant controversy could arise from a return of the groundfish stocks and a reopening of the fishery. To date, FPI has remained
cautiously non-partisan to the merger proposition, waiting for the communities to resolve their own differences and to arrive at their own agreement. Should the fishery reopen, however, FPI is unlikely to operate more than one plant on the Bonavista Peninsula. All species of groundfish, shellfish and pelagics caught by both the region's inshore and the offshore fisheries (and possibly others) will likely go to one plant, rather than three.

Assuming that the Port Union plant is not sold for other uses (which seems doubtful at this time), and given the fact that it is larger, newer and better equipped than either the Bonavista or Charleston facilities, the Port Union plant, from an economic perspective, would appear to be the preferred option for a multi-species fish plant.

While such a decision would certainly force a resolution of the plant issue *per se*, it would do little to douse the flames of discord that exist between the towns. The towns of the Catalina area have stated that if FPI does reopen the Port Union plant they will no longer honour their original plant merger offer which was to bring over all crab processing employees from the Bonavista plant and to hire new employees on the basis of seniority, regardless of which plant they previously worked in. A clear winner and a clear loser would seem likely to emerge. While there are many unknown variables, the already poor relations between the towns would likely be further weakened and the region's capacity to achieve effective, cooperative economic development would very likely be further impaired.

Hodge and Qadeer (1983) argue that a "community of communities" approach to development is essential. The new zonal board system of development appears to promote this approach. As the board in the Bonavista region becomes established and operational it will undoubtedly influence the spirit of cooperation in the region. What this influence might be is a subject for speculation. Changing the geographic scale of

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80 In reality, decisions of this type will more than likely be left to FPI rather than the community.
development activities in the region to encompass a much larger area will almost certainly have significant implications, for the cooperation issue in particular and for development in general.

As reviewed in Chapter IV, the region's old development structure was an eclectic collection of various government and non-government agencies working under a diverse set of mandates. The division between the town of Bonavista and the communities of the Catalina area was reflected in these various organizations with some groups clearly interested in the development of Bonavista and others clearly more concerned with development in the Catalina region. Under the new zonal system, Bonavista and Catalina area towns will become just a few among many communities working together towards the development of a region (Discovery Zone) that encompasses the entire Bonavista Peninsula and the Isthmus of Avalon as far as Chapel Arm. A diverse set of community types and development interests will be represented in this zone which includes the large service centre of Clarenville, the tourism-based economy of Trinity, the industry-based communities on the Isthmus (viz., the Come By Chance refinery and the Hibernia construction project at Bull Arm), the agricultural communities around Lethbridge and Musgravetown, as well as a larger number of predominantly fishery-based communities such as those on the Headland.

A centralization of decision-making authority in this way could potentially downplay or even defuse the debilitating effect of the Bonavista - Catalina region tensions. Greater cooperation could come as a result of the need to consider broader, more important development issues, or perhaps the people of Bonavista and the Catalina region will come to recognize their commonalities and will attempt greater local cooperation in order to provide the Headland with a stronger voice in a new regional context which includes Clarenville and the communities on the Isthmus of Avalon which undoubtedly have very different development priorities. Bonavista and the Catalina region may, in fact,
have little choice but to put their differences aside. Otherwise, they may simply be left behind by the rest of the communities in the Discovery Zone which are surely not going to allow their own development to be impeded by what, to them, would undoubtedly appear to be petty local rivalries.

While a resolution of the plant consolidation issue or the establishment of the new zonal system will undoubtedly influence the spirit of cooperation between the different groups and between communities in the region, a more concerted effort at resolution must be made. The first step necessary is a greater understanding of the nature and basis of the Bonavista - Catalina region conflict, as well as a greater understanding of people's attitudes toward cooperation. What is the basis of the bitter conflict between these towns? Is it a conflict which will diminish over time? Some respondents suggested that the conflict will eventually die out owing to recent educational restructuring which resulted in the closure of Little Catalina's T.A. Lench High School. Until that time, children from Bonavista went to school in Bonavista and children from the Catalina region attended school at Catalina area schools. The segregation and lack of association between people in the region, which began at school age, undoubtedly sustained and even cultivated the conflict between the communities over the years. Now, a single high school serves the entire region. Over time, a single school system will (hopefully) serve to reduce the segregation of the communities and, ultimately, the bitter conflict between them.

The lack of cooperation evident in this region goes beyond the community conflict issue, however. Evidence of poor cooperation is everywhere. The substantial differences between groups of KDPs testifies to a lack of mutual understanding and community cohesiveness. For example, only development workers overwhelmingly support a regional as opposed to a community-based approach to development. Other groups of KDPs were divided on the issue, with politicians quite opposed to the idea. Perhaps a key element in promoting regional development and CED in general is through education of KDPs, with
particular attention to politicians (key decision makers). The role of the outport politician needs to be changed from a dispenser of government funds to a supporter of, and truly key player in, self-reliant, bottom-up CED. It is certainly ironic, however, that the way of advocating bottom-up planning seems to be through top-down education.

Once the nature of the conflict and people's attitudes toward it are understood, measures can then be taken to attempt to resolve the conflict. At present, there are no formal institutional arrangements in place to deal with inter-community conflicts like this one. One possibility, however, is a visioning exercise in which people from all communities in the region express their thoughts about the future for themselves, their families, their communities and their region. Commonalities are recognized and, hopefully, a sense of region, not just community, along with good-will towards cooperation would be established. Such exercises could be delivered through the region's SEP, as part of the Discovery Zone planning phase. The development of the SEP can thereby serve two purposes: 1) to produce a blueprint for future development; and 2) to act as an educational tool about CED for the community. By incorporating public participation into the planning process, resident's views and attitudes are recognized and incorporated into the SEP and, by sharing those attitudes and information about CED with the community, the residents can in turn learn about the importance of cooperative development.

7.2.5 Local Control

There was little evidence of local control (in terms of local ownership or utilization of local resources) on the Bonavista Headland. Typically, development has been the responsibility of government and big business and this reality has changed little since the moratoria. The traditional lack of control may have serious implications for development
on the Bonavista Headland. Local control is the cornerstone of CED. By definition, CED is development of the community, by the community and for the community — a definition which strongly suggests a need for local control over the process. Without local control the community is disempowered and many of the positive characteristics of development noted elsewhere may be devalued. For example, while there are clearly some individuals in the region with entrepreneurial characteristics, the region as a whole lacks entrepreneurial spirit. As discussed, part of the evidence supporting this observation was the lack of local recognition of local physical, human and financial resources and their utility in development. This can perhaps be partially attributed to the fact that the region has never had control over their resources. If people perceive a resource to be the exclusive domain of an external party, they are unlikely to think of it as something they have the right or ability to use in their own community's development.

The lack of local control may also undermine some of the encouraging findings on community support and planning. Both public participation and support for development were reported to be strong and there was a solid appreciation of the importance of strategic planning in the region. In practice, however, one would expect that community support and the willingness of the public to invest their time and particularly their financial capital into development would increase along with the degree of local control over the development. Development by a community cooperative, for example, is almost completely in the community's control and it therefore demands a high level of public participation. An externally controlled development such as the introduction of a foreign manufacturer into the fish plant, requires little community support and even less participation (beyond employment). Hence, should the region continue along this traditional, minimal control development path, their potential to utilize their strong community support characteristics in a community-based development application will not likely be realized.
The potential to effectively employ a strategic economic plan may also be undermined if the region does not take control of its development. While a strong appreciation of the importance of strategic economic planning was reported in the region, there will only be acceptance and support of a development plan when the community has control and when the public has a say in the community's development direction.

The argument that without local control CED will fail is far too simplistic. There are other aspects of the local control issue which raise more interesting questions about CED on the Bonavista Headland. First, the question of giving as opposed to taking control. Local control is discussed in much of the literature, and indeed in this thesis, as something which the community must take. It is often associated with the notion of entrepreneurial spirit and many authors argue that the community must aggressively take control of its own development direction. In many respects, this version of local control is correct. For the individual entrepreneur or local business owner or even a community cooperative development, control must be taken by the community. The onus is on the individual or on the collective community to assume the responsibility for their future and it is, in fact, within most communities' power to do so.

All development situations are not this easy, however. In outport Newfoundland the fishery has played (and will continue to play) a crucial role in the developing economies of these communities. Local control over the fishery cannot be assumed by the community as can other development endeavours. Some communities in Newfoundland have moved toward greater control over the fishery. Petty Harbor, for example, initiated its own community-based fisheries management plan in the 1970s which included a total ban on gill net use. Communities such as Petty Harbor, however, are exceptional in this regard. Community-based fisheries management and enforcement is a new idea and one which seems most applicable to enclosed fisheries (i.e., the management of a more or less enclosed ecosystem such as a lake where exploitation is limited to one or two
Local management and control over marine fisheries is, of course, a far more difficult proposal. Fish move and the success of the management plan of one community will be greatly determined by the actions of other groups or communities (this, as coined by Hardin [1968] is the "tragedy of the commons"). Local control, therefore, is not something that can automatically be assumed or taken. Often it must be granted and, in many cases, such as in fishery-based Bonavista, complete control over economic development will probably never be realized.

This leads to another question. If complete control over economic development is not realistic, then what degree of control should communities be aiming for? One can certainly envision a number of different levels of community control. Maximum local control would likely be realized through a cooperative system of development -- a community owned, operated and controlled development project such as those co-ops launched in Petty Harbor and Fogo Island, Newfoundland. One step down from a cooperative might be the local entrepreneur who sets up a new business in town. Control in this case rests largely in the hands of an individual rather than the collective community. The type of control situation which the Bonavista Headland is probably most familiar with is where outside interests open a business in the community. On the smaller end of the scale, such developments might be in the form of a franchise -- larger-scale ones in the form of the mega-corporation, such as FPI. In both cases the decisions are made from outside the community and local people have very little control over the development. Decision-making authority rests completely outside the community, perhaps even outside the province or country.

The literature (and indeed common sense) certainly supports the notion that communities are more sustainable when they have greater control of their economies. It would be difficult to argue against the suggestion that communities like Bonavista should pursue locally controlled projects with at least the same zeal that they are placing into
smokestack chasing. Does this mean they should board up the fish plant and forget about ever finding another industry to fill it? Of course not. While a community buy-out of the fish plant is certainly an attractive proposition, it may be impossible given the enormous capital expenditure required, the community's limited capital resources and FPI's conditions of sale. Hence, if the region's only feasible option for utilizing the fish plant is to sell it and accept external control, are the region's smokestack chasing efforts necessarily detrimental to development? The answer would appear to be a qualified no. No, because the fish plant and its infrastructure represent a tremendous capital asset to the region and it would be a waste not to utilize such an important development resource. It is a qualified no, however, because of the apparent imbalance in the region's overall development approach. Clearly the prevailing way of thinking among local people is to chase smokestacks or, as many local KDPs expressed it, "fill up the plant". While these efforts may be commendable as part of an overall development strategy, they are not if they are the community's only strategy. If the region were approaching development from a CED mindset it would be developing small, local enterprise with local ideas and local control. Local people would take the fish plant for what it is -- a potential supplement to the region's future economy but not their panacea.

The acceptability of the region's smokestack chasing efforts must also be qualified because of the potential implications of success. Although FPI's one dollar offer on either fish plant still stands, the conditions for the sale of FPI's Charleston and Port Union plants are quite restrictive and the sale seems unlikely. This aside, one question needs to be asked: what if somebody buys, for example, the Port Union plant (meeting FPI's conditions) and begins production of 'widgets' or some other non-fishery product and, shortly thereafter, the fishery returns? One can only imagine the controversy. With a revived fishing industry FPI would possibly go ahead with its proposal to consolidate its Newfoundland operations into a few, very large, regional fish plants. This would likely
mean a single plant operating on the Bonavista Peninsula. With the Port Union plant no longer available as an option, would the Headland lose any possibility of winning the decision for a regional fish processing plant given the age of the Bonavista plant? What if the Bonavista plant were expanded into the regional processing facility? While good for the Headland as a whole, it would likely do little to settle the conflict between the towns on the Headland, particularly if hiring practices followed the discriminatory policies promised by Port Union's representatives (after the Bonavista town hall incident). In this case, however, the discriminatory policy would be against Catalina area residents and would favour hiring Bonavista residents.\(^{81}\) The implications of either of these scenarios would be further compounded, of course, if the new enterprise failed after a short time. At that point the potential for refitting the Port Union plant to use it once again in the fishery, would be slim and the community would be left with little or nothing to show for its efforts. Again, the sale of either plant is unlikely. The questions raised by the possibility are nonetheless interesting.

There is another level of local control, between the local businessperson and the large corporate interest, which is often ignored in the literature yet it is one which has the potential to contribute significantly to the CED process in regions like the Bonavista Headland. This is the 'outside' individual who moves into the community to set up a small business. The person is not part of any externally-directed corporation or organization and hence control would remain local as in the case of the local businessperson. However, the person is not, by some definitions, a 'local'. While this may seem a matter of petty semantics, the reality of small town life is that the community is very tight-knit and, in the community's eyes, you are not 'from Bonavista', for example, unless you were born there. A local distinction is made between the outsider setting up a business and the local person

\(^{81}\) It is difficult to say how serious this threat was (or would be). Given the union presence in the fish processing industry, it seems unlikely that such a policy of favouritism would be permitted.
doing the same. This reality seems to be ignored in much of the CED literature which emphasizes small scale indigenous development (that is, development of the community by the community). Hence a question, is there anything wrong with an outsider moving into a community with small scale business plans? Is this still CED or does this become some form of 'top-down' development simply by virtue of the person's upbringing in St. John's or Toronto or elsewhere?

Based on the Bonavista experience one could argue that while CED is undoubtedly best initiated from within the community, it does not necessarily, or even ideally, have to be initiated by those from the community. There is, in fact, a case to argue that the most effective entrepreneurs in community development may, in fact, be those who arrive in the community from outside. Such individuals may be able to recognize the resources of the community in a way that local people, raised in the community and accustomed to a certain mindset (for example, "we are a fishing community") may have more difficulty with. Such individuals may also have the advantage of being free (at least initially) from the internal conflicts and rivalries of the region. While they may never be completely accepted as a local, this may be a less serious offence, from the perspective of operating a business, than being associated with a local community, group or family. In other words, their unique status means that while they will need to work on building business allies, they may at least not be automatically saddled with business enemies simply on the basis that they are 'a Swyers' or 'a Johnson' or 'from Catalina' etc.

On the Bonavista Headland, there is some evidence that small scale, outside entrepreneurs are important elements in the region's recent developments. The Power Slate mine in Keels and the Silver Linings Bed and Breakfast in Bonavista are both owned and operated by people from elsewhere in the province who perceived an opportunity in the region and moved there for the purpose of launching their business. The Silver Linings Bed and Breakfast is a good example of the creative and innovative spirit
necessary to drive CED. The owners bought a large old house, formally owned by the Catholic Church, and converted it into a hospitality home to appeal to those visitors looking not just for a room but for a taste of local history. An old mast and other maritime artifacts decorate the front yard and throughout the house one finds antique furniture, ceramics, books, etc. all of which tell a story of traditional outport life. Since the Silver Linings Bed and Breakfast, two others have opened, both of which have adopted a specific theme designed to attract visitors.

These businesses (and the subsequent local spin-off businesses) probably would not have been without such non-local entrepreneurs. Perhaps this is a source of development initiative which the Bonavista Headland and other rural communities should be giving more attention to. Small business is the future of the Canadian economy and communities like those on the Bonavista Headland might do well to direct their development efforts toward small investors with at least the same enthusiasm as they are currently expending on drawing large corporate interest.

One of the most critical issues in CED is that of sources of funding (i.e., the often asked question, "who should pay for development?") This issue is inextricably linked to the questions of local control being addressed here. The region wants to control development but they do not want to pay for it. The prevailing attitude on the Headland is that funding is the exclusive domain of government and big business; local sources of development capital are barely recognized. Clearly development of a struggling rural economy is a significant task which requires substantial capital -- more capital than most communities have. Therefore, government must play some sort of role in development. Defining this role has never been easy and clearly no consensus has been reached in the Bonavista region.

Much of the CED literature supports the notion of government as a facilitator in development and there is evidence that the provincial government is adopting this role.
through recent policy directives such as those outlined in the CED Task Force Report (Newfoundland 1995a). However, the Bonavista region continues to see the community's financial role as being the recipient of development rather than a stakeholder in it. This presents a problem in terms of control. If the community does not invest in their own development how can they achieve control over it? Government is accountable to the taxpayer and if government is the only investor in a region's economic development then must they not maintain control over that development in order to ensure their accountability to the larger public?

One proposal by the former ERC was for a community investment fund where residents of a community pay into a fund designed to assist new businesses and development ventures in the community with a hope for a return on their investment at a later date. Having local people contribute to such a development fund is exactly the type of community-based investment necessary to give the residents of the community stakeholder status and ultimately, greater control of their economic future. For people to buy into such a strategy there must be faith in, and trust of, the people involved. Strong local leadership would appear to be essential. With little confidence in local politicians in Headland communities, the onus of such a program would probably fall on existing development organizations such as Cabot Resources or perhaps on the new zonal board. Also, the question of cooperation once again comes to mind. A cooperative funding vehicle such as a Community Investment Fund would seem to demand a greater degree of cooperation and trust among the relevant groups than is apparent in this region.

In summary, it seems that the CED bus on the Bonavista Headland is in need of repair. At the very least, the engine needs a tune-up and perhaps even some new parts. If they cannot get the parts locally, they may have to look elsewhere. As long as it remains their engine, a new set of sparkplugs could certainly do no harm. The driver appears to be a little inexperienced. While the community has its licence and are more than capable of
driving the bus they do not have a lot of road time logged. They appear to be more comfortable sitting in 'park' waiting for somebody else (the usual bus driver perhaps) to take the wheel. The bus is full of passengers, all eager to get going (in fact, some are even out trying to push the bus!). The problem is, nobody is terribly eager to pay for the trip, few can seem to agree on where it is they want to go, and some are even arguing about who it is they have to sit next to. The glove compartment of the bus is full of maps. Some maps are better than others. Some do not show the route very well; others do not show the destination and still others barely show the way out of the parking lot. There seems to be a great deal of effort in deciding which map to use and not enough effort in trying to put all the maps together to show the common destination, the quickest route to get there and the obstacles along the way. Most people on the bus have their vision firmly fixed on what they see as the road ahead. Some have their heads up and are looking out the side windows at the environment surrounding them. Unfortunately, when these people call out to the others to have a look, many either do not hear or do not want to hear.

7.3 Theory and Future Research

7.3.1 The CED Model

One issue that must logically be addressed in this conclusion is the applicability of the normative model to communities such as the Bonavista Headland and elsewhere. Is the model an effective way of examining CED? The findings from this research indicate that the communities on the Bonavista Headland do not generally subscribe to the principles of CED outlined in the model. To what degree is this disparity a reflection of the region's adherence to a top-down development philosophy and to what degree is it a reflection of limitations in the model?
If it is a reflection of the region then we must next ask what qualities and characteristics of the communities in this region account for such differences. Can the discrepancy between the views of development held by KDPs in the region and the normative model be attributed to the fishing community nature of the region? Would attitudes be comparable in a community under similar economic pressures except one based on a different single industry -- for example, mining or agriculture? Does the island nature of Newfoundland outport communities affect people's views of development?

Perhaps there is a persisting sense of distance and isolation from the economic centres of mainland Canada which affects the confidence of small towns in competing in a global economy. Perhaps the sense of community and independence is enhanced in island-bound communities? These are questions which warrant examination. Comparative studies should be conducted between regions such as the Bonavista Headland (where the traditional dependence has been on the fishery) and other regions such as the Isthmus of Avalon where an important part of the industrial base has been a large number of heavy industries, as well as other communities across Canada (e.g., B.C. timber towns, Saskatchewan agricultural towns and Quebec mining communities).

Perhaps, on the other hand, the discrepancy between KDPs' views of development and the normative model are a reflection of shortcomings in the model itself. Is the model idealistic rather than normative? While the model is based on a broad range of theory and practical findings from authors and communities throughout Canada, perhaps the notion of one community having all of these characteristics is unreasonable. Would other communities in other regions facing different development conditions fare any differently? -- undoubtedly. Surely a community which is further along in the CED process or one facing challenges less monumental than the loss of its single industry, would possess more of the characteristics of effective CED than was observed in the study area.
While it would be difficult to argue that any of the individual components presented in the model are invalid or inapplicable to any given community, perhaps where this model, and indeed much of the CED literature, fails is that communities under different conditions and challenges will also have different development priorities at any given time. The element of time, therefore, is an essential one for CED practitioners and theorists to consider. Which principle comes first? Generally speaking, it would seem most logical that, of the five principles, entrepreneurial spirit and planning should take temporal priority over, for example, holism. Does a region like the Bonavista Headland have the luxury, at this point in time, of giving the same consideration to environmental, social, cultural and other considerations as economic ones? In a crisis situation such as this, economic planning and initiatives (i.e. "projects") perhaps need to be given priority.

This point has, of course, been debated considerably in the development literature. Some would argue that unless environmental issues are taken into serious account and unless a holistic approach is embraced, that the goal of a sustainable community (including its economy) will never be realized. On the other hand, according to the local population of the Bonavista Headland (and probably most rural communities facing economic strife) jobs and economic growth have a far greater priority than any other development issue. Purely economic development is not holistic and it is, therefore, not CED as outlined in the normative development model. However, as Douglas' motivational model attests, economic priority is often the reality of rural development situations and, to achieve any sort of success in community development, the process must address the values and needs of the local population. If environmental issues, for example, are not an important issue for local people, yet they are made to be by, for example, development workers, then the process may be quickly derailed due to lack of community support.

It is not being suggested that environmental, social and other non-economic issues are unimportant. They are important and this needs to be communicated to the KDPs and
residents of the region, perhaps through the SEP process. Given the dire economic situation of the Bonavista Headland and the economically-focused views of local residents, however, the question is again asked, are all principles of CED equally important at any given point in the process? No, there appears to be a need to prioritize the various aspects of the development model according to the specific development application. On the Bonavista Headland it appears that the most critical aspects of CED to be addressed at this time are entrepreneurial spirit (that is, generating ideas, taking the risks necessary to launch some of these ideas and believing that they will succeed) and planning the development process.

One can also imagine a range of different priority scenarios, however, depending on the community and its situation. In a different community the priority might be on building community support for development in order to allow entrepreneurial spirit to flourish, or in another community, where entrepreneurial spirit is already well-established, the priority might be placed on developing an effective SEP. Clearly any type of 'normative' prioritization is impossible. There is, as discussed early in the thesis, no absolute recipe for development success. Conditions vary and no two communities will experience identical results from identical CED strategies. In fact, it would, no doubt, be difficult to establish a clear-cut prioritization of CED principles for even a single community. The community's development priorities would not only need to be determined initially, but would need to be continuously reviewed and updated during the process. Conditions change and, therefore, priorities must also change. Furthermore, there is interaction between the various characteristics and principles of the CED model. Change to one part of the process will mean change to all parts (developing a SEP, for example, will undoubtedly influence the entrepreneurial spirit, community support, local control and holism of development in the community).
The various components of the CED model are drawn from those characteristics of CED reported to be most effective in the relevant literature. In this way it is normative. It is idealistic, however, in that all of these characteristics are unlikely to be found in any community and, even if they were, in this particular case the crisis is so extensive and severe that CED alone may not provide the answer. At the very least there is not enough time to allow CED to proceed and evolve given the more pressing and immediate needs of suffering people in desperate communities. CED takes time; time to build upon ideas and time to build future development capacities. Government involvement seems the most logical avenue to pursue in terms of building capacity, notwithstanding the potential dangers of heightened dependency. As suggested, there is a need for a partnership between communities and government in the development process. Most government involvement in Newfoundland in the past few years has been concentrated on the TAGs program. While TAGS has provided an essential life vest for many sinking communities, it has essentially failed to build community capacity — to not only keep them afloat, but to allow them to swim as well. In a crisis situation CED may not be enough. It may sometimes be necessary to first 'make time' to allow CED to take root and grow.

Having said this, this in no way negates the importance of CED nor the value of theoretical frameworks and models of CED. Some guidelines for the use of such normative models would seem appropriate at this time. Given the diversity present among different rural communities and their conditions for development, theorists and practitioners in CED should be cautious not to use such models as a means of measuring CED potential or of ranking community potential or success in any such way. Rather, this model is probably best used as a needs assessment tool. It offers a means of highlighting a community's strengths and opportunities as well as its weaknesses and challenges within a CED context. On the Bonavista Headland, for example, some of the local strengths were the region's public participation, volunteerism and the KDPs' appreciation of the
importance of a planned process. Challenges on the other hand included the region's lack of self-reliance, local control and cooperation.

Having such a framework within which to identify a community's development attributes is useful, providing it is used correctly. The model is not merely a checklist for success. While check marks and black marks could certainly be identified from the list of development characteristics which comprise the model, this oversimplifies the issues and possibly encourages some sort of quantitative 'tally-sheet' (e.g., Community A scores 12; Community B scores 11). The model is intentionally presented as a bus rather than as a simple checklist in order to discourage such tallying temptations. The integration of the bus model is an important quality to emphasize for it accounts for the relationships between the various development variables. While the model is composed of a number of different characteristics and principles, they are all a part of a single theme or process, namely, CED. The relationships and dynamics among these characteristics is essential to acknowledge in order for the model to be used effectively as a community-based, needs-assessment tool.

7.3.2 Future Research

This study provides a snapshot in time. It assesses the approach to development in one region at one time. Regional comparisons are recommended to assess the applicability of the model to different community development situations. A temporal comparison could also be useful for at least three reasons. First, the research methodology was based on an assumed relationship between attitudes and behaviour. In other words, the attitudes of KDPs today will be reflected in their behaviour tomorrow. How strong is the A-B relationship in this type of application? Is attitude assessment of KDPs in a region an effective way of examining the development approach in a changing rural economy? A
follow-up study in this region would be useful to address this question and to further assess this relationship. After, for example, five years did the region's KDPs actually conduct their development strategies in the way they said they would five years earlier?

Development does not, of course, occur in a vacuum. Conditions change over time and a second reason for conducting a follow-up study would be to assess the effect of changing conditions, particularly the effect of public policy changes. In this region, the KDPs most attuned to the principles of CED were those with the most experience with government development policy and programs — namely development workers. The new zonal development plan promises to incorporate a wider range of the local population into the process. What effect will this new policy have on the attitudes of other KDPs toward development? Will politicians, for example, begin to embrace the CED concept after they have been exposed to its principles as (hopefully) encompassed by the new Discovery Zone development plan? The effect of the TAGS program on attitudes will also be an interesting subject to investigate. Will those KDPs who spoke of development in terms of government and corporate dependence be more or less apt to embrace the principles of self-reliant, community-based development once TAGS is finished? Alternatively, what if TAGS or some facsimile of it continues? Will this prevent attitudes from changing? Is there any possibility of conducting an effective CED process if there continues to be federal government support in the form of such adjustment packages? The region's approach to development will certainly be heavily influenced by TAGS and other public policy and, therefore, any follow-up study to evaluate changes in local development perceptions will need to take these policy changes into account.

The third motivation for a follow-up study in the region is to assess those aspects of CED which could not be fully examined at this time. As discussed, some aspects of development must come before others and, because of the early stage of development on the Bonavista Headland, it would have been premature to attempt to examine all of the
characteristics of effective CED discussed in the model. The issue of planning, for example, could only be assessed with respect to general views toward SEP. Specific qualities of the planning process such as flexibility, follow-through and knowledge-base can only be assessed once a plan has been implemented and KDPs have enough experience with planning to develop attitudes toward its specific qualities. Further examination could also prove useful of KDPs' perceptions of holistic development. Attitudes toward the natural environment, for example, were encouraging, supporting the holistic notion of development. However, will attitudes toward such non-economic community development factors be as favourable after five or ten years of development experience when the price of concerns such as environmental protection has become more apparent? The integration of social, environmental, cultural and economic considerations should also be examined more extensively once the region's development process has reached a more mature stage. Assessing attitudes toward the integration of different development concerns and interests will be more meaningful once the communities have had direct experience with development conflicts. If, for example, the fishery returns after other industries such as tourism have become established, how will the region endeavour to integrate these activities and how successful will they be?

7.4 Conclusion

The findings which have been presented herein paint a rather gloomy picture for those communities on the Bonavista Headland — at least according to the normative model of CED. The philosophy of Community Economic Development as it appears in the current literature and as it is presented in the normative model here is not a philosophy widely embraced by people living in the Bonavista region. Defining exactly what philosophy is adopted is somewhat difficult to say. While it might be dominantly top-
down, there are those in the region who do speak of development in unequivocally bottom-up terms. These people are the minority and, not surprisingly, they are those with some degree of formal training in CED theory. New ideas are not generally quick to be adopted in rural areas and on the Bonavista Headland there will undoubtedly continue to be a great deal of inertia to these ideas given the long tradition of practices and lifestyles which run contrary to the community-based philosophy. Hence, while there are those who 'talk the talk', the question still remains, will they be able to break the inertia of tradition and get the community to 'walk the CED walk'?

The situation is by no means hopeless. Communities throughout Canada have demonstrated a remarkable staying power and tenacity through harsh times and conditions and without a formal community-based development approach. Newfoundlanders in particular have always demonstrated exceptional innovation when it comes to surviving adversity. When there are not opportunities in the community, Newfoundlanders move away, at least temporarily to work elsewhere in the province, the country or anywhere in the world — but they often return. Their community is always home.

This continues today for, while opportunity on the Bonavista Headland itself may be limited at the moment, opportunity in Newfoundland as a whole has, in some respects, never been better. The development of offshore oil in the province continues to expand with Hibernia entering the production phase and Terra Nova, White Rose and other oil fields now in the early stages of development. The Voisey's Bay nickel mine and the Argentia nickel smelter also represent a potentially enormous economic boost as well as a significant generator of jobs, not only for Voisey's Bay and Argentia, but for people throughout Newfoundland, including the Bonavista Headland. Finally, we can never lose sight of the continued importance of Newfoundland's economic, social and cultural backbone — the fishery. The fishery is changing and expanding into many different, formally underutilized species and the future of the fishery has, arguably, not been so
bright since the moratoria. During the writing of the final draft of this thesis, in May 1997, Fisheries Products International (FPI) released a statement concerning the fishing industry in the province which could best be described as 'cautiously optimistic'. In their statement the company expresses considerable hope and optimism regarding the future of a number of different fisheries. The crab and shrimp fisheries look particularly promising, but there has even been some evidence lately of groundfish recovery along the south coast of Newfoundland and FPI is, for the first time in at least five years, speaking optimistically about the future Atlantic groundfish industry.

While these hopes for the future may, on the surface, smack of the 'old traditional system' they may indeed serve to make time for CED. There is a new thrust evident in the province's recent programs and policies which is characterized by a 'pull oneself up by the bootstraps' mindset and exemplified by the zonal development system. Communities like Bonavista, Catalina, Little Catalina, Port Union, King's Cove, Duntara and Keels will be brought into a larger economic picture which should allow them to identify and hopefully capitalize on new opportunities. Time, tenacity and a sound CED strategy will allow communities like those on the Bonavista Headland to realize their opportunities and decide their own futures.
References


Keats, D., Steele, D., and J. Green. (1986). "A review of the recent status of the northern cod stock (NAFO division 2J, 3K and 3L) and the declining inshore problems in the northern cod controversy." St. John's, NF: Memorial University, Department of Biology.


Appendix I
Copy of The Respondent Questionnaire
Community Development Questionnaire

Bonavista Region, Newfoundland

Note: The questionnaire has been altered somewhat from its original format in order to satisfy the minimum margin regulations for graduate theses. The original questionnaire was printed on 6 pages not including the title page.
The following sets of questions explore your views on development. People may have different views of what development is ... therefore, in this survey Community Development can be broadly thought of as:

"those things that are done to bring about positive changes in a community."

In the following set of questions please circle the number which best describes your opinion.

<table>
<thead>
<tr>
<th>A</th>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The fishing industry in this region will completely recover.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2. The fishing industry will always be the main employer in this community.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>3. Most of the jobs lost in the moratorium could be replaced by developing other non-groundfish fisheries.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>4. Government sponsored employment projects will always be an important part of this community's economy.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>5. Once the TAGS program ends this community will need another income support program.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>6. The only true measure of success in community development is job creation.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>7. Economic growth should be the main goal of this community.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B</th>
<th>Very Not Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. If there is a complete return of the fishery, how important will it be to develop new business and industry in this community?</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>9. How important are environmental issues in community development?</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>10. How important are social issues in community development?</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>
Next, some questions about those involved in community development:

B

1. How important should the following be in funding development activities in this community?

<table>
<thead>
<tr>
<th></th>
<th>Not at all Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business/Private sector</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Community organizations</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Community residents</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Federal government</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Municipal government</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Provincial government</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Unions</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

2. How important should the following be in generating ideas and starting development activities in this community?

<table>
<thead>
<tr>
<th></th>
<th>Not at all Important</th>
<th>Somewhat Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Church</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Community volunteers</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Community-based development</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>groups</td>
<td>Local businesspeople</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>/ entrepreneurs</td>
<td></td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Federal politicians</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Government development agencies</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Large corporations</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Local politicians</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Professional consultants</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Provincial politicians</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Unions</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>
3. How important should the following be in controlling development activities in this community?

<table>
<thead>
<tr>
<th></th>
<th>Not at all important</th>
<th>Somewhat important</th>
<th>Extremely important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community volunteers</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community-based development groups</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large corporations</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal politicians</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government development agencies</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local businesspeople / entrepreneurs</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local politicians</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provincial politicians</td>
<td>1 2 3 4 5 6 7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. How involved should the general public be in the community development process? Choose one of the following:

1. They should have complete control over the development process.
2. They should be given control over some parts of the development process.
3. There should be a partnership and exchange of ideas between the general public and those responsible for the development process.
4. Their opinions should be incorporated into the development process.
5. They should be asked their opinions about the development process.
6. They should be given information about the development process.
7. They should have no involvement at all.
This next section asks some questions about the process of community development:

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. This community would benefit more from a regional, rather than a community-based development strategy.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2. This community should proceed with development cautiously - this is not the time to take risks.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>3. How important is it for this community to have a program to train people in community development?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>4. How important are the training programs offered under TAGS for the development of this community?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>5. How important is it to invest money in improving infrastructure such as roads, water and sewer services to promote industrial development in this community?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>6. How important do you think it is for local government to offer tax concessions to industries interested in establishing here?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>7. How important is it to produce an information package to help attract outside investment into this community?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>8. How important is it to have an economic development plan for this community?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>9. How long do you think it would take for this community to develop a healthy, stable economy?</td>
<td>1</td>
<td>less than 1 year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>between 1 and 5 years</td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td></td>
<td>3</td>
<td>between 5 and 10 years</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>4</td>
<td>between 10 and 20 years</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>5</td>
<td>over 20 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>this community will never develop a healthy, stable economy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
This section is about development specifically in this community:

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. People here feel there is no future for them in this community.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>2. People here generally believe that this community's economy could be based on something other than the fishery.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>3. People here generally do not place much faith in the idea of community development.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>4. People in this town are willing to volunteer their time to community development projects.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>5. People here want to have an active part in planning this community's development.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>6. People here have always been supportive of community development projects.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>7. There is not much cooperation between towns in this region in community development.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>8. There is not much cooperation between groups in this town in community development.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>9. There is a strong sense of community in this town.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>
Now, a few questions about your own plans for the future:

<table>
<thead>
<tr>
<th>E</th>
<th>Definitely</th>
<th>Probably</th>
<th>Not</th>
<th>Don't Know</th>
<th>Probably</th>
<th>Definitely</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I will still be living in this community in five years.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>2. I plan to be in business in the Bonavista region sometime in the next five years.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>3. I will remain active or will become active in a community development group in the next year.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>4. I have some ideas for development which I plan to initiate in this community.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

Finally, some questions about yourself and your experience with community development:

<table>
<thead>
<tr>
<th>F</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Where were you born?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. How long have you lived in this community?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. What is your educational experience?</td>
<td>1</td>
<td>Less Than a High School Diploma</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>High School Diploma</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Some College / Some University</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>University Graduate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Other (please specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. What is your current occupation?

5. How long have you been employed in this occupation?

6. What elected or appointed positions have you held in regional, community, or service organizations in the past five years?

7. What other regional, community, or service organizations have you belonged to in the past five years?

8. Please list any community development projects or programs which you have been involved in during the past five years.

9. What types of businesses / industries do you think could be established in this community?

10. What are the major challenges and issues facing this community in terms of development?

Thank you very much for your time and your cooperation.
Appendix II
Respondent Consent Form
Community Development Questionnaire: Respondent Release Form

This survey is part of a larger research project at Memorial University funded by Canada's three academic research councils. We are studying changes in the social, economic and physical environment in the wake of the fisheries crisis.

In this survey we hope to learn how community leaders, such as yourself, view the process of community development. This survey will help us to understand what small communities traditionally do when faced by difficult times, what sorts of development actions they value as important, and how they might approach development in the future.

Your participation is, of course, voluntary. You may refuse to answer any particular question for whatever reason you please.

Your answers are very important to us and we want you to feel comfortable in providing them. We therefore want you to understand that you will remain completely anonymous, and the answers provided will be held in the strictest confidentiality. The information will be used in aggregate form only and your name will not appear on any page of this questionnaire.

The overall results from the study will be made available to the public of the area. If you have any concerns or questions concerning this survey or the research project in general, please contact me at: work (709) 737-7662 or home (709) 722-6037. If you have any concerns which I cannot personally address you may contact Professor Karyn Butler, Head of Geography, Memorial University of Newfoundland, St. John's, Newfoundland, A1C 3X9; (709) 737-7417.

Thank you in advance for your assistance in this project.

Sincerely,

Brent Smith
Department of Geography

Having read the above, I ______________________, agree to take part in the study.

Signature ______________________ Date ______________
Appendix III
List of Potential Topics Used in the Personal Interviews
Part 1: Past Development

1) Prior to the Moratorium, was there any attempt to diversify the economy in this community?

Describe:

Looking for:

• a description of the projects themselves

• the parties involved - government's role versus the community

• successful? people employed?

• if it failed, why?

2) What other types of development actions have there been here? (any projects, programs etc. designed to improve the community).

3) What development agencies have operated in this town and when were they formed?

4) Has development in this town typically been at the community or the regional level?

Part 2: Current Developments:

1) General Information:

• what is the development?

• where is it?

• when was the idea conceived?

• when is it expected to be completed?
• to what extent will the development utilize local resources? (labour, physical infrastructure, secondary processing)

2) Who was responsible for the development?

• who came up with the idea?
• who has guided the development and made the decisions?
• where has funding come from?
• who will be employed and how many?
• who has ownership?
• were there any community volunteers? - how many, how active?

What involvement did the following groups have?

- local development groups
- local businesses / entrepreneurs
- federal government
- provincial government
- municipal government
- government development agencies
- large corporations
- local businesses
- consultants
- unions
- church
3) To what degree was the public involved in the development / project etc...?

1 They had complete control over the development process.

2 They were given control over some parts of the development process.

3 There was a partnership and exchange of ideas between the general public and those responsible for the development process.

4 Their opinions were incorporated into the development process.

5 They were asked their opinions about the development process.

6 They were given information about the development process.

7 They had no involvement at all.

4) What sort of preparation was done before the development went ahead? (economic feasibility study? environmental or social impacts?)

Part 3 - Development Environment:

1) Does the community have an economic plan?

2) Is the discussed development included in this plan?
3) How supportive is the community with regards to non-fisheries development in general? this project in particular?

4) What effect do you think the whole TAGS program has had on community development here? Has it helped or held it back?

5) What degree of outmigration has there been since the moratorium? who are leaving? just the young or whole families? where are they going? how do these numbers compare to the norm? (any hard data?)

Part 4 - Outlook for the future:

1) If the fishery does not return, can this community survive?

2) What role do you see community development as having in this town? (generate enough employment to replace the fishery, enough to supplement a smaller fishery, or no use at all?)

3) What is your vision for the community?

4) What do you see as the greatest opportunities for this community?

5) What are the constraints to development here?