



# Rural and Regional Development in Newfoundland and Labrador: Emerging Challenges and Opportunities

Presentation to Newfoundland and Labrador Credit Unions' Director Conference

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Gander, May 28, 2009



# Outline

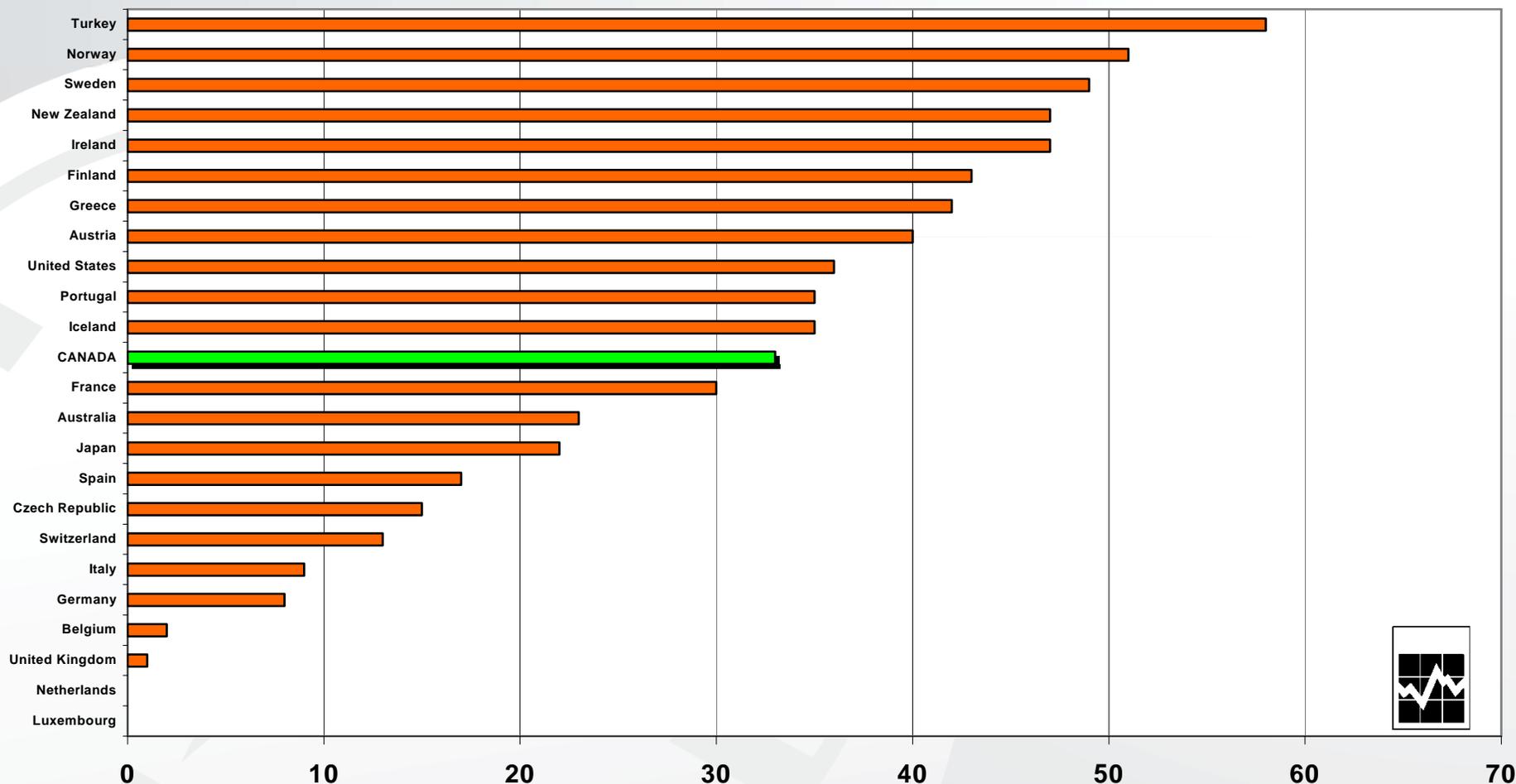
- Defining Rural
- Defining Development
- Geography Matters
- Integrated Approach
- Community Capital
- Organizational Capacity
- Harris Centre & Knowledge Mobilization
- Opportunities for Collaboration
  - The Population Project
  - Rural-Urban Interaction in NL
  - Other?!



## There are 4 “Rurals” (at least!)

1. Rural *Adjacent* (mixed economy; daily commuting to urban)
2. Rural *Non-Adjacent* (mostly primary resource)
3. Rural *Remote* (mostly single industry, northern; aboriginal)
4. Rural *Amenity* (cottage country, retirement communities, resorts)

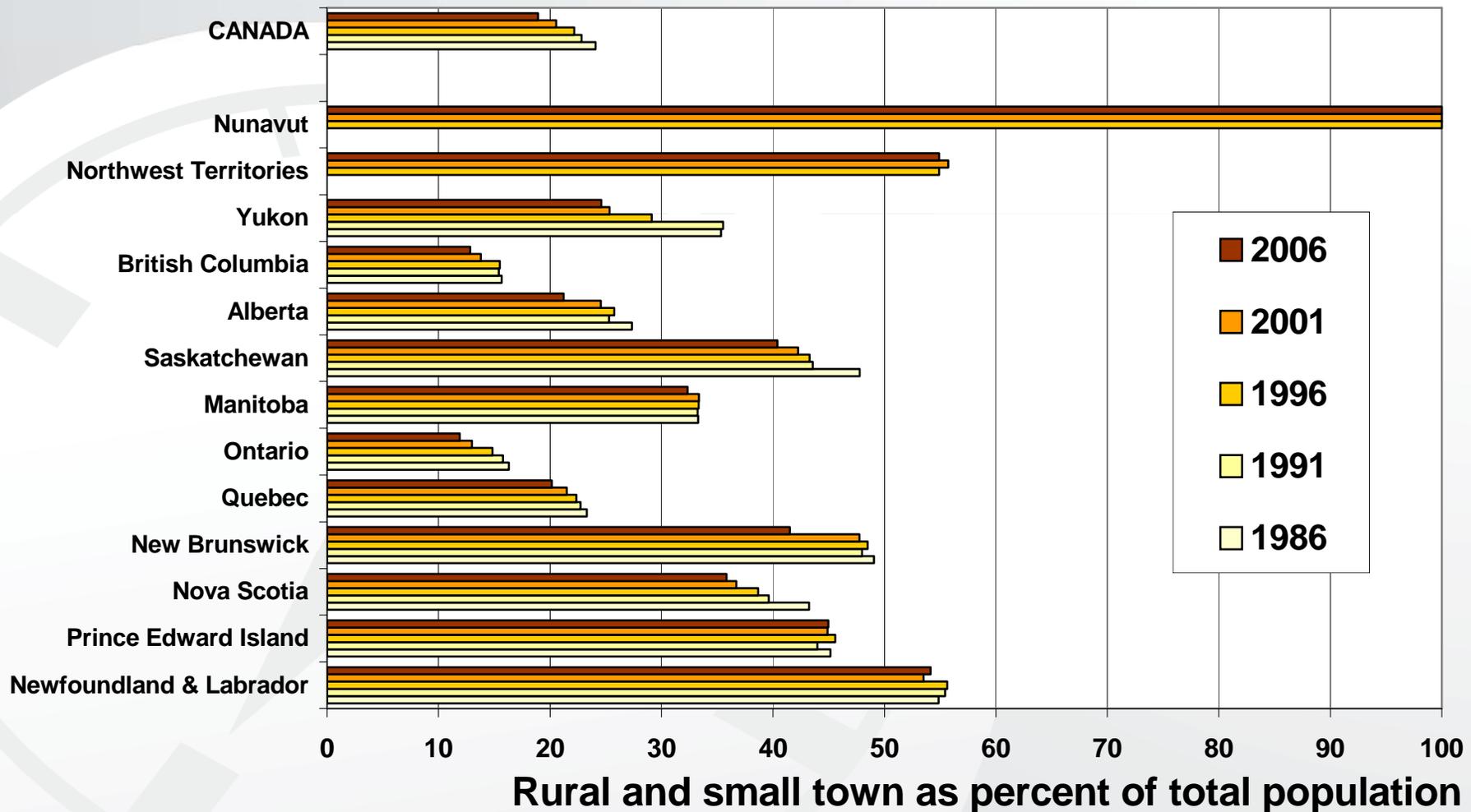
# CANADA RANKS IN THE MIDDLE OF OECD COUNTRIES IN TERMS OF SHARE OF POPULATION IN PREDOMINANTLY RURAL REGIONS



**Share of total population in predominantly rural regions, 1991**

Source: OECD. 1996. TERRITORIAL INDICATORS OF EMPLOYMENT: FOCUSING ON RURAL DEVELOPMENT (Paris: OECD), Table 1.1  
Canadian data are based on 1986 census division boundaries.

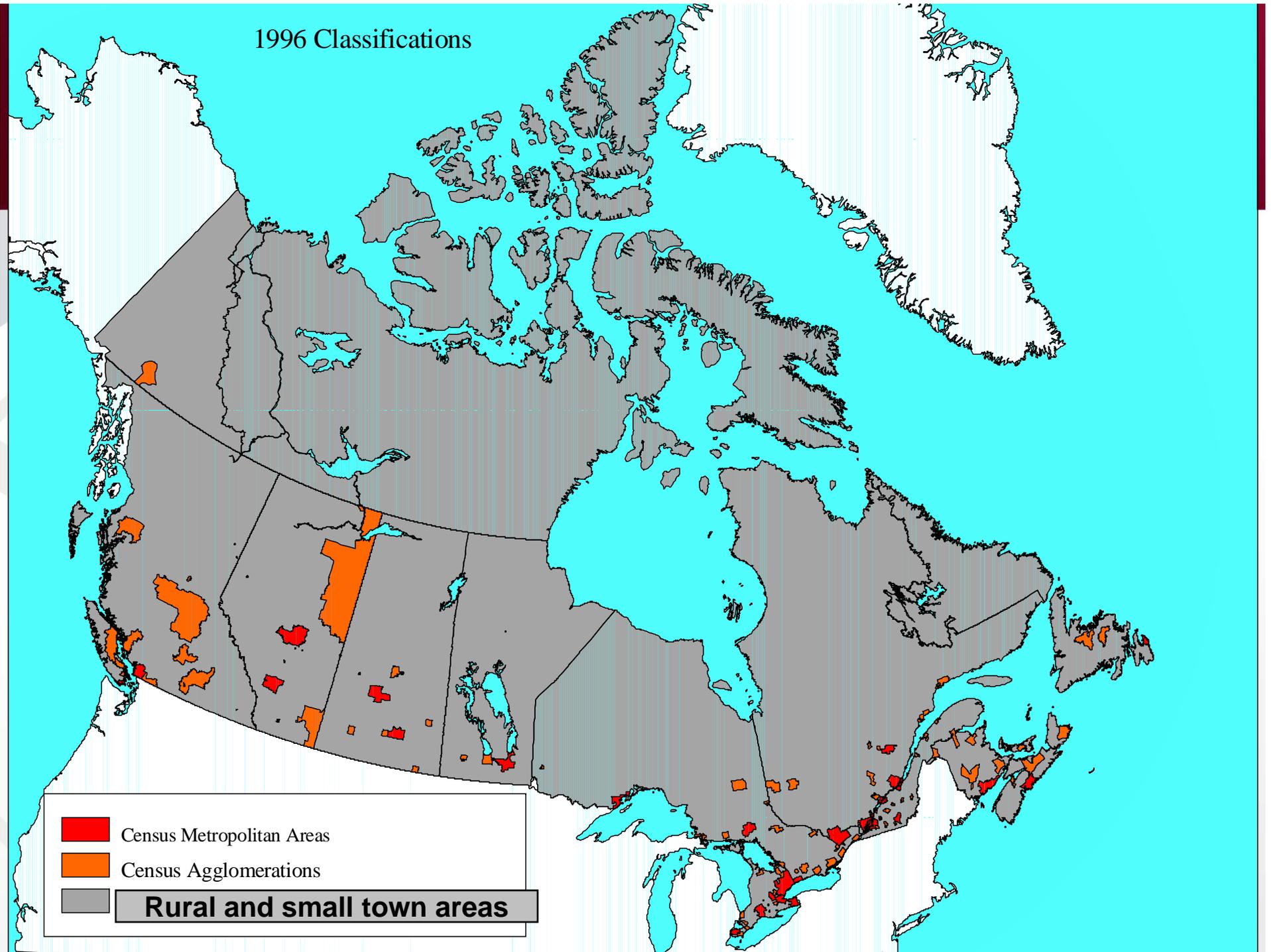
# In 2006, 19% of Canadians lived in rural and small town areas



Source: Statistics Canada. Census of Population, 1986 to 2006.

Rural and small town refers to the population outside Census Metropolitan Areas (CMAs) and outside Census Agglomerations (CAs).

# 1996 Classifications



# Metropolitan influence zones in Canada

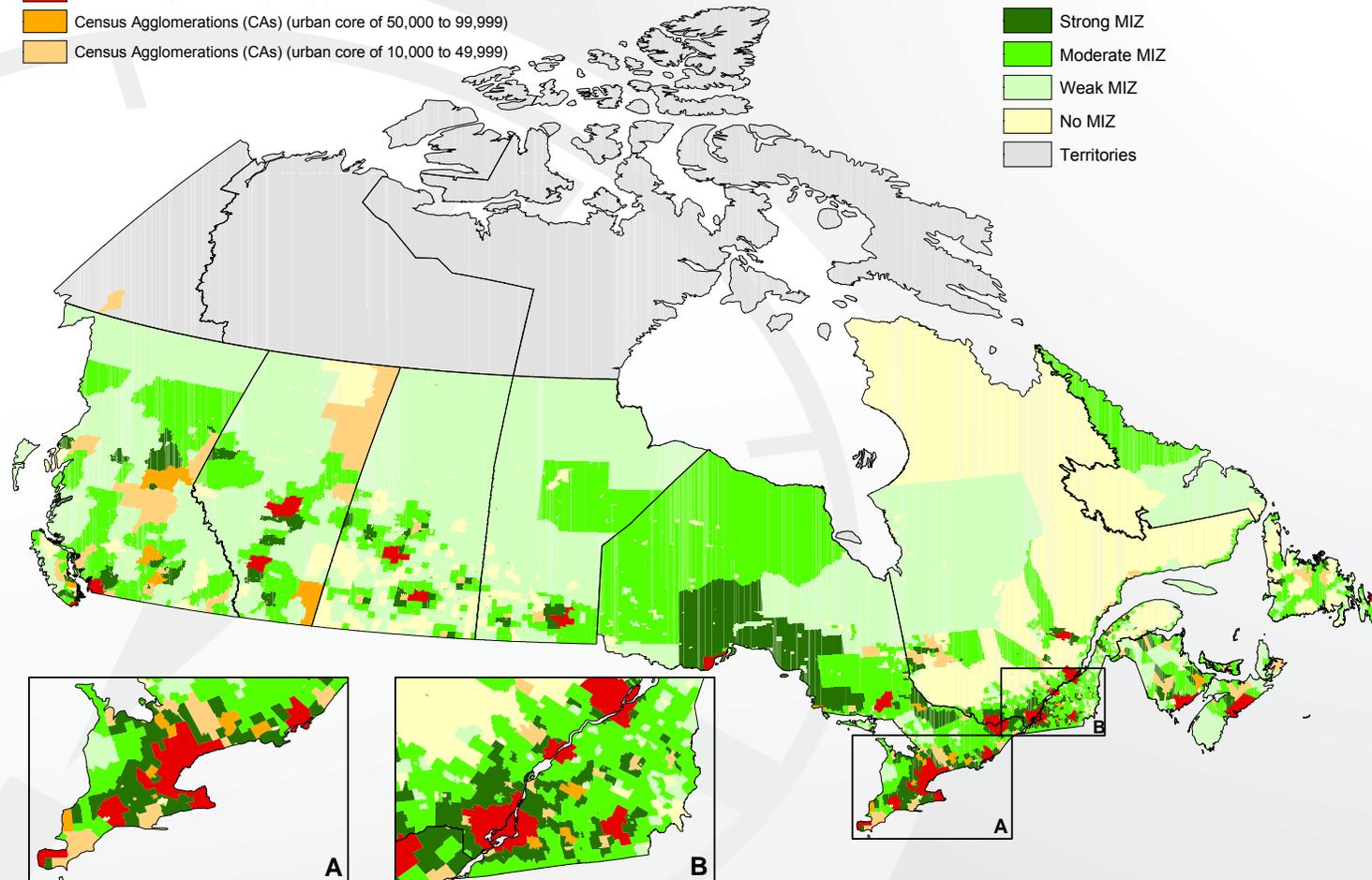
## Larger Urban Centres

-  Census Metropolitan Areas (CMAs) (urban core of 100,000 or more)
-  Census Agglomerations (CAs) (urban core of 50,000 to 99,999)
-  Census Agglomerations (CAs) (urban core of 10,000 to 49,999)

## Rural and Small Town areas

(showing Metropolitan Influenced Zones (MIZ))

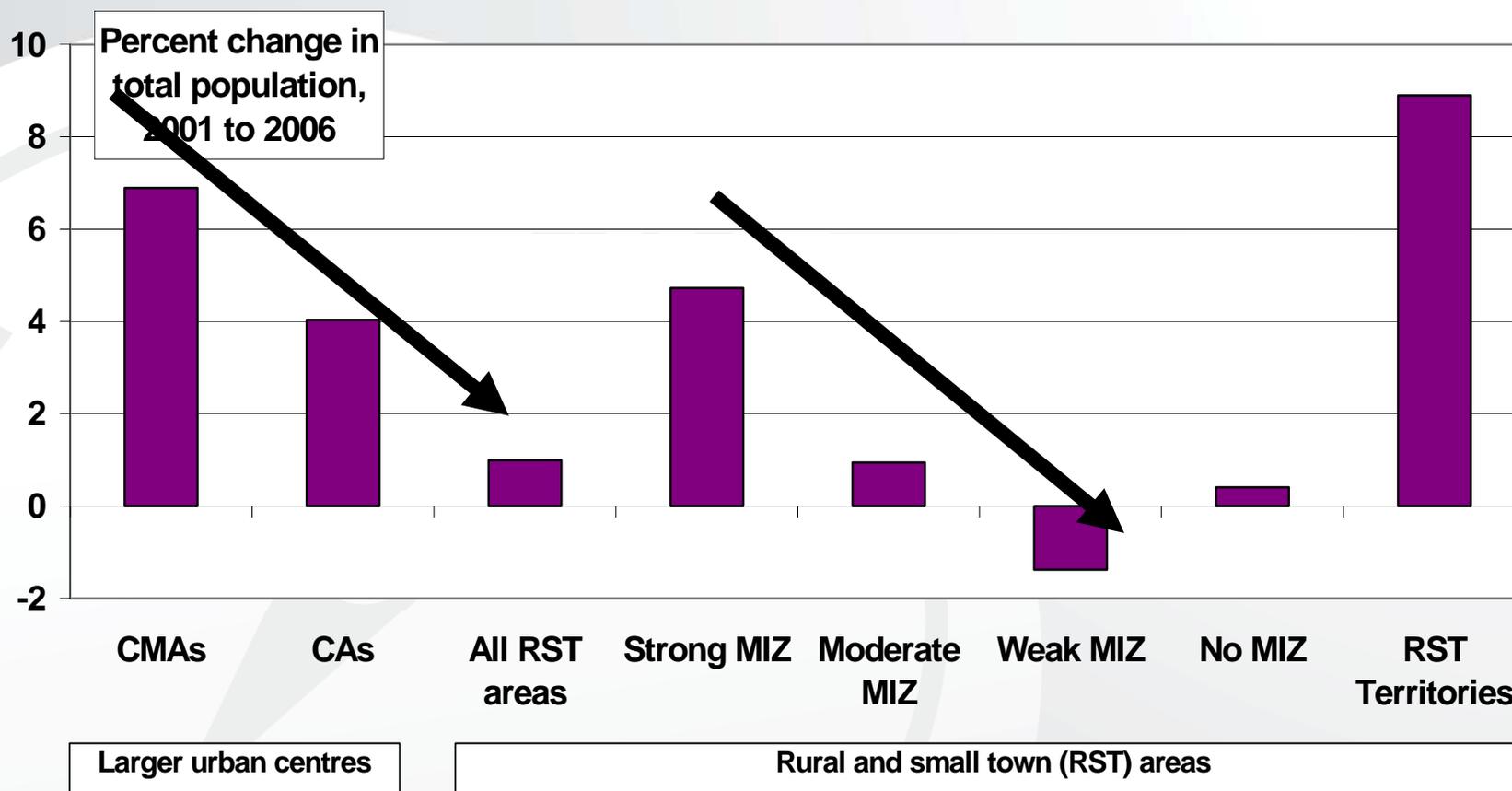
-  Strong MIZ
-  Moderate MIZ
-  Weak MIZ
-  No MIZ
-  Territories



Source: Statistics Canada. Census of Population, 2001.

Map produced by Spatial Analysis and Geomatics Applications (SAGA), Agriculture Division, Statistics Canada, 2004

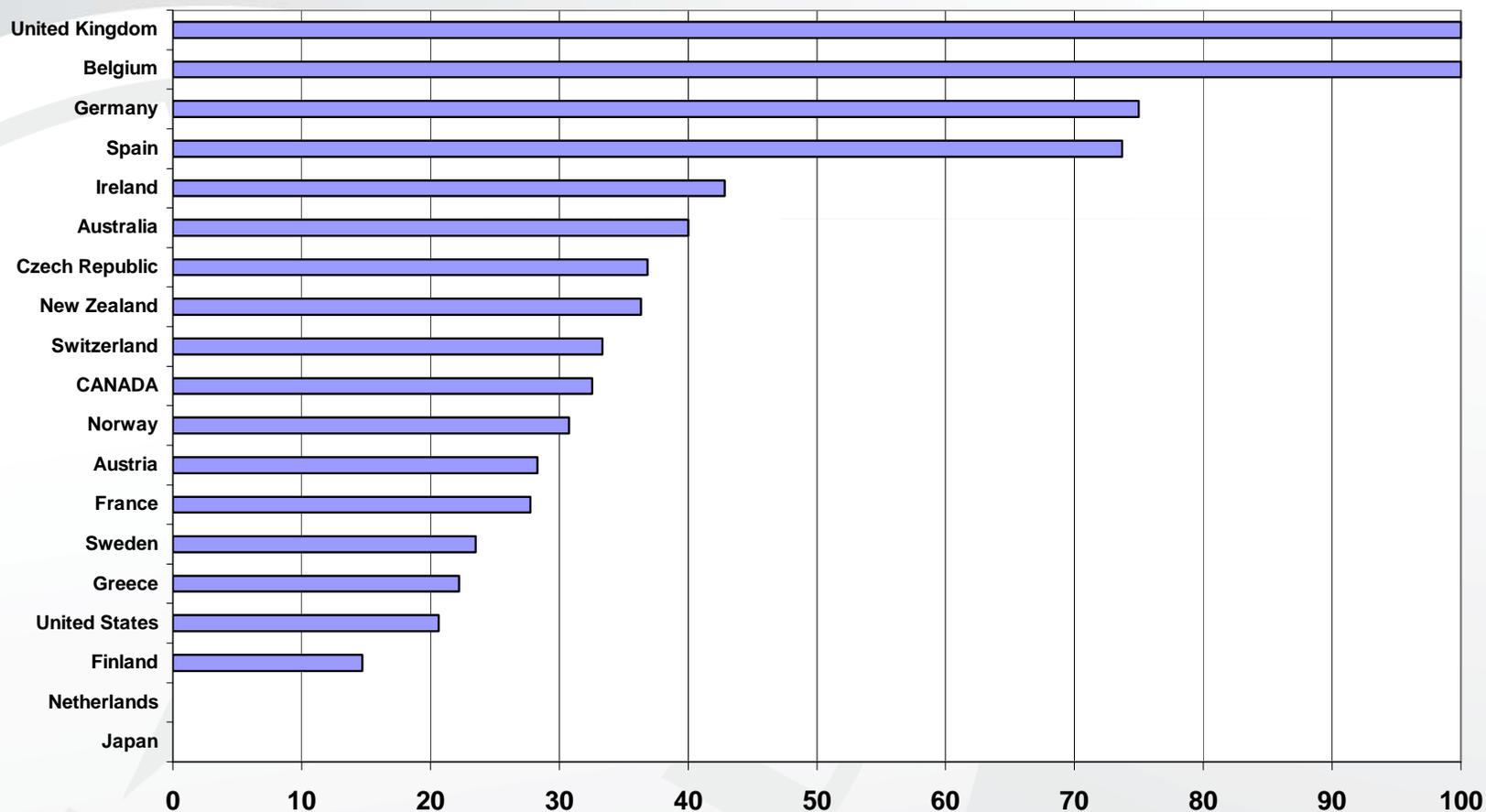
# CMAs grow more than CAs and rural



Source: Statistics Canada, Census of Population, 1986 - 2006. Data are tabulated within constant boundaries.

Census Metropolitan Areas (CMAs) have total population of 100,000 or more with 50,000 or more in the urban core and includes all neighbouring towns and municipalities where 50 percent or more of the workforce commutes to the urban core. Census Agglomerations (CAs) have 10,000 to 49,999 in the urban core and includes all neighbouring towns and municipalities where 50 percent or more of the workforce commutes to the urban core. Metropolitan Influenced Zones (MIZ) are assigned on the basis of the share of the workforce that commutes to any CMA or CA (Strong MIZ: 30 to 49 percent; Moderate MIZ: 5 to 29 percent; Weak MIZ: 1 to 5 percent; No MIZ: no commuters).

# In the 1980s and 1990s one third of Canada's rural areas were "dynamic"



Source: OECD. 1996. TERRITORIAL INDICATORS OF EMPLOYMENT: FOCUSING ON RURAL DEVELOPMENT (Paris: OECD), Table 2.

Percent of predominantly rural regions with employment growth above the national average (i.e. "dynamic" regions)



# Rural Development: Definitions

- ***Sectoral Development*** (agriculture, fishery, forestry, etc.)
- ***Diversification (1) building on primary sectors:*** capturing linkages (upstream and downstream)
- ***Diversification (2) into new sectors*** (tourism, non-resource based manufacturing, “new-economy”)
- ***Capacity building*** (human resources, organizational capabilities)



# Development as Linkages

- **Direct Linkages**

- Forward Linkages: "down stream" further processing / value added
- Backward Linkages: "upstream" infrastructure, capital goods and producer services

- **Indirect Linkages**

- Final Demand Linkages: local consumption and fiscal gains supports traditional services
- Fiscal gains allow re-investment in human resources and infrastructure



# Development as Linkages: Growth vs. Development



- Continued Dependence / Vulnerability **unless** Linkages from Resource Exploitation are Captured by Rural Areas
- Diversification away from Resources Vulnerable **unless** linkages between Sectors and Firms are Captured
- New form of Staples Trap? High Value Unprocessed Raw Materials – why capture linkages?

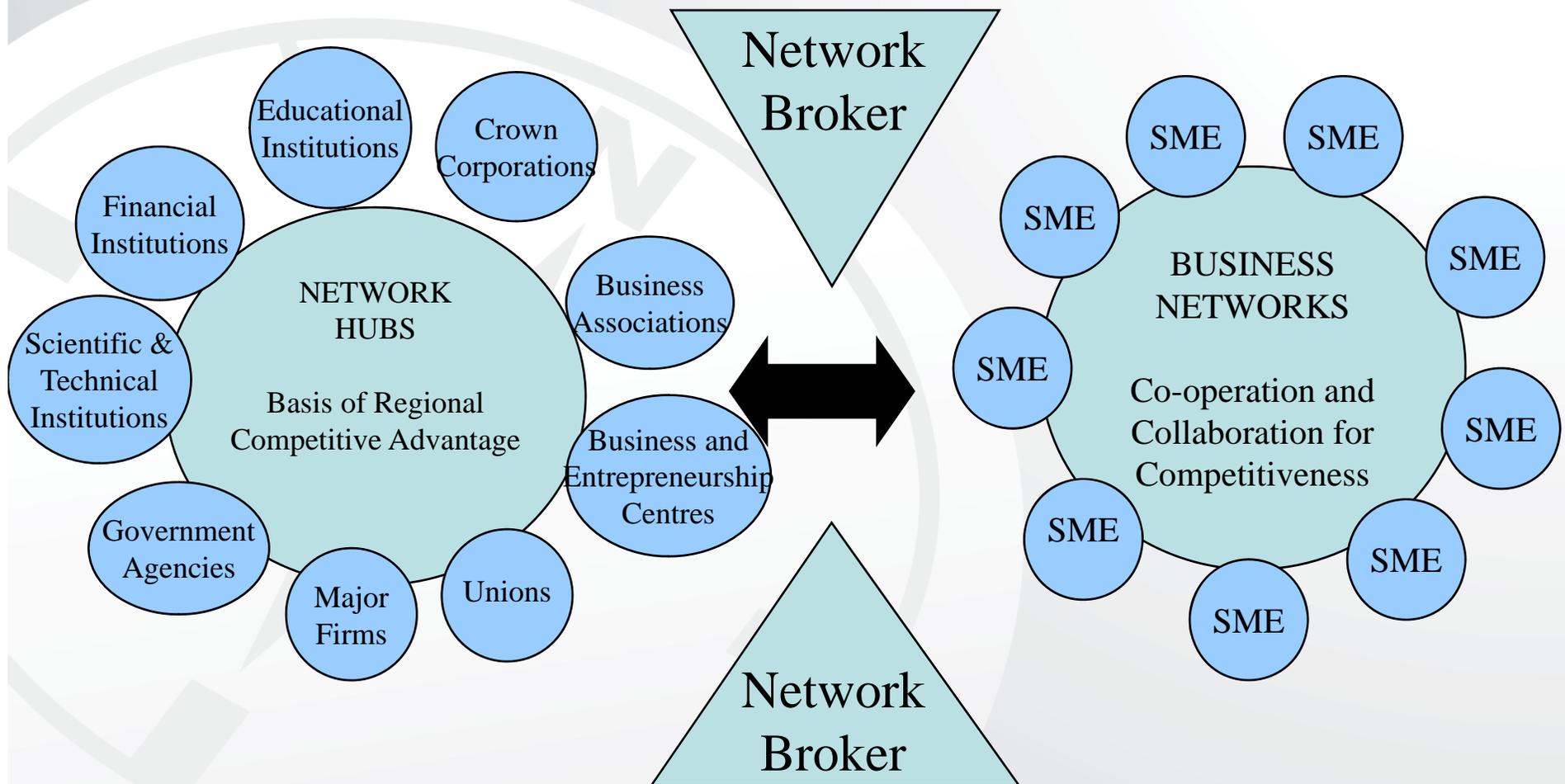


# Development as Linkages: Geography Matters



Linkages occur **within** a region *and* to **outside**:

- Between buyers and suppliers
- Where entrepreneurs can meet and share ideas
- Where employees develop skills that add value
- Where specialized infrastructure can meet the needs of the industry:
  - Required transportation infrastructure
  - Information Technology supports
  - Education & Training linkages
  - Research & Development outreach
- **Establish linkages from the region to outside firms, markets, partners**
  - ***Transportation (Access and Cost) is critical***



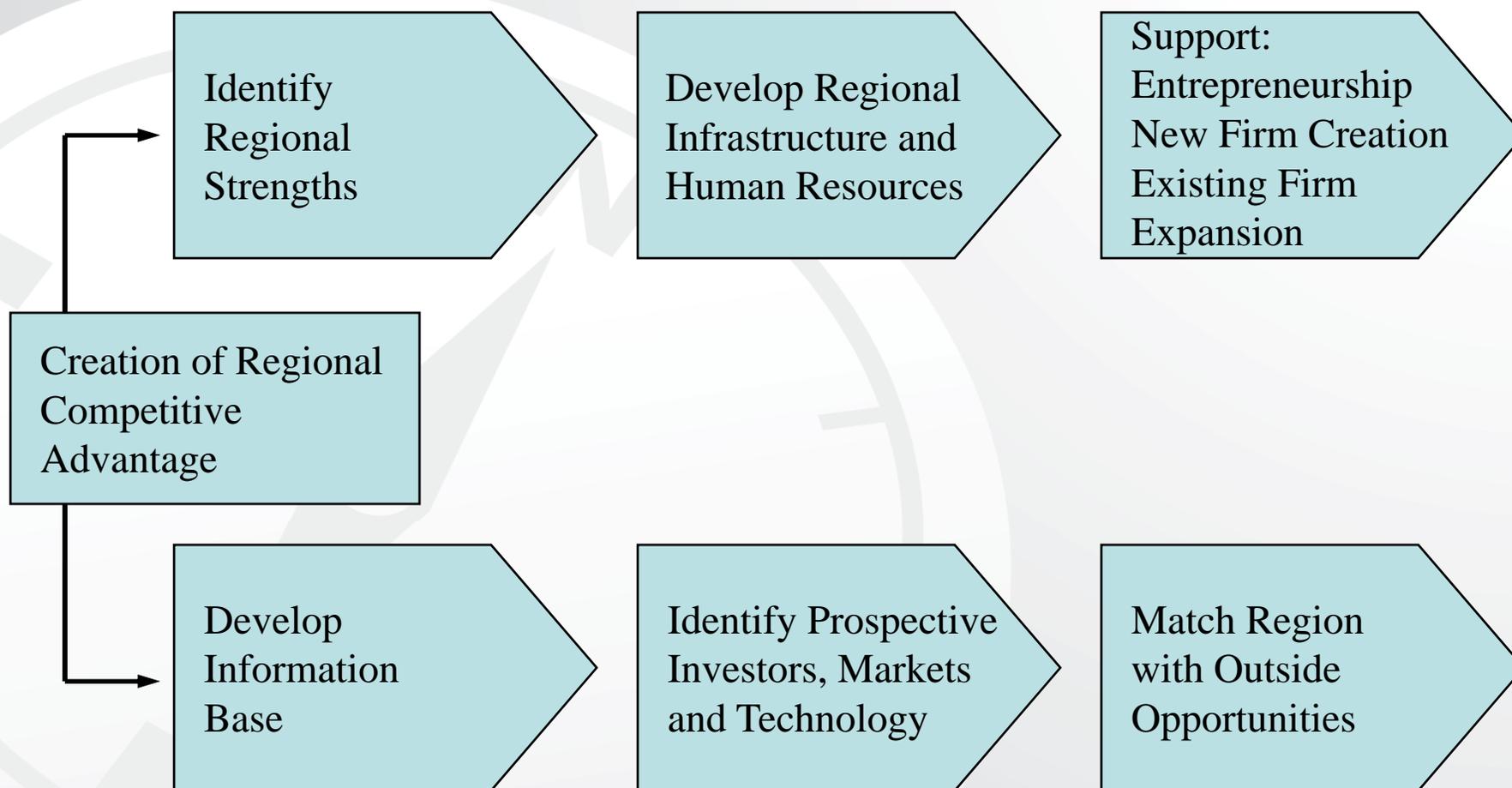


# Clusters happen in regions

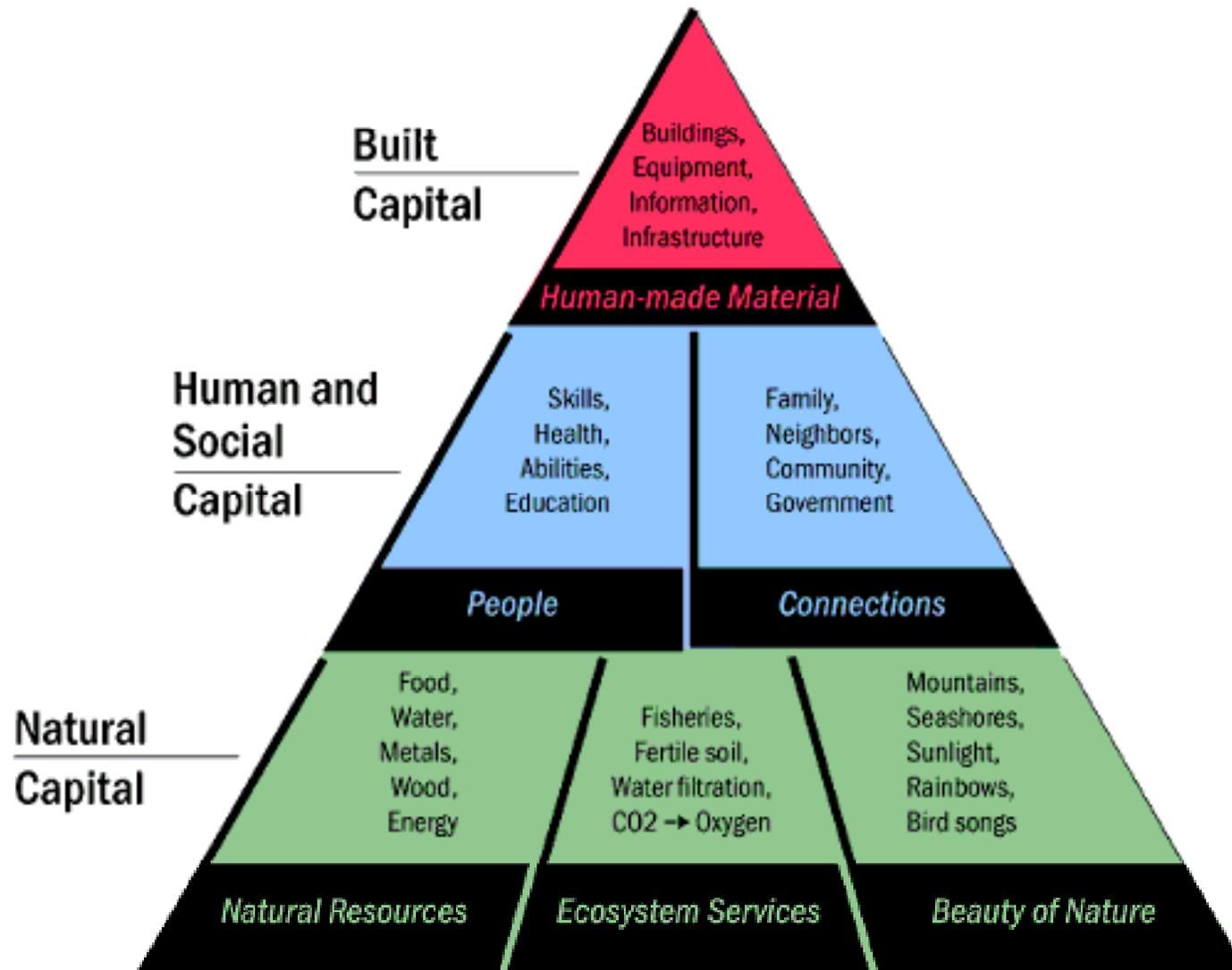
- Rural producers need to know how they fit in the supply chain
- Need access to urban upstream and downstream infrastructure, services, supplies and customers
- People live in regions: urban has things rural doesn't (and *vice versa!*)
- Public policy and governance need to reflect rural-urban inter-dependence: they don't



# Linking Regional Strategies with External Opportunities



# Community Capital



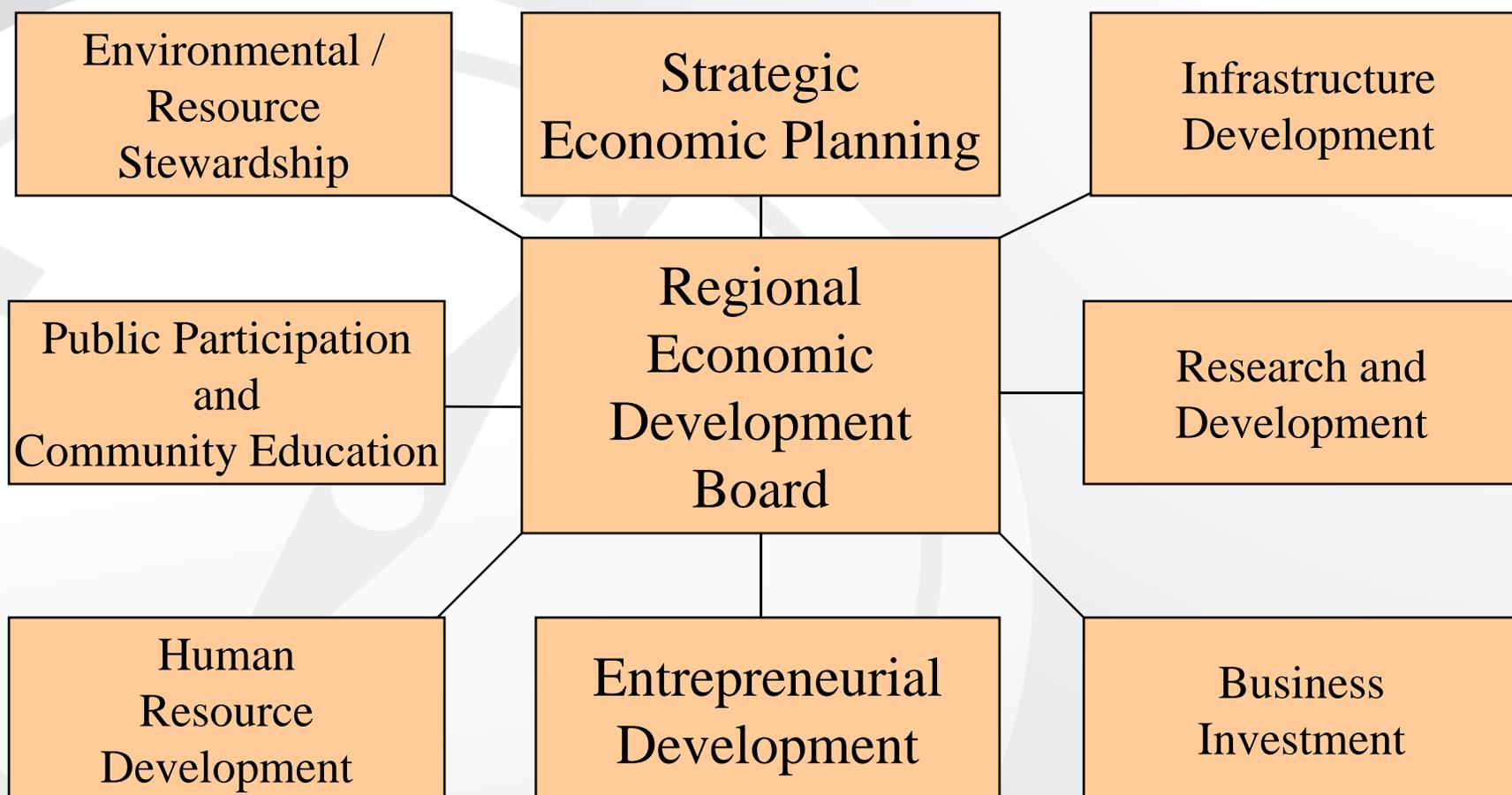


# An Integrated Approach: Linkages between Economic, Social and Environmental



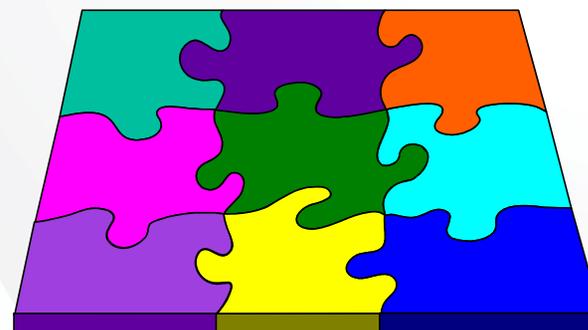
- Many types of Community Capital – assets to build on
  - Natural Capital: resources, ecological supports, quality of life benefits
  - Built Capital: buildings, equipment, infrastructure, information
  - Human Capital: skills, education, health
  - Social Capital: family, neighbours, community, governance
- Sustainable Development requires an Integrated Approach, understanding and developing all forms of capital
- Community **Capacity** is the ability to **use** your assets: do you have the governance tools?

# The New Regional Economic Development



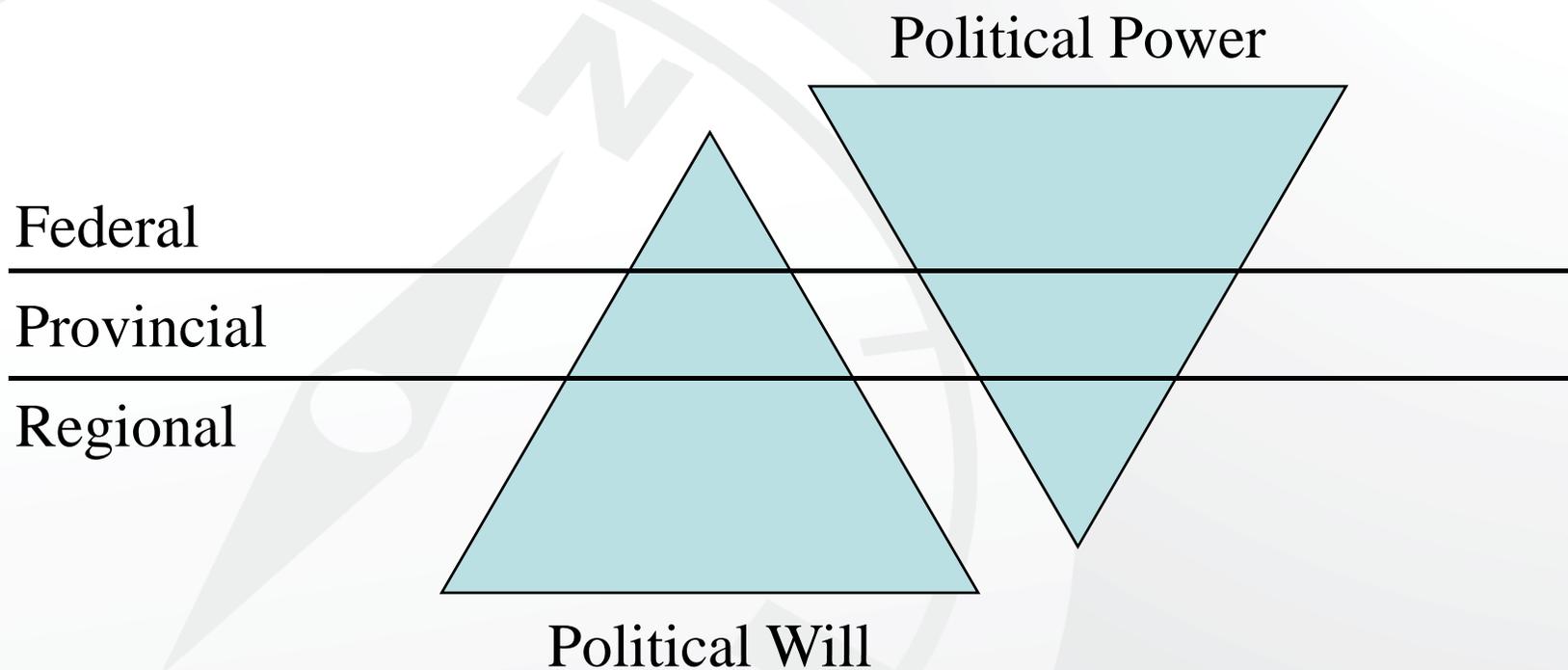
# Organizational Structures for Rural / Regional Development

- Fiscal Resources
- Human Resources
  - Leadership
  - Skilled Staff
  - Community Participation
- Legal Authority
- Local Democratic Accountability/Legitimacy
- Geographic Area
- Time





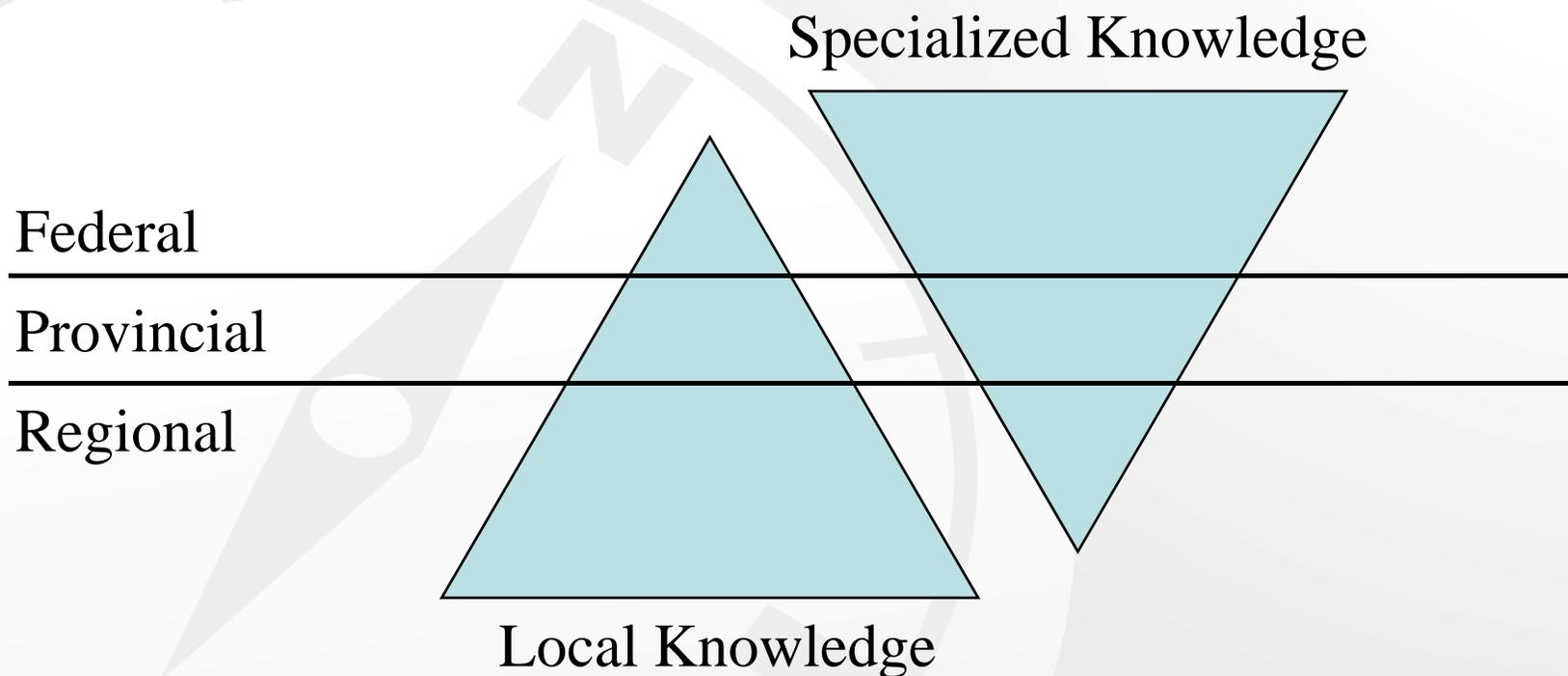
# Political Power vs. Political Will



Denzil Doyle



# Specialized Knowledge vs. Local Knowledge





# N & L Rural Sustainability Challenges

- Primary Resource Industry Restructuring
- Challenging Climates / Impact of Climate Change?
- Out Migration / Aging Population / Dropping Fertility Rates
- Dispersed Population / Remote from Markets / Transportation Challenges / Fuel Costs
- Urban “disconnect” from Rural
- Slash and Burn Culture / Non-existent Land Use Planning
- Sustainability / Continuity of Vision, Strategies



# N & L Rural Sustainability Strengths / Opportunities

- Authenticity / Culture
- Rural-Urban Linkages
- Atlantic Gateway?
- Immigration / Guest Workers?
- North Atlantic Partnerships
- Maturing municipal sector
  - Integrated Community Sustainability Plans
  - Regional Cooperation / MNL-NLREDA MOU
- Collaboration
  - Public Policy & Governance
  - Sectors: Primary Sectors, Manufacturing, Tourism/Culture / Heritage
  - Universities & Colleges



# Harris Centre Mandate

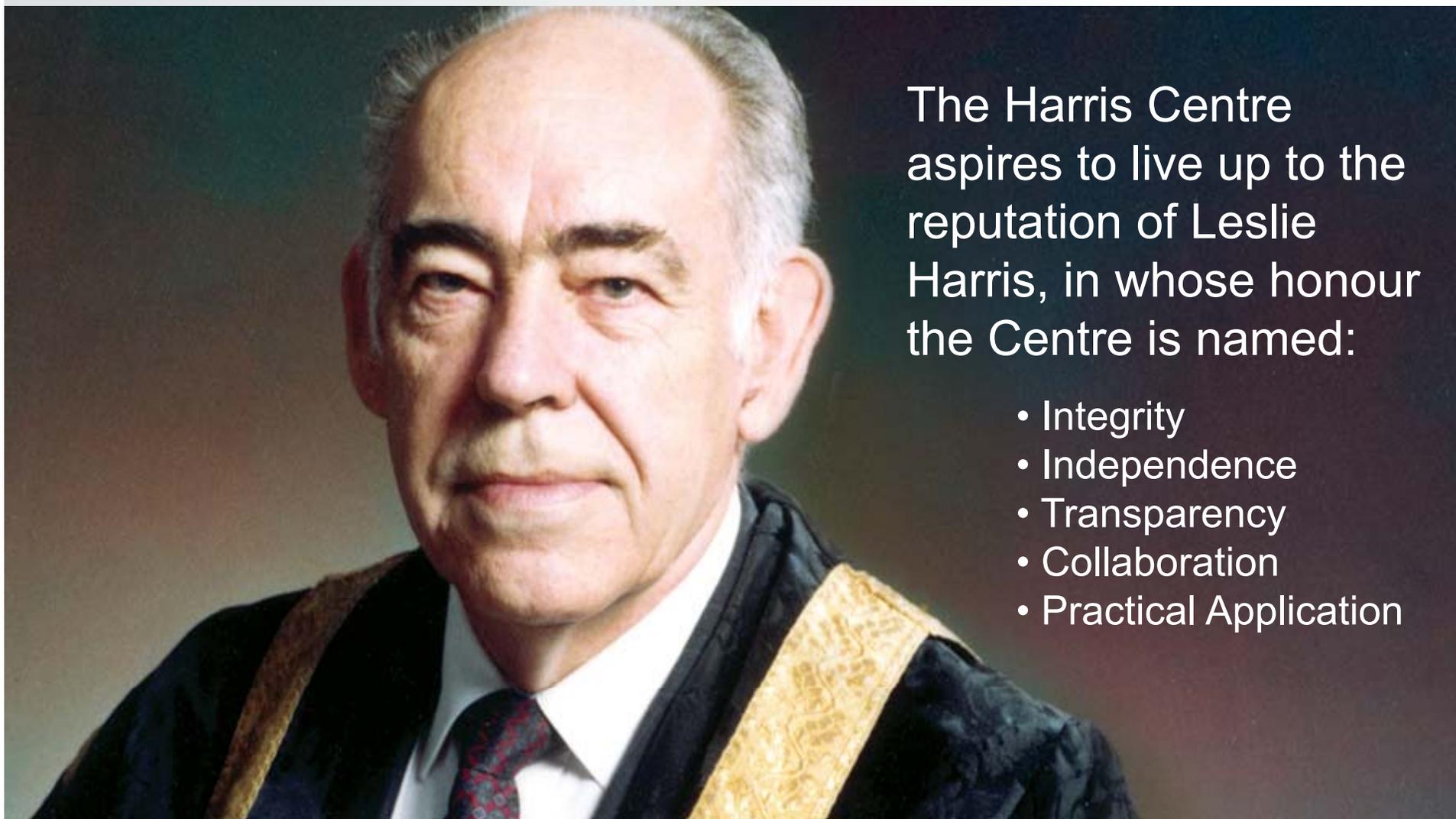
- Established October 2004
- Coordinate and Facilitate the University's Activities Relating to Regional Policy and Development
- Advise on Building the University's Capacity
- Identify Priority Themes and Projects relating to:
  - Teaching
  - Research
  - Outreach
- Emerging role: Honest Broker



# Harris Centre Values

The Harris Centre aspires to live up to the reputation of Leslie Harris, in whose honour the Centre is named:

- Integrity
- Independence
- Transparency
- Collaboration
- Practical Application





# Knowledge Mobilization:

Harris Centre Perspective

- What is Knowledge Mobilization?
  - Collaboration in knowledge production and sharing
  - Engage stakeholders to define issues / needs / opportunities;
  - Involve partners in knowledge generation;
  - Ground-truth findings to inform conclusions;
  - Dissemination / application have many champions...



# Harris Centre

Knowledge Mobilization Programs and Initiatives



- Public Presentations
- Invitation-only Sessions
- Targeted Research Funding
- Knowledge Exchange
- Packaging Research to Meet Needs
- Regional Workshops
- New Opportunity Identification: “one-pagers”
- On-line Inventory
  - [Yaffle.ca](http://Yaffle.ca)



# The Population Project: Newfoundland and Labrador in Transition



- Population Change Impacts
  - **Access to Labour:** large projects, knowledge workers, health sector, succession planning, immigration & guest workers
  - **Health & Family:** long-distance commuting, effects on families, quality of life, spending patterns
  - **Community:** rural sustainability, volunteer burn out, growing gap between rich and poor
  - **Governance:** national political influence, municipal sustainability
- Umbrella project; Private Sector Funding



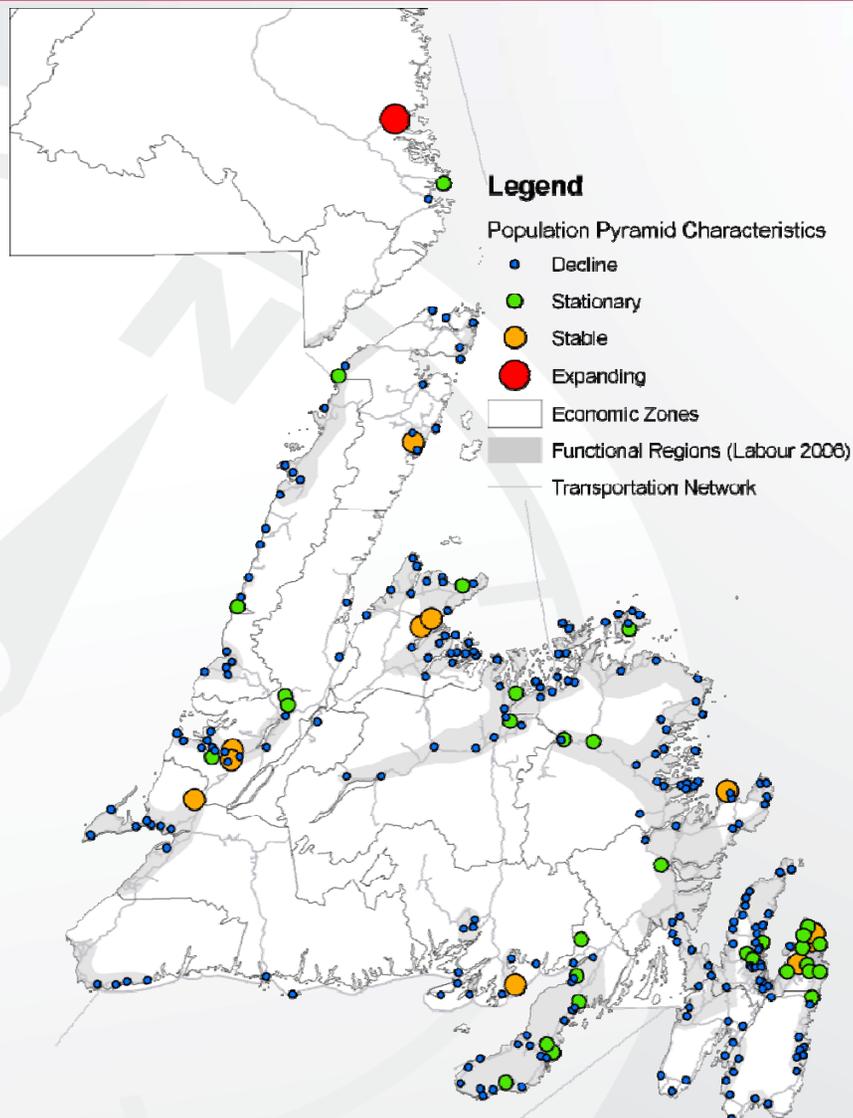
## Rural-Urban Interaction in NL: Understanding and Managing Functional Regions



- Identify and map (GIS) linkages between communities in “regions”, particularly urban and rural relationships
- Assess governance mechanisms used to manage these relationships, identify gaps, investigate alternatives
- Assess the contribution of community linkages to sustainability and create a “regional development capacity index”
- Knowledge Mobilization: collaboration, communication, application

# Population Pyramid Characteristics

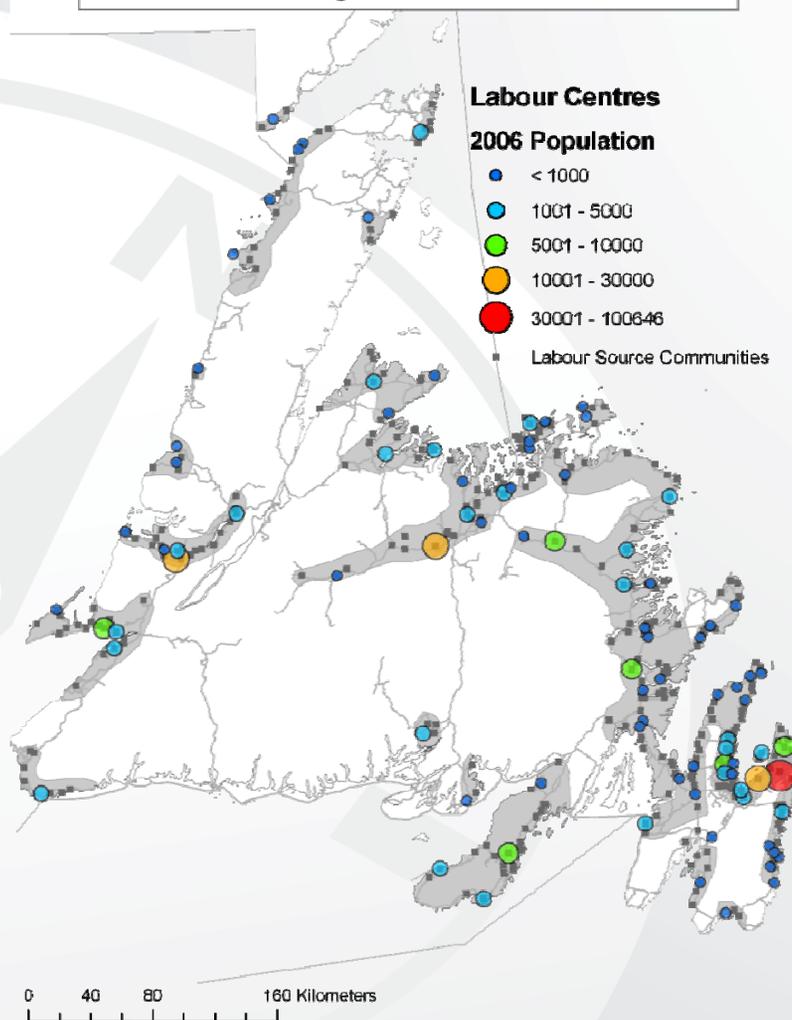
Dr. Alvin Simms, Dept. of Geography, Memorial



# Functional Regions: Labour Centres

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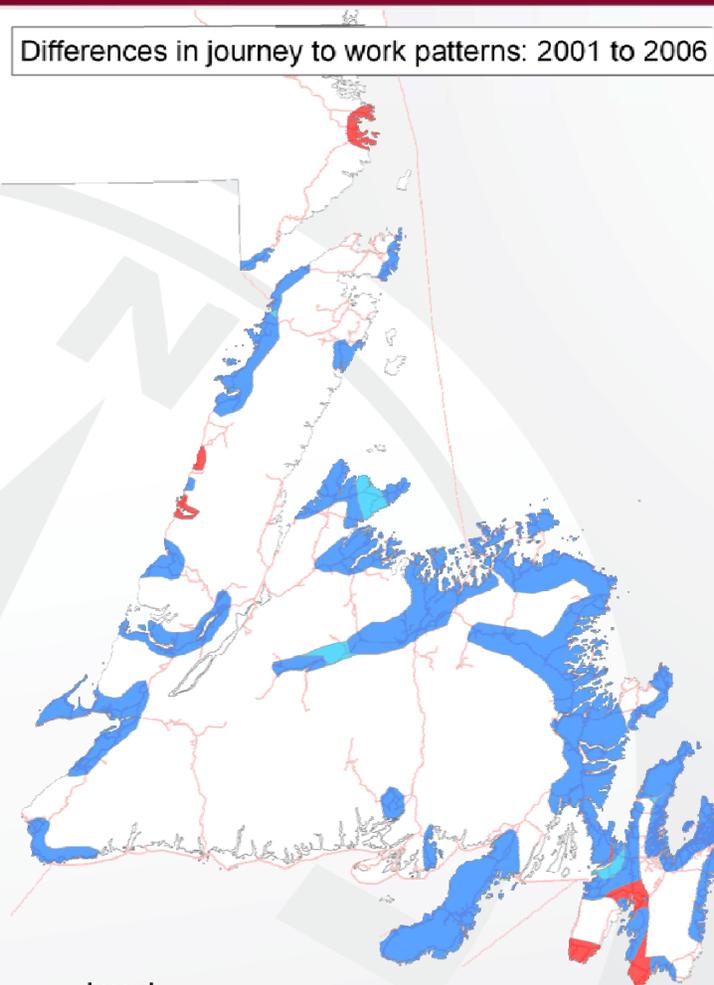
## Functional Regions: Labour Centres



# Journey to Work Patterns

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Differences in journey to work patterns: 2001 to 2006



**Legend**

**Changing Labour Catchment Areas**

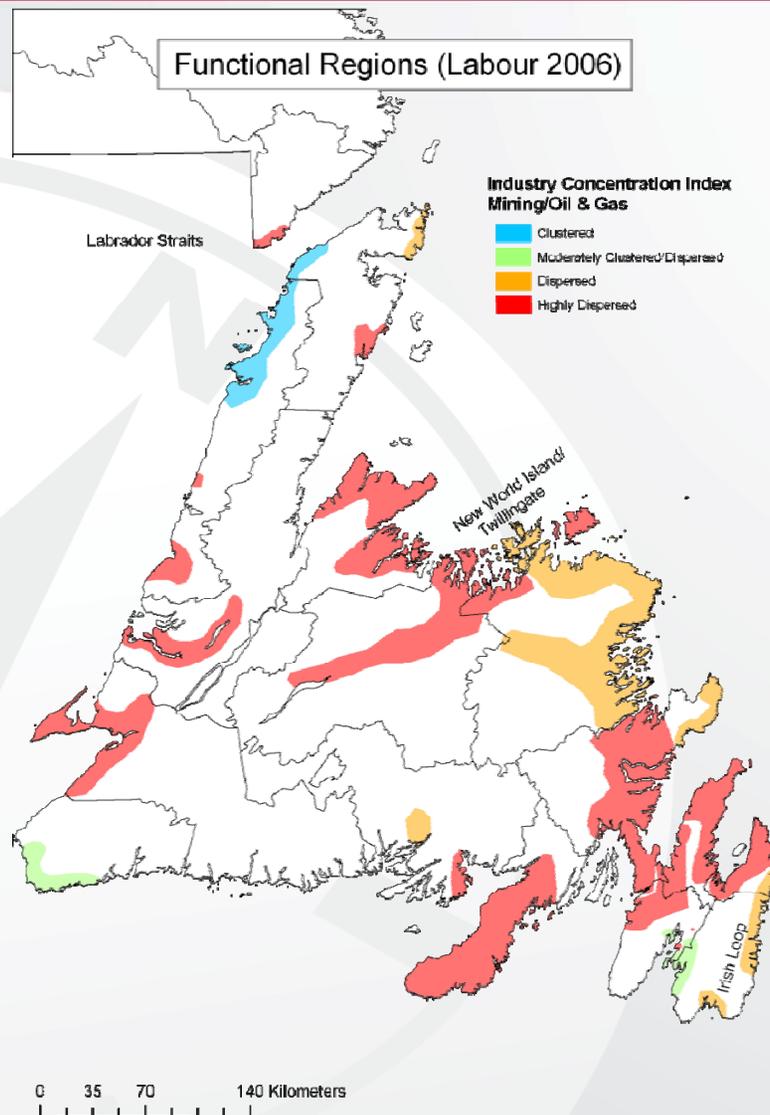
■ New work linkages appearing in 2006

■ Work linkages common to both 2001 and 2006

■ Work linkages that disappeared between 2001 and 2006

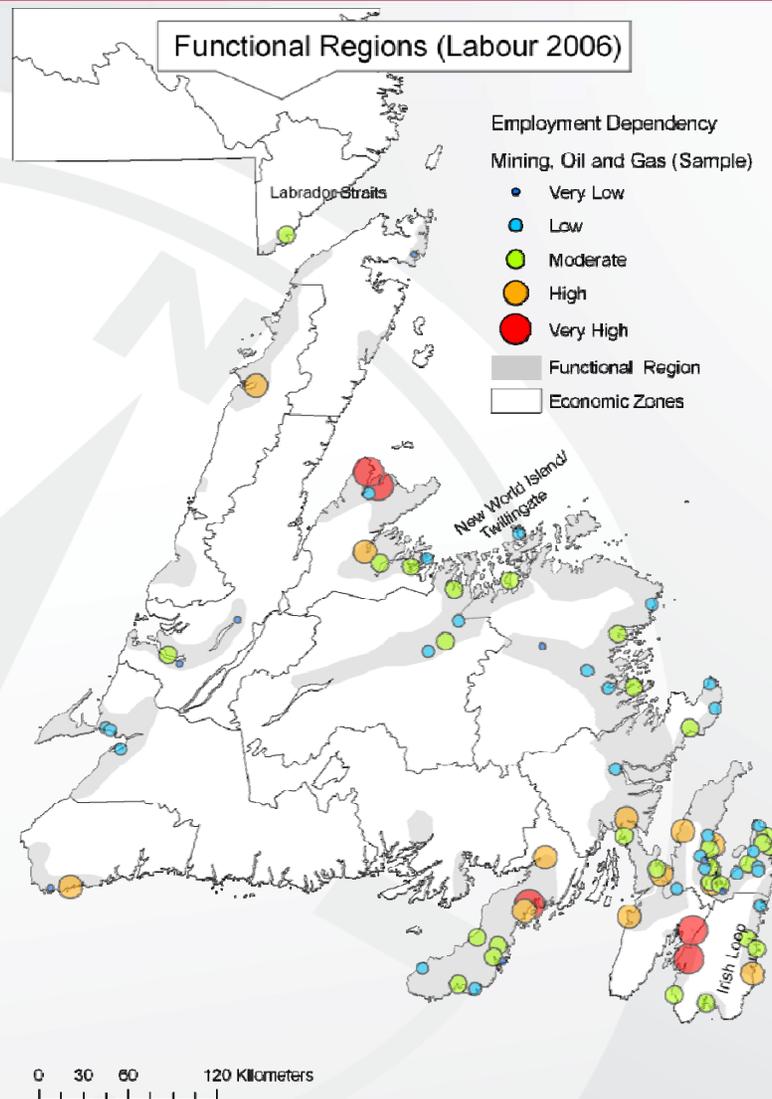
# Industry Concentration Index

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# Employment Dependency Index

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## Conclusions:

- Non-resource economic opportunities critical to supporting resource sector
- Economic Development  $\neq$  Population Growth
  - Productivity gains essential
- Development still requires wealth creation
  - Propulsive industries: exports
- Community Capital: Utilize all Assets



# Conclusions: Local & Regional Organizations Need to Collaborate



- Pool Organizational Capacities within Regions
  - Improve Rural – Urban Governance Tools
- Clarify Roles and Relationships
- Establish Common Vision
- Evidence-based Strategic Planning
- Build Trust
- Run with Champions
- Tap into outside resources: governments, university, college, industry associations (*on tap, not on top!*)



## We Have So Much To Work With...

- We have a distinctive culture, authentic places, and a shared sense of identity
- We are part of the best country in the world
- We can build capacity within our province and create partnerships outside
- The world needs more of Newfoundland and Labrador



# Thank You!

- Comments?
- Questions?
- Opportunities?

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