Recipes for Recovery: Creating Innovative Governance and Economic Development Policy for Canada's Declining Communities

by

Virginia Holden
B.Sc.(Hons), Dalhousie University

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS OF THE DEGREE OF
MASTER OF SCIENCE IN PLANNING

in

FACULTY OF GRADUATE STUDIES
(School of Community and Regional Planning)

THE UNIVERSITY OF BRITISH COLUMBIA
December 2004

© Virginia Holden, 2004
ABSTRACT

Coastal rural communities in Canada are facing rapid economic and social change. With the collapse of many natural resource industries and the globalisation of commodity markets, rural communities are challenged by unemployment, poor health, youth out-migration, and disappearing public services. Governments have attempted to address these problems by creating single programs or large subsidies while ignoring the interconnectivity of the issues. These types of methods are often ineffective because they do not take into account the complexity of the issues and/or they focus on resource extraction as the sole determinant of rural development.

To address the intricacy of rural issues, governance policy must embrace innovative approaches to support economic and social renewal. Innovation in this sense not only means the creation of new ideas, but also the application of existing ideas in new ways or within new fields.

An analytical framework for innovative governance is created informed by the literature in planning, sustainability and governance. This framework identifies eight principles that innovative governance should embody: local empowerment, democracy, ecological respect, promoting local economies, enhancing quality of life and health, creating opportunities for learning, preserving rural culture, and transparency and accountability.

To identify specific policy and planning mechanisms that embody the principles of innovative governance, two economic development strategies are analyzed from the provinces of Nova Scotia and British Columbia. These cases are selected based on their comparable composition of coastal communities, economic and social similarities, and differences in their government’s approach to rural revitalization and economic development. Five policy documents are selected from Nova Scotia that are part of an overall economic and community development strategy – Opportunities to Prosperity (2000). One economic development strategy is selected in British Columbia case, the Heartland Strategy for Economic Growth (2003). The policies are analysed according to whether they reflect the principles outlined in analytical framework for innovative governance, and the specific policy mechanisms utilized by the economic policies that embody those principles are identified.

Based on the literature for innovative governance and the case analysis, a comprehensive set of twenty-three implications for economic development planning is presented. The implications identify the need to build multi-sectoral and multi-level government structures to deliver policies, illustrates the role of public participation in designing macro economic policy, promotes the use of a ‘community development lens’ to assess impacts of economic policy, defines the successes of regional industry and learning clusters, offers the benefits of regional governance, outlines the use of ‘learning communities’ to enhance community learning, and the need for comprehensive benchmarking of economic policy.

These implications for planning will help guide the future design and implementation of economic development policy that attempts to deal with rural decline.
# TABLE OF CONTENTS

Abstract.......................................................................................................................... ii

Table of Contents......................................................................................................... iii

List of Figures, Tables and Maps................................................................................... v

Dedication......................................................................................................................... vi

Acknowledgements........................................................................................................ vii

Chapter One: Introduction.............................................................................................. 1
  Introduction................................................................................................................... 1
  Context......................................................................................................................... 3
  Research Purpose and Objectives.............................................................................. 8
  Research Questions.................................................................................................... 9
  Methodology................................................................................................................ 9
  Summary..................................................................................................................... 11

Chapter Two: The Role of Governance in Rural Community Renewal.......................... 13
  Introduction................................................................................................................ 13
  Role of governance in renewing communities: Government vs. Governance........ 13
  Importance of innovative policy as a progressive governance tool...................... 14
  The need to change policy-making to stimulate rural community renewal........... 17
  Summary..................................................................................................................... 18

Chapter Three: Theoretical and Analytical Framework.................................................. 19
  Introduction................................................................................................................ 19
  Literature Review: What does innovation mean for governance?....................... 19
  Literature Review Summary....................................................................................... 30
  Goals and Analytical Framework.............................................................................. 30
    Local Empowerment............................................................................................... 30
    Democracy............................................................................................................... 32
    Ecological Respect.................................................................................................. 33
    Promoting Local Economies................................................................................... 34
    Enhancing Quality of Life and Health.................................................................... 35
    Creating Learning Communities............................................................................ 37
    Preservation of Rural Culture.................................................................................. 38
    Transparency and Accountability.......................................................................... 39
  Summary..................................................................................................................... 40

Chapter Four: The Socio-Economic Picture of Coastal Rural Communities..................... 41
  A Tale of Two Coasts: Nova Scotia and British Columbia...................................... 41
  Introduction................................................................................................................ 41
  Nova Scotia................................................................................................................ 41
    Political History..................................................................................................... 41
    Demographics........................................................................................................ 43
    Economy.................................................................................................................. 45
    Environment.......................................................................................................... 48

Recipes for Recovery
Figure 1  Thesis research structure and method .................................................. 11
Figure 2  Graphical representation of the policy making process ..................... 16
Figure 3  Framework of policies in operation under the Opportunities for
Prosperity economic growth strategies ......................................................... 63
Figure 4  Government in the role of facilitator through the use of Action
Teams ........................................................................................................... 93

Graph 1  Age structure of Nova Scotia rural communities from 1991-2001...... 45
Graph 2  Employment by sector in rural and urban Nova Scotia, 1999 .......... 46
Graph 3  Percentage of land used according to ownership for the purposes of
forestry in Nova Scotia .................................................................................. 47
Graph 4  Age structure of British Columbia rural communities from 1991-
2003 .............................................................................................................. 54
Graph 5  Employment by sector in British Columbia for 2001 ..................... 55
Graph 6  Real GDP Index (1984=100) for major economic sectors in BC from 1984
to 2000 ....................................................................................................... 56
Graph 7  Percentage of land used according to ownership for the purposes of
forestry in British Columbia, 1998 ............................................................... 57

Map 1  Population change according to county and region in Nova Scotia
(1986-2002) ................................................................................................. 44
Map 2  Population change according to region (1996-2000) ........................... 53
DEDICATION

This thesis is dedicated to rural Canadians who are proud of their homes and wish to ensure a future for their communities.
ACKNOWLEDGEMENTS

First and foremost I need to thank my family for all their support, late night phone calls, and dedication to my learning.

I would like to acknowledge and thank my committee members Dr. Tom Hutton, Peter Boothroyd, and Dr. Kennedy Stewart. A special thank you to Tom Hutton for his instructive comments, sense of humour, and his willingness to take on a refugee thesis student. Also, thank you to Peter Boothroyd for his insight and dedication to this project whether on trains, planes, or automobiles.

Thank you to Chris Bryant from the Nova Scotia Department of Economic Development who provided information and candour regarding Nova Scotia economic and community development policies. Thank you to Chantel Pelham who provided me with tons of transcript and research materials from the Department of Economic Development.

Thank you to Bill Rees who guided me through the beginning leg of this journey and whose prediction for rural communities fueled my passions to prove him wrong.

I am indebted to Yvonne Hii, Siobhan Murphy, Sarah McMillian, and Marj Deagle who provided feedback, assistance and emotional support throughout this thesis adventure.

I would like to acknowledge the financial support of School of Community and Regional Planning through the Academic Excellence Award whose funds were used to support this research.

Lastly, an enormous thank you to Andy for listening to many ‘thesis rants’, for dealing with waterworks events, and for your unfailing support.
CHAPTER ONE: INTRODUCTION

Introduction

'Governance', from the Greek word meaning 'to steer', is defined as the process by which a society or organization steers or directs itself (Rosell, 1999). Governance impacts almost every aspect of our lives, from pre-school education, employment training, from health care to planning and environmental issues (Goodwin, 1998). Rapid social and technological changes over the last one hundred years have impacted every major aspect of our lives. Modern societies and their planning strategies must consider the impacts of globalization, urbanization, pluralism, fragmented decision-making across various levels of government, and the interdisciplinary nature of these issues. Therefore, a central challenge for governance is to ask, "How does society govern itself in a world of rapid change and complexity?" Rosell (1999) describes the traditional approach of governance as responding to issues in a sectoral way. He cites these strategies as being ill-equipped to respond to new challenges and societal dynamics; in other words, governments are typically left scrambling to adapt to changing conditions.

Planners and academics are recognizing that in order to achieve long-term goals such as community renewal, ecological balance and enhanced quality of life, governance policies and institutions must be robust. Increasingly, innovation is being recognized as an essential feature to progressive and responsive governance. In this sense, progressive governance promotes or favors advancement toward better conditions or new policies, ideas, or methods. The foundation of progressive governance is “to help people make the most of change, by providing the tools for them to fulfill their talents in the new world that is being created” (Progressive Governance Network, 2004).

Innovation can be defined as the process and the product of new thinking, organizational creativity, and institutional adaptation (Bradford, 2003). Within this definition, innovation can be viewed:

- as a strategy, part of a process to developing new policies,
- and as an outcome, a policy that encompasses new ideas or methods.
Innovation is important an element of governance, because it introduces new concepts from other disciplines to tackle reoccurring issues. Innovation encourages the application of creative approaches to solve problems, and it offers of new opportunities to reshape governance strategies. Innovation allows governance to be more responsive and flexible in the face of changing conditions, and encourage citizens and governments to be creative about community development. Bradford (2003) gives us an excellent and multifaceted interpretation of innovation, to include:

- enhanced planning capacities in communities that balance the needs of the natural and built environments,
- greater participation in the knowledge based economy for all citizens,
- and more robust democratic engagement through citizen involvement.

Mitigating the decline of rural communities in Canada will require such a shift in governance. This is especially important in light of the increasing prevalence of rural decline, poor community health, urban bias in governmental policy making, transitioning economic base, and the need for pro-active responses in anticipation of economic and social changes.

The purpose of this thesis is to identify policy approaches and models essential to creating innovative economic development policies for declining Canadian coastal communities. I examine two case studies related to governance and economic development innovations in response to rural decline in Canada, focusing on locations in Nova Scotia and British Columbia. I investigate these cases to determine whether and how they embody the theoretical principles of innovative governance. These case studies are examined under the lens of innovation and the principles of sustained community revival and resiliency. The end goal of this research is to identify specific policy and planning mechanisms that embody the principles of innovative governance. The case studies are selected based on their comparable composition of coastal communities, economic and social similarities, and differences in their government's approach to rural renewal and economic development.

This research is important for documenting viable governance strategies that address the needs of declining communities. I also examine several streams of the current academic literature to develop a framework of innovation governance by which I analyse the two case studies. The resulting framework embodies the planning theoretical literature on innovation, governance, and sustainability.
The result of this research provides a practical guide for policy-makers and planners to consider and put into practice when designing governance approaches and strategies for declining rural areas.

**Context**

The impact of global and local change on environmental, social and economic systems has placed rural communities at a crossroads. The economic and social state of rural areas is dictated by the interplay of local and global forces shaped by territorial, population, and globalization dynamics (Terlin, 2004). Many coastal communities within Canada and worldwide are declining in population; the residents that do remain live with uncertainty, poor access to services, poor health, and high unemployment. As rural historian Nettie Wiebe writes, “the overall picture of rural areas is one of loss of economic and political influence, loss of population, loss of infrastructure, loss of ‘traditional’ rural cultures and loss of confidence” (Fielding, 2004).

This thesis encompasses innovation in governance for rural communities and intermediate regions. There is no standard definition of what a rural community entails, but for the purposes of this research, a rural community will be defined as a region where fewer than 150 people live per square kilometer. Intermediate regions -- in which 50% of the population within a given region lives in rural areas (OECD, 2004) -- will also be considered.

**Depletion of natural resources and environmental degradation**

Many factors have contributed to the decline of the rural communities that were once considered to be Canada’s foundation. Rural communities were once bustling centres of trade, resource extraction, and processing in a land rich in natural resources, with industries that included forestry, fisheries, farming, and mining. Decades of unsustainable extraction methods and monitoring have led to resource depletion and environmental degradation. In many areas, the reliance on a single resource or industry left communities at the mercy of resource depletion.

"Rural Canada is positioned to be a leader in innovation, not that we need to catch up, but in fact in 2002 - in a post-industrial society - rural Canada has a leading role to play".

- Arthur Bull, Director of the Northwest Atlantic Communities Network
depletion and economic downturn, which are dictated by forces and decisions made outside the community. The loss of resource industries has had a significant impact on the social and economic trajectory of these resource-dependent settlements, resulting in poor living conditions, reduced quality of life and the emigration of residents to urban centres. The natural resource sectors of the past cannot provide the same employment and financial support in today's communities (Battle et al., 1998; Colman, 2003; Rural Communities Impacting Policy, 2003).

Impacts of Globalisation of Commodity Markets

Broader economic and market shifts have added further stress to rural economies. This is especially evident in the globalization of commodity and resource markets. As well, there has been a documented decline of trade (margin between the price of the resource export relative to the cost of imported industrial goods) for commodities over the past decades (Hutton, 2002). Resource sectors, and therefore communities, have become 'price takers' in global commodity markets. This volatility in trade and market pricing has led to real volatility in the livelihoods of rural people in Canada.

Over the past five decades there has been a crisis in the post-war welfare state (Goodwin, 1998). The welfare state was created during the 1930s and 1940s to compensate individuals for loss of earnings resulting from sickness, retirement, physical disability and unemployment (Pockington, 1994). The government invested in 'safety-net' services for the public. By the late 1970s, the welfare state in Canada disappeared. This disappearance was coupled with the decline in natural resource industries and agrarian production, which left government-dependent rural communities at the greater mercy of outside forces and with few mechanisms to effect change. The fall of the welfare state was also followed by the emergence of neo-conservative economics of the Thatcher, Mulroney, and Reagan.

The growing influence of global culture and market economics demands the removal of the 'old school' structure of top-down governance. This should be replaced by a two-directional governance structure, in which upward forces rooted in global geo-political structures and globalization will function, and a downward structure rooted in local community-based initiatives will remain (Goodwin, 1998). This multi-level governance structure could readily adapt to changes in the global sphere, as well as the local
sphere. This type of governance would be more responsive to what is often seen as competing internal and external forces (Peters, 2001).

Social problems, unemployment and quality of life
Rural areas have typically been more directly resource-dependent than their urban counterparts. However, resources constitute in many cases to be a more volatile economic base. The shift away from primary resources as a determinant of economic power and viability affected rural regions greatly, in direct proportion to their greater reliance on resources termed by Canadian economist Harold Innis as the ‘staples trap’ (Barnes, 2004). The result is that resource communities became dependent on dominant external forces, therefore placing these communities on the economic margins of power. When times turn bad for the trading of that particular resource, the whole community is impacted. The resulting social problems, unemployment and declining quality of life in these regions are indicators of this economic crisis.

Quality of life is an essential component of healthy and sustainable rural communities. Yet few communities can claim to have achieved the goal of providing quality of life for all residents (Torjman, 2004); part of the problem, of course, is that quality of life can be measured in many different ways. In a report conducted by the Canadian Policy Research Network, rural Canadians described the following attributes as being important to their quality of life (Canadian Policy Research Network, 2001):

- Primary and secondary education
- Health care access
- Healthy environment
- Clean air and water
- Social programs
- Responsible taxation
- Public safety or security
- Job security
- Employment opportunities
- A living wage
- Time use or balance
- Civic participation
- Children and youth programs

Research points to higher incidents of personal health risks such as obesity and smoking, poorer access to health services and necessities, high unemployment, lower wages, fewer social programs, and educational opportunities in rural communities, (Statistics Canada, 2003), suggesting that rural areas typically lag behind their urban counterparts.
by various quality of life measurements. Employment, income, equality, and education levels in rural areas can be termed 'determinants of health' (Rural Communities Impacting Policy, 2003). Literature suggests that until the 'determinants of health' are improved, the quality of life and health in rural communities will consistently fall behind that of urban areas.

**Failure of past government approaches**

Governments have recurrently endeavored to create strategies and policies to address instability and decline among rural communities, but many of these policies have not had sustained positive impacts. Government solutions have served to exacerbate the long-term issues faced by these communities. To tackle problems arising in the rural realm, governments have focused historically on band-aid solutions to prop up the faltering economy, such as subsidies, unemployment benefits, and other incentives for industries (Peters and Fisher, 2004).

Secondly, governments have also attempted to renew rural areas by creating single-issue programs to tackle the identified problems individually, while ignoring the interdependency of the problems. These types of methods are often ineffective because they do not take into account the complexity of the issue or the multiple factors that contribute to a particular issue (Torjman, 2004). Also, the traditional solutions created by government are inappropriate because they ignore the influence and contribution of civil society, the private sector, citizen participation to resolve local issues.

After decades of failed attempts to address rural problems through purely economic solutions, the time has come to consider social issues as part of development policy (Colman, 2003). The structures of economic and social development are merging, therefore shifting away from the traditional governance structure of market and state. This merger is labeled the 'new structure of government' (Goodwin, 1998). This new structure views social and economic development as inseparable and that both must be understood within the context of community progress over time (Colman, 2003). Economic success needs to be based on a wider definition of capital that is influenced by investment in human, natural, and social capital. Research has shown that the economy can lose innovation potential by undermining the influence of community social assets (Livingstone and Sawchuk, 2004).
The growing urban bias
While all Canadian communities are going through a period of multifaceted change, a disproportionate amount of focus is being placed on urban communities. The changing dynamics of global processes has pointed to cities as the leader in economic and cultural growth. While this is the case, urbanization has encouraged governments to focus on issues only within cities, while ignoring the product of urbanism – rural decline (Mukand et al, 2004).

Goodwin (1998) documents the literature exploring new models of local governance look towards new forms of ‘urban governance’ as if the rural context did not exist. Yet rural areas and the people who live in them are equally impacted by innovation in governance. The new governance model stresses the role of networks beyond the traditional sectoral structures of government in the form of public-private and public-higher education partnerships. This web of interdependent institutions has been highly favoured in the European scenario. This proposed form of governance could be relevant to rural areas, yet the specifics have been tailored to urban contexts. No complementary models for rural governance have been proposed.

Smaller communities in rural areas have significant knowledge and resources to deal with decline, yet many communities lack networks, infrastructure, investment capital or shared knowledge to realise their potential (Torjman, 2004).

The need to increase rural communities’ role in sustainability
Since most rural communities in Canada were based upon natural resource extraction or farming, they have witnessed the results of environmental decline and degradation first hand. The impacts of the expanding global economy have furthered this degradation by influencing climate, forest, farmland, soil, and water resources in the form of pollution and resource decline that would never have been predicted 25 years ago (Colman, 2003).

The connection between rural communities and the environmental sphere is evident, as is the key role that communities and governments can and should play in the protection of ecosystems. This begs the question: how can communities and governments play a more meaningful role in sustainable practices and processes?
Governance should play an important role in promoting sustainable communities in rural Canada. The role that governance plays in decision-making at the local level will be instrumental in setting precedents and exploring new ideas. Any long-term strategy that strives to address rural decline needs to promote the concept of sustainable communities. In this context, sustainable communities are communities:

that seek a better quality of life for all its residents while maintaining nature’s ability to function over time by minimizing waste, preventing pollution, promoting efficiency, and developing local resources to revitalize the local economy. Decision-making in a sustainable community stems from a rich civic life and shared information among community members. A sustainable community resembles a living system in which human, natural and economic elements are interdependent and draw strength from each other.

-Minnesota SEDEPTF, 1995

However, there is no universal definition for a "sustainable community". As others have found, sustainable processes are as important as the goals themselves; to this end, the local community should ideally be involved in a collective process to define sustainability from a local perspective (Roseland, 2000).

Research Purpose and Objectives

As stated previously the purpose of this research is to identify innovative economic development policy approaches and mechanisms to address declining Canadian coastal communities. It is my intention that this inventory of approaches for governance will aid rural community renewal and revitalization in Canada. Supporting research objectives for this project are:

• To identify existing governance strategies that adhere to the principles of innovation and sustainability.

• To identify the necessary components of an innovative governance strategy for declining rural communities.

• To provide a comprehensive and useful list of governance and planning mechanisms that communities, policy-makers and planners can put into practice when designing a policy program for declining rural areas.
Research Questions

The following research provides the opportunity to examine innovative governance strategies that could aid in the recovery and resiliency of declining rural communities. The main research question is:

What implications for governance planning can be derived from the theoretical literature on innovation and from recent economic development planning in Nova Scotia and British Columbia?

Stemming from this main research question are several sub-questions. These include:

- What is required to strengthen governance in declining rural communities?
- What areas of rural development need to be included in innovative governance?
- What agencies need to be involved in the creation and successful implementation of innovative governance in rural decline?

Methodology

The methodology for this research comprises a comparative case study. Two cases are selected based on their coastal location, and similarities in social and economic issues. As well, the two cases are also selected to present an instructive comparison of policy approaches embedded in contrasting provincial government cultures.

Five economic development policy documents are selected to assess the economic strategy for the Province of Nova Scotia. The five documents selected are part of an overall economic and community development strategy for the province. Policies within the strategy range from economic development strategies to community development plans, these include Opportunities for Prosperity: A New Economic Growth Strategy (2000), Opportunities for Prosperity: A Progress Report (2003), Community Development Policy Initiative: Supporting Sustainable Communities (DRAFT, 2004), Community Development Action Plan: Fiscal Year 2004-2005 (DRAFT), Community Development Lens for Governmental Departments (DRAFT, 2004). One economic development strategy is selected to assess this case, the Heartland Strategy for Economic Growth (2003).
The Nova Scotia case is analyzed in greater detail compared to the British Columbia case. This method was selected for one main reason. The Nova Scotia economic development approach encompasses an umbrella strategy that includes several policy documents pertaining to economic and community development planning. The economic strategy represents a new approach that the government has taken to address rural community decline by combining community development and economic objectives. The province of Nova Scotia Nova Scotia approach is an informative case study for innovative practices and processes in governance. The British Columbia case helps throw light on the Nova Scotia experience by offering different political viewpoints and values regarding a similar issue – rural revitalization.

Each policy document is analyzed through the innovation framework created in Chapter Three. The framework reflects ideas and strategies related to social, environmental, and economic sustainability, and innovation discussed in the literature.

The goals, objectives, elements, and principles of each policy are analysed. As well, the policies are assessed according to whether they address the principles laid out in the innovative framework. Policy mechanisms that satisfy the innovative principles are presented in Appendix I, II and III.

Finally, the policy mechanisms that did embody the innovation principles along with lessons learned from the literature are presented as implications for policy creation in Chapter Six.
Summary

The purpose of this thesis is to identify innovative economic development policies approaches to address declining Canadian coastal communities. By using the case studies approach and through documentary analysis, I assess two cases, Nova Scotia and British Columbia. The cases are assessed according to a theoretical framework based on planning literature related to social, environmental and economic sustainability, and innovation.
In the next chapter, I discuss the role of governance in impacting and fostering change in rural communities. In chapter three, I describe the theoretical framework upon which I evaluate the two cases selected. I outline the methods used to develop the framework principles, and provide a detailed explanation of my analytical method. This is followed by an analysis of the two cases in detail and a discussion of the strengths and weakness of each case in terms of the current innovation and sustainability literature related to governance. Finally, implications for economic development planning are presented in Chapter Six based on the previous analysis and lessons learned from the literature relating to innovative and governance.
CHAPTER TWO: THE ROLE OF GOVERNANCE IN RURAL COMMUNITIES RENEWAL

Introduction

"Things are not working in rural and small town Nova Scotia. Our small rural and coastal communities are on the critical list. It's far past time that public policies begin to be shaped to save the patient. Before it is, irrevocably, too late."
- Scott Milsom, Coastal Communities News, July/August 2002.

Ensuring that the structure and relevance of governance policy are sound is a key step towards addressing problems and issues faced by struggling natural resource communities. Communities themselves have recognized the need for governance reform. In a newspaper article from the Halifax Chronicle Herald dated March 11, 2004, entitled "Future of rural areas linked to policy changes" the writer argues that government needs to change its approach to rural communities by first altering how policy is created and applied in these areas (Halifax Chronicle Herald, 2004). The author goes on to comment that communities need to be more involved in the policy process and that the structure and process of governance must try to conceive a macro-level objective versus a piecemeal, issue-by-issue approach to ensuring economic well-being and quality of life in rural communities. In the following chapter, I explore the role governance can play in coastal communities to mitigate change and enhance communities renewal.

Role for governance in renewing communities: Governments vs. Governance

The importance of governance in rural communities, or any community for that matter, can be encapsulated within the progressive definition of governance that is gaining credence in some political and planning circles. In this context, 'governance' refers not just to the structures and processes of governing a society, but to a transformation in traditional patterns and processes of governing. Rhodes (1995) articulates the shift from government to governance to signify a new process of governing, a changed condition of ordered rule and a new method by which society is governed. Stoker (1997) elaborates on this definition pointing to the notion of governance not simply as institutional structure and authoritarian decision making but to the redistribution of power and the interdependence of governmental and non-governmental forces in meeting economic and social challenges. This is particularly relevant to rural communities as local
and global forces impacting these communities are constantly changing. As well rural communities have not been equipped to respond whether through local governments or civil organisations. Therefore, new political and governance approaches are needed to safeguard social and economic well-being from potentially negative forces. In this case governance still relies on a government-centred system where the public, and private and public institutions play a growing role in the operation of governing. Addressing these fundamental changes can be met by governance bodies in various ways:

1. Government can take on a facilitator role by creating spaces for partnerships and collaboration, providing resources and opportunities for communities, whether in the form of civil societies, public and private institutions.

2. Government can provide space for community participation and public dialogue on important issues that reflect changing community dynamics. This participation approach allows community members to have a say in policy formation and implementation.

3. Government can provide structural support and information to communities that meet locally-specified needs. Information can come in the form of best-practices and process. This is termed the learning approach to governance.

4. Government can provide set standards or regulations that ensure a specified performance or development of a community.

5. Government can develop policy that addresses a specific concern or problem that guides and informs later decision-making on that issue.

Importance of policy as a progressive governance tool

In a technical sense, policy is a “declaration that defines the intention of a community, organization or government’s goals and priorities. Policies outline the role, rules and procedures. They create a framework within which the administration and staff can perform their assigned duties” (Rural Communities Impacting Policy, 2002).

As discussed by Lyon et al. (2001), key policy functions:

- reflect the ideology and values of an organization or institution
- are the principles that guide action
- are planning tools for goal-setting and service-delivery
- provide the terms of reference for setting program priorities and guiding program development
- help set roles and delimit or define areas within the organization’s role
• house the rules and regulations and provide guidance for routine, unique and controversial decisions
• provide the justification for and the sanctioning of resource allocations (e.g., budget, staff time)
• provide a tool to assist in evaluating progress and in providing accountability to constituents, funding agencies, etc.

However, more holistic definitions of policy – ones that consider innovation in the process, application and rationale for policy-making-- can be extremely important for more forward-thinking governance bodies.

Policy is made through a process involving citizens, stakeholders, government officials and political officials whose intent is to increase the common good. A current innovation in the progressive notion of governance is to increase the role of citizens in policy creation to reflect the true concerns and perspectives of the issues. This is termed the participatory approach to governance.

Policy is applied and developed at many different levels of governance in the form of formal regulation, legislation, or informal guidelines by which organizations function (Rural Communities Impacting Policy, 2002). Policy created at the provincial or federal level of government can influence many different areas of government service delivery on the ground. An example of a macro-level application would be a policy targeted toward youth mental health. This policy would influence actions and priorities at the local level on health, education, social services, recreation, justice, and the environment. More innovative policies set goals that cross over traditional boundaries, providing an integrated focus that recognizes the interconnected importance of environmental, economic, social, cultural, and political relationships. This type of policy creates better opportunities for collaboration across governmental sectors and within interested parties in the community. As well, macro-level policies that address large issues, such as rural health, can start to examine the interconnectivity of the issue influenced by factors relating to income, economic development, substance abuse, physical activity, unemployment, smoking rates, and health care delivery. It allows governments and the community to set attainable goals within the large policy objective and allow for collaboration between agencies. This collaboration can create space for agencies to develop new or innovative policy approaches to addressing the macro issue at hand.
This is described as a horizontal approach to policy development, where inclusion, transparency and innovation are stressed.

Policy formation can have many different catalysts. Policy development can be (and often is) initiated as a response to a crisis situation, for example. The policy development for this process is often very short, and may not have input from the community into the process (Rural Communities Impacting Policy, 2002); it may therefore be a fairly reactionary process. The second strategy of policy development is through a proactive process. Policy created through a proactive process anticipates issues before they become crises, thus allowing for the full application of targeted research, and the participation of interested parties and citizens.

Figure 2: Graphical representation of the policy making process (Rural Communities Impacting Policy, 2002)
The need to change policy-making to stimulate rural community renewal

For coastal rural communities struggling to cope and adapt to rapid external change, identifying the role of current and future governance policy is paramount. As the decline in these communities mounts, resource extraction and development clearly cannot be relied upon as the sole factor of regional development in these areas (Hutton, 2002). Policies targeting natural resource regions require new thinking about the future of their economic and social development.

Provincial policies targeting natural resource dependent communities need to shift their focus away from resource-dependency, and towards an approach that encompasses social, environmental and economic objectives. As well, the pressures influencing rural communities have changed dramatically over the past two decades creating a new catalogue of elements involved in rural community change and development. Below is a list of elements reflecting the new mix of development pressures influencing rural communities (Hutton, 2002; Colman, 2003; Battle et al., 1998; Mukand et al, 2004).

1. The growing influence of globalisation. Rural communities are heavily reliant on resource exports in the global commodity markets. As well, rural communities are influenced by global cultural processes such as urbanization and urban biases.
2. Industrial restructuring from low-value resource processing to higher value goods and services as momentum grows toward the knowledge based economy. This knowledge based economy has profoundly impacted educational and health disparities in rural communities.
3. Importance of place-based development that emphasizes rural culture.
4. Increasing impact of new technology on traditional modes of operation. This is especially relevant to natural resource based industries.
5. The role of amenities in attracting investment and people to a particular community or region (tourism, rural life).
6. The increasing influence of connectivity and telecommunications in areas once considered isolated or dispersed. Connectivity to the outside world through technology will have an immense role in shaping rural development by allowing the flow of commodities, services and information.
7. The impact of social capital in rural development. Practices such as community economic development, locally driven initiatives, and community leadership rely extensively on local energy and social capacity.

Recipes for Recovery
8. Environmental quality of rural areas. Centuries of heavy resource extraction and processing have lead to contamination and habitat degradation in rural regions.

9. Growing role of private sector and civil society in governance decisions.

This new mix of elements render older policy approach inadequate and unable to address new and changing processes. Instead, policy needs to shift towards a recognition of interacting social, economic, environmental and cultural processes that emphasizes place-specific and people-specific needs.

Governance policy needs to be flexible to adapt to the constantly shifting structural change in local areas (Markey and Vodden, 2000). The adaptability of a successful governance policy must recognize this need for flexibility, and steer clear of rigid “one-solution for all” approaches to improving quality of life in transitioning rural communities. Yet, a successful, flexible policy can be based on past lessons and best practices in community development, planning, governance, and innovation theory.

Summary

Governments have traditionally tried to deal with issues in rural communities by focusing on natural resource development and regulations. The need for a shift in policy-making is clear: new priorities must be set within government to examine the full and interconnected range of social, economic, and environmental issues.

Traditional ‘helping’ solutions of government have been unable to effect long-term changes in struggling rural communities. Therefore, the role of improved governance in assisting struggling rural communities will become extremely important, particularly in light of the new mix of factors affecting quality of life in these communities. Policy can be effective tools used by governance bodies to set out rules, regulations and procedures that can guide the future development of such communities. Policies must also be flexible to adapt to changing dynamics and place-based conditions.
CHAPTER THREE: THEORETICAL AND ANALYTICAL FRAMEWORK

Introduction
This chapter reviews the academic literature on innovation and governance. This review is undertaken to identify significant areas of literature regarding innovation, sustainability, and governance. It also ascertains whether this literature is relevant to government responses to rural decline. This chapter identifies salient aspects of innovation and governance theory that are used to develop principles by which to analyse the cases – Nova Scotia and British Columbia.

Literature Review – What does innovation mean for governance?

Definitions and Descriptions
Innovation can be broadly defined as the creation of new ideas (Torjman and Leviten-Reid, 2003). But this definition is too ambiguous to encapsulate the diversity of applications and potential of innovation in our society. In this section, I explore the various fields that discuss innovation and governance. By examining these fields, I conceive a definition of innovative governance which becomes the basis of my analytical principles presented in the following section of this chapter.

Innovation as economics, science and technology
Industry and government initially used the notion of innovation to mean the promotion of new or creative ideas, products or processes to be introduced into the market (OECD/Eurostat, 1997). This definition referred mainly to technological and commercial innovation for industry and economic development as a means of increasing competitive advantage between firms, agencies and global trading partners.

This type of innovation has been the specific focus of the Government of Canada’s series papers on innovation entitled “Achieving Excellence” (2002) and “Knowledge Matters” (2002). In these papers, the federal government makes the connection between innovation as both an economic and social process, but focus mainly on the former. These papers examine the role of training, education, early childhood development, and skill development as essential elements of the innovation process. Key elements also include regulation, R&D and patent applications.
Innovation in organizational and management theory

Broadly defined, innovation need not be limited to the traditional areas of science, economics and technology. The same interpretation can be applied to the internal workings of an organization or firm. Innovation in this case could help move the company, agency or corporation to increase their competitive advantage over other institutions. Innovative leaders discuss skills training, labour shortages, or the competition for talented people (Maxwell, 2003a), and innovative processes can encompass collaboration, behaviour changes, entrepreneurship, ambition and risk-taking.

Innovation in the knowledge society

Historically, the wealth of nations relied on the harvesting and processing of natural resources. Through globalisation and modernisation, this assumption has been compromised. Now, the wealth of nations is attached to human resources and capacity (Torjman and Leviten-Reid, 2003). This phenomenon produces the “knowledge economy”. The knowledge economy is built upon access to and the dissemination of knowledge, and creative capacities. The primary objective of this knowledge system is to create, retain and attract knowledge workers (Torjman and Leviten-Reid, 2003). In this case productive capacity no longer relies exclusively on capital, but on information and knowledge. The knowledge society has been fueled by the increasing use of information and communications technologies, which facilitates the exchange of information.

In the knowledge society innovation can mean the creative use of existing knowledge to increase or facilitate production of knowledge based goods. In this sense, innovation can be “better understood as the application of pre-existing possibilities and components” (Torjman and Leviten-Reid, 2003). This involves the invention of an entirely new way of doing things or the application of best practices done elsewhere. Within this definition, innovation is a process of solving problems based on the transference of knowledge between actors within similar goals. It is this social exchange of information within society that empowers the innovation process.

Lundvall (1992) has summed all these factors together into what he has termed the "national system of innovation" (Lundvall, 1992). Described within this system are several assumptions or predictions. Knowledge is considered to be the most critical resource in the modern society and economy. In this view, the most important process in modern society is learning. Lundvall believes that knowledge is a crucial factor in the creation of
organisational competencies where learning facilitates the process of creating and acquiring of this knowledge. In the case of innovation, learning refers to building new skills and methods and not simply gaining access to knowledge.

There are many different types of knowledge. Jarobe and Alliance (2001) have distinguished two types of knowledge, codified knowledge and tacit knowledge. Codified (or static) knowledge refers to more formal knowledge, such as the curriculum taught in schools and knowledge gained through scientific research. Codified knowledge can be documented and can be easily communicated. The second type of knowledge is tacit. Tacit (or applied) knowledge is less tangible as it is based on experience and mutual learning (Torjman and Leviten-Reid, 2003). Tacit knowledge can be exchanged through relationships or networks. An important component of tacit knowledge is its role in decision-making and problem-solving. Tacit knowledge also aids in the movement of individuals and agencies past the traditional bounds of formal knowledge. It is tacit knowledge to which creativity, imagination and innovation pay most of their credit.

Whereby codified knowledge is often accessible and available to those seek it, tacit knowledge is embedded in communities and is an important but often undervalued local resource (Torjman and Leviten-Reid, 2003). Tacit knowledge is essential to the process and outcome of innovation. As localized tacit knowledge is inherent to any community or region, this is a key advantage for these areas.

**Innovation as social process and learning**

The ability of individual institutions, economies, and societies to thrive in rapidly-changing global contexts will be measured largely by their responsiveness to changing conditions (Wolfe and Gertler, 2002). The ideas driving the innovative process could be used as an assurance that every citizen can live up to their potential within communities. Through interaction with one another, people can create new ideas, products, and processes for economic and social purposes. In this situation, innovation is a social process where learning and exploring alternatives is enhanced (Maxwell, 2003b).

The focus on innovation as a social process points to the importance of learning and knowledge exchange between actors. Gregersen and Johnson (1999) state that
"Learning leads to new knowledge and entrepreneurs of different kinds use this knowledge to form innovative ideas and projects."

Given the importance of social interaction in learning, it is important that agencies and actors involved in the learning process have accessible and close communication with one another. This allows for frequent interactions and the exchange of information on an on-going basis (Torjman and Leviten-Reid, 2003), and emphasizes the importance of networks and partnerships in the innovation process. By creating networks, collaborations and partnerships, an essential component of social learning is created: trust. Trust is developed through long-term relationships. Trust between and within agencies allows for greater collaboration thus providing more opportunities for learning and the creation of innovative ideas and strategies.

**Innovation in environmentalism and sustainability**

The practice and theory of environmentalism and sustainability has been built on a history of innovation. Before the publication of Rachel Carson's book, *Silent Spring* (1962), the concept of environmentalism pertained only to wildlife protection and pollution control. It was through the publication of *Silent Spring* that people began to connect human society to the health of ecosystems. As well, *Silent Spring* opened the door to the study of human impact on the environment. This was viewed as a new way of thinking and pointed to a new way of doing things.

Sustainability has had a similar history of generating innovative ideas. The notion of sustainable development had its conception after the publication of the report *Our Common Future* (1987) created by the World Commission on Environment and Development (WCED). The report advanced an innovative worldview and strategy that was touted as a solution to urgent global environmental and social problems (Roseland, 2000). The premise of sustainable development posited resource and environmental management issues, such as forest or fisheries resources, to be both cause and effect of major social and economic problems; these include poverty, human health and unemployment (Dorcey, 2002). This type of thinking demonstrated the need to view global and local problems through a lens of interconnectivity, in which agencies involved in decision-making would be required to consider different angles and sectors in order to assess their impact on the world. As well, the sustainability perspective
demanded that agencies consider ecosystem dynamics and behaviour in ways that past practices of doing business did not consider.

With the increasing acceptance of environmentalism and sustainability as key strategies and ways of thinking, it became essential for agencies and governments to plan their activities to include practices and processes that upheld the notions of sustainability and paid respect to the environment. This new and innovative style to the management of resources or social programs pressured governments to re-evaluate their approach to interacting with the public, in addressing issues, and in the creation of public policy. The new ways of thinking have led to novel patterns of economic and social structure that bring together themes that had been previously kept apart, intellectually and in the making of policy (Day, 1998).

Innovation in governance

Traditionally rural governance emphasized cultural and natural resource issues both at the provincial and federal level. This picture has changed dramatically due to complex economic, social and political processes (Marsden and Murdoch, 1998). Coke and Goodwin (1993) attribute this transformation to the "complex modality of power, contest and participation, reflecting change both in the wider political economy and in localised social relations". Within the Canadian context, Dorcey (2002) attributes the transformation in governance to the introduction of a sustainability perspective that has accompanied changes in environmental and resource management. He describes innovative governance approaches as essential to addressing the growing social and environmental conflicts within the resource management field, upon which rural communities have traditionally been based.

Furthermore, these innovations in governance practice have been stimulated by the desire to avoid conflict (Dorcey, 2002). Specifically, within the context of declining rural communities, conflicting ideas over the future of the community can cause paralyzing effects that inhibit the community's ability to strategise about the future, address issues or solve problems. As stated by Industry Minister Allan Rock in 2003:

> innovation is about creating, but creativity cannot flourish in communities where we struggle to meet basic needs of our citizens, like affordable housing, modern infrastructure, and clean air (Rock, 2002).
To avoid conflict in economic and social development, some governments have introduced a new approach that embodies inclusive and populist planning mechanisms. The following discussion presents several of these emerging practices in innovative governance.

**Participation approach**

Local, federal and provincial governments within Canada have used various new policy approaches to avoid conflict arising out of natural resources, and community interests. As well, innovations in governance have allowed governments to act as leaders in showcasing and modeling progressive and desirable behaviour, such as sustainable practices and community-based processes. These innovations in governance involve embracing a higher level of democratic engagement including greater civic participation, multi-stakeholder involvement, and conflict resolution techniques. This approach is often termed the participation approach to government.

The participation approach to government has been created to resolve conflict and address problems in an open matter. This approach has also gained favour due to the increased desire among citizens to affect change in their communities and to participate in decisions that impact them directly.

The participation approach is based on a framework of policies, principles, and techniques that ensure that civil societies, including individuals, groups and agencies, have an opportunity to be involved in making decisions that have an impact on them or to which they have an interest (Smith, 2003). Smith (2003) states that the participation approach encompasses two voices: the individual voice and the collective voice. The individual voice comes directly from citizens who directly express their views. The collective voice encompasses communities, interest groups and organizations that are able to articulate a shared message.

O'Hara (1998) offers a comprehensive overview of the current thinking on public participation, outlining the key reasons as to why effective public participation is important for the future of democracy. When considering why the public should be engaged in governance, she states:

*Some of the suggested reasons support an argument that, in fact, we are already in a transition period that is inevitably leading to new forms*
of citizen involvement in public affairs. The ground is shifting under governments as citizens question their competence and legitimacy. In this transformation, traditional solutions will not be sufficient. While some look to legislatures or referenda as solutions, others argue that we need to evolve from the representative democracy of legislatures and the mass democracy of referenda to new forms of deliberative democracy.

Effective public participation relies upon transparency of the issues being discussed, an exchange of information between the stakeholders involved, and the provision of a well-defined and institutional structure within which to make decisions. Providing institutional capacity is especially important because it creates space to bring a diversity of stakeholders to the table that may have been previously excluded.

According to Dorcey (2002), innovations in governance have occurred with a tendency towards multi-stakeholder processes. Simply defined, a stakeholder (individual or group) is one who has a direct concern or interest in, is likely to be affected by, or has the capacity to influence a decision (Smith, 2003). Including many different stakeholders representing different interests in a governance process enriches the common understanding of the problem to be discussed; it also opens up new ideas and means by which to solve the problem (Smith, 2003; Peter, 2001; Dorcey, 2002). As well, by including stakeholders involved in the problem who may have differing viewpoints, there is a reduction in the likelihood of conflicts occurring in the future implementation of the decision or process.

Conflict arises in all processes of governance whether rural or otherwise. Communities and governments often deal with a multitude of issues and stakeholders with mandates and missions that are at odds with one another: local business may not have the same viewpoints on a particular issue as the local conservation agency nor with the local fisherman. Before a community or a government can move forward on an issue they must deal with the likelihood of conflict.

Using conflict resolution in governance to help make decisions is not a new concept. The initial interest in conflict resolution began in the natural resource sector as a means to solve problems relating to land use and resource planning disputes. Conflict resolution within this context used the skills of environmental mediation (Dorcey, 2002). This technique was much more cost-effective than using courts and administrative processes to solve conflict. After seeing positive results with the mediation process, agencies
began looking toward the use of negotiation and facilitation techniques as a means to deal with conflict and reach decisions. Negotiation within this context can be defined as a process where two or more parties attempt to settle a problem or issue, or make a decision (Dorcey, 2002). These types of techniques are not only used by governments but by community organizations and the private sector; they can be used in making decisions of any kind including those relating to economic, land use, governance, environmental and social issues.

*Collaborative governance*

Governments often administer programs that have conflicting or competing goals where an environmental department works toward ecosystem protection of a particular area and the economic development department may plan for a mine to be placed at the same site. This creates a complex and sometime inefficient web of resources and public strategies running in tandem, in which the 'left hand doesn't know what the right hand is doing'. This trend is also aggravated by the increasing use of private sector agencies to provide public services, especially in the utility services (Peters and Savoie, 1995). The increased complexity of public service delivery and governmental agencies also increases the likelihood of conflict between agencies. The conflict that is created increases the complexity of interactions and creates challenges in understanding issues (Dorcey, 2002). This cycle points to the need for greater *coordination and collaboration* in the delivery of services and the creation of public policy between governmental departments, the public, civic agencies and institutions.

Different attempts have been made to close the services divide by creating horizontal working processes. Traditionally, government in almost every context deployed a vertical model where centrally controlled governments initiated and structured the decision-making process. Horizontal processes emphasize collaboration between and within all sectors (Dodd and Boyd, 2000). Successful horizontal processes require a high level of commitment to information exchange, mutual learning and engagement, negotiation

*Recipes for Recovery*

---

"Collaborative efforts in defining and developing policy agendas and strategic approaches to collective concerns about shared spaces among the members of political communities serve to build up social, intellectual, and political capital which becomes a new institutional resource. In this way, such as collaborative cultural community focused on the governance of local environments should also help to recreate a public realm."

- Patsy Healy, from *Collaborative Planning: Shaping Places in Fragmented Societies*
and conflict resolution. Although horizontal processes have been viewed as time consuming, costly and difficult to get long term commitment from participants, the benefits of such processes are knowledge sharing, mutual learning, innovation, cost cutting in the long-term, better delivery of services, and reduction in conflict (Dorcey, 2002; Peters, 2001). Collaboration also tapers into the ideas of many people and engages organizations and agencies with different mandates to work together to share knowledge, and resolve conflict.

Governments need to work in collaborative partnership with the public. Collaborative relationships between governments and the public can allow for better flow of information, and can bring different viewpoints to the table. Torjman (2004) observes that it is often difficult for governments to act as a collaborative partner due to a perceived imbalance in power. This is especially evident in the common case of partnerships in which the government acts as the funder for a community group, or public organization. As well, Torjman (2004) comments that governments are usually assigned to a monitoring and audit function within collaborative relationships with external agencies and the public; in cases like these, governments are poorly positioned to contribute to local community processes. Governments need to be encouraged and be rewarded by a governance system that values stronger collaborative partnerships (Dodd and Boyd, 2000).

One way in which governments are attempting to create collaborative relationships is through the creation of networks. Radin et al (1996) view networks as “nonhierarchical clusters of organizations that permit interorganisational interactions of exchange, concerted action and joint production.” Governance networks can be used to address a particular issue or an entire series of issues, or to look at issues with a particular area or community. Networks bring together different agencies – both public and private – breaking down barriers of specialization and allowing agencies to focus on a common goal (Radin et al, 1996). As mentioned earlier, the implementation of networking bodies can increase the adaptability of organisations to social and environmental changes, enhance collaboration, and maximize shared resources. Networks have been used effectively by governments to address rural decline and other issues facing rural areas. In Saskatchewan, the provincial government supports the Saskatchewan Council for Community Development (SCCD, 2004). In 1992, agencies, public and private, came together to discuss issues facing rural communities in Saskatchewan. This coalition wants...
to maintain important information linkages around rural development issues, and play a role in promoting community empowerment in the province. The SCCD has been very successful by running training and education programs for communities, helping to provide better public service provision to rural communities, and by providing better opportunities for small business.

**Integration of public policies and strengthening community assets**

Innovation in governance does not solely lie with creating better participation and democratized decision-making processes; innovation can also be observed in the way governments utilize community resources and in the re-defining and re-structuring of government policy-making.

Canadian federal and provincial governments have traditionally addressed rural issues by creating poorly conceived policy and programs that address one area of the problem while ignoring other facets, for instance the singular focus on economic amelioration in rural communities. This disjointed thinking led to a fragmented style of service and resource delivery, as well as fragmented public policy that was ill-equipped to deal with interrelated issues. The integration of public policies to address interrelated concepts can have a powerful impact in rural communities due to the communities' relatively small size and organizational base. Day (1998) states that in rural areas, government policy that pretends to understand economic behaviour and development without taking into account social and political relationships is doomed to fail and will not reach the intended goal.

Likewise, innovative public policies that focus on rural sustainability and the strengthening of local assets attempt to address interrelated issues within the rural landscape. Community assets can be seen as the community's capital. Whereas these assets were once defined in a limited way as primary resources, innovative policies assert that these community assets encompass all activities and resources that individuals, households and communities have which help to sustain or improve their well-being (Smith et al, 2002). Assets are interrelated within a complex and dynamic web of everyday relationships that define the community. The strengthening of some community assets -- including good health, quality of place, and entrepreneurship -- can help to improve other related assets, such as good education or economic development. By creating policy that focuses on improving community assets, governments can address issues that
are interrelated in nature, and help to mobilise the community to tackle issues using their own skills and talent base. Communities that have focused on improving shared community assets have done well to realise their potential, have a greater degree of capacity to tackle issues of change, greater opportunities to create innovation approaches to solving problems, and share knowledge through the creation of networks (Smith et al., 2002; Bradford, 2003; Torjman and Leviten-Reid, 2003).

The role of government in this picture is not only to create policy that encourages and facilitates the strengthening of community assets, but also to provide external resources and services that help build better assets in local areas.

**Community-based practices**

There has been a turn in governance and public policy toward local, community-based practices. This shift has been fueled by not only the move toward more public participation in the governance process, but also the need to fully harness energy from local agencies and organizations to help solve problems at a community level. It is the local community that often has the largest base of knowledge about local circumstance and dynamics (Bradford, 2003). **Community-based practices** focus on transferring power and authority from centrally-based governments or agencies, including, at the local level, the transfer of power from municipal government to private or community-based agencies. Bradford (2003) comments that the formations of new networks of "associative governance" create an opportunity in which individuals and agencies learn the skills of social partnership and collaborative problem solving.

Nowhere has community-based practices been more exercised then in the realm of community economic development. The application of community economic development is especially relevant to declining rural communities. Gurstein (2001) comments that rural communities that were traditionally driven by external capital for resource extraction, and dependent on outside professional skills to maintain economic activities, are finding that this capital is no longer sufficient now that their resource base is less competitive in the global knowledge economy. Rural communities are left to look inward, in order to find skills and capital within their own communities, and to look toward alternatives. One such alternative is community economic development.
Community economic development (CED) is based upon the assumption that in order for communities to be successful, the drive for economic development must be fueled from within the community itself and must harness local resources and skills (Torjman and Leviten-Reid, 2003). Boothroyd and Davis (1993) state that the general objective of CED is to take "some measure of control of the local economy back from the market and the state" and to place it in local hands. This community-based practice stands in contrast to traditional economic development measures, which typically entailed the promotion of external financial resources and expertise (Boothroyd and Davis, 1993).

**Literature Review Summary**

Innovation has been commonly defined as the creation of new ideas, products or processes. Yet this definition is too abstract to create a meaningful impact on governance policy. Innovation is the creation of new ideas, but it also the application of existing ideas applied in new ways or within new fields (Torjman, 2004). Within this definition, innovation brings the concepts of active public participation, inclusion, ecological recognition, knowledge economy, organizational re-structuring, social learning, networking, and transparency to the traditional notion rural governance as will be explained in the following section.

**Goals and Analytical Framework**

In my examination of the literature on innovation, governance and rural communities, several themes became apparent. The following goals are distilled from the literature relating to what principles innovative governance policy should embody to effectively tackle the issue of rural decline and community renewal:

1. **Local Empowerment**

   In the literature that I have surveyed, the most important attribute an innovative governance strategy should promote is local empowerment and capacity building. In his paper "The Challenge in Designing Government Programs for CED", Perry (1999) states that government programs and policies must be conceived and directed by communities themselves, and that governments must support this self-determinism. In another report, the Atlantic Health Promotion Research Centre (AHPRC) finds that positive change will not occur in rural regions until rural people make it happen. The report goes on to point out that governments must play a role in increasing the capacity
of rural people to take a leading role in the future of their communities and in the creation of rural policy.

Empowerment theory finds its roots in the social movements of 1960s and 1970s. These movements embodied a rise in civil society to address inequalities around violence, gender, poverty, and peace. The social movements of this time gave ordinary citizens the power to influence decision-making and change. In today's environment, empowerment describes a scenario in which individuals and communities realize the full potential of their actions and resources that promote full citizenship within a place and a society. As described by Friedmann (1992), empowerment leads to an alternative type of development that enables low-income or disadvantaged persons to improve their communities through active involvement in change processes and decision-making. The literature has shown that communities and citizens who feel empowered to make or direct change in their space of influence can make sustainable and long-term positive impacts to their communities (Perry, 1999; Day, 1998; Atlantic Health Promotion Research Centre, 2003).

Governments have embodied the principles of empowerment by promoting capacity building. Capacity-building policies come in many different shapes and forms. Increasing rural communities' capacity to local economic and social challenges can allow communities to be more adaptive to and empowered by change, as compared to the current trend in which communities simply feel helpless to external forces (Reid, 1999). Governments have a crucial role to play in helping to build capacity and capital within rural communities. Due to their remote locations, rural communities often lack the infrastructure and social resources to begin building capacity. To be effective agents of democratic society, governments must remain prime actors in the financing and design of lacking social and physical infrastructure (Torjman, 2004). Torjman (2004) states that, although the current trend is to devolve governance responsibility and decision-making to local communities, central government still needs to play a critical role in constructing resources and financing for social infrastructure such as affordable housing, early childhood development programs, and recreation. These areas of public investment are essential to increasing quality of life, reducing poverty, and promoting community economic resiliency.
A policy that promotes **capacity building** should contain these elements to resemble, as described by Reid (1999), a staircase process:

- The creation of a community visioning process in which community members envision the future of their community.
- A strategic plan outlining how this vision can be achieved with measurable objectives.
- Building working relationships and resources within the community to meet objectives outlined in the strategic plan.
- Assessing initial successes to build confidence and to help re-evaluate objectives and needs.
- Refocusing actions to reflect long-term goals.
- Revising the strategic plan to reflect changing conditions.

2. **Democracy**

The participation of every citizen is important in the governance of our communities. To implement new ideas or provide alternative methods of governing rural communities, citizen participation and stakeholder involvement will be necessary. Without a sense of ownership and belonging, broad-based community support is difficult to obtain and volunteer energy will dwindle (Markey and Vodden, 2000). This involvement combined with the increasing role of public and private organisations in the process of governance will reshape the democratic process in small communities.

Although local empowerment is an important outcome of democratic processes, democracy is a separate goal in that it speaks to the direct involvement of citizens in the process of governing and/or decision-making. Governance bodies can attempt to build capacity within communities and empower citizens to nurture change without providing opportunities for citizen involvement in decision-making at the local or macro level.

Members of small communities have traditionally felt removed from the conventionally democratic process and marginalized by the electoral system. Historically, constituents of rural communities claimed they were negatively impacted by their isolation: central governments were typically located at distances far from most rural communities. By creating specific avenues for rural citizen involvement in the creation of governance policy this disconnect between citizens and governance bodies can be minimized.
Embedding **participation** into policy creation and implementation processes is important, but attention must be paid into how the participation process is constructed. Truly meaningful involvement requires that all participating individuals are provided with the information and resources they require to contribute to the decision-making process (Roseland, 2000). Meaningful involvement must also highlight issues pertaining to who participates, and how much participation is vital to achieving fair and efficient due process.

Good policy must be as **inclusive** as possible. Individuals who are not able to participate or who traditionally have not been involved are often the persons most affected by such policies. This is especially true for low-income families due to time and monetary constraints. Policies targeted toward community renewal must try to include members traditionally not involved such as seniors, youth, single mothers, resource workers, minority groups, small business, low-income families, and industry representatives.

### 3. Ecological Respect

Traditional models of economic investment within rural communities played little attention to the ecological impacts related to their activities. Economic activities that have traditionally taken place in rural areas are heavily reliant on natural resources and healthy ecosystems. Yet, many economic activities have caused irreversible damage to wildlife habitat and ecosystems through industrial pollution, processes of resource extraction, and over harvesting. Only recently, with the growing popularity of sustainability and environmental movements, have governance bodies begun to realize the need for regulations that protect ecological integrity.

Community stability relies on a healthy environment that provides not only resources, but also necessities such as clean air and drinking water (Markey and Vodden, 2000). Any policy that attempts to address quality of life in natural-resource dependent communities must make mention of ecological impacts and stewardship.

The natural capital of rural communities continues to represents a vast wealth for those areas, and it has traditionally been their competitive advantage in economic terms. This natural capital also provides for cultural, social and economic amenities that are becoming more valued in rural areas for uses such tourism and recreation. Safeguarding ecosystems and thus natural capital from destruction and degradation will allow nature...
to continue to provide economic, social and cultural opportunities for rural regions, as well as to protect the human health of its residents.

The inclusion of sustainable processes in governance policy has become the latest trend. Yet due to sustainability's flexible definition, governance policy is able to profess sustainable practices without mentioning any ecological impacts, goals or objectives.

4. Promoting local economies

"Development is about bringing the social relationships of community into alignment with the pursuits of locally preferred economic and political ends, while making the economics of the locality an integral part of the whole social system." -Graham Day (1998)

Promoting local economies is an integral part of any community renewal program in natural resource communities. Characteristically, governments attempted to address poor economies in rural regions by finding external solutions, such as relying extensively on attracting outside industry to rural areas. This practice has been nominally successful, but much of the revenue gained from exporting goods is often profitable only for the short-term, while fostering long-term dependence on external organisations and processes. These industries often leave the targeted region after subsidies and corporate grants have disappeared. As well, once settled within the particular region, these external industries extracted local natural and human capital and provided a few meaningful job opportunities; however, most of the revenue earned was commonly taken out of the community. From this perspective, the economic base of the community is the portion of the regional economy which is generated by export demand (Markey and Vodden, 2000).

Successful communities in economic transition have adopted more locally-based economic solutions which focus on small-business development, greater economic diversity, and greater independence. A community based approach to economic renewal focuses on a long-term approach by:

- attempting to reduce dependency of external force such as commodity markets,
- expanding local influence on decision-making especially about resources,
- diversifying the economy,
- strengthening local ecosystems and resources,
• having strong social networks and connections,
• recognizing contributions by the informal economy,
• and stepping away from economic strategies which only entail large economic development bailouts for distressed communities.

(Markey and Vodden, 2000; Boothroyd and Davis, 1991; Battle et al., 1998).

Allowing for greater local control of resources also increases the likelihood that the environment is treated with respect beyond satisfying short-term gain (Markey and Vodden, 2000). By increasing local stewardship of resources, citizens will have more of an investment in long-term goals for their communities. An example of this type of stewardship-economic program is community forestry. Residents feel a certain responsibility to safeguarding the health and welfare of their local environment and the resources that it provides.

Successful locally driven regions will have relatively greater capacity to adjust to changing conditions. The clustering of economic and social networks will allow regions to identify their weaknesses and assets, engage in collective activities, and encourage a shared identity that fosters growth and feeling of place.

Diversity should be another focus for small community economic development.

Encouraging community-based economic development is a positive step to economic redevelopment, but it should not be the only strategy. Under the old approach, industries used local natural and social while giving little social or environmental revenue back to these communities. However, governance policy on economic development can promote the locating of larger industries related to resource processing, knowledge-based industries, and manufacturing in the name of community development; the real challenge for governance bodies will be to encourage and demand more socially- and environmentally-aware industries which respect their local communities and contexts.

5. Enhancing Quality of Life and Health

Healthy communities are vital to the economic and social well-being of individuals and the nation as a whole (Torjman, 2004). Ensuring quality of life is of the greatest importance to rural Canadians (Canadian Policy Research Network, 2001). The World Health Organisation (WHO) (1946) defines health as, “a state of complete physical, social and mental well-being, and not merely the absence of disease or infirmity. Health is a
resource for everyday life, not the object of living. It is a positive concept emphasizing social and personal resources as well as physical capabilities.” This definition speaks to a complex set of factors that determine the health of rural Canadians.

Through extensive research, the Atlantic Health Promotion Research Centre (2004) has determined that the following factors affect the health of rural Canadians:

- Income and Social Status
- Social Support Networks
- Education and Literacy
- Employment/Working Conditions
- Social Environments
- Physical Environments
- Personal Health Practices and Coping Skills
- Healthy Child Development
- Biology and Genetic Endowment
- Health Services
- Gender
- Culture

Rural Canadians have had a history of poor health compared to their urban counterparts (BC Ministry of Health Services, 2004). Factors contributing to poor rural health have included high drinking and smoking rates, high obesity rates, poor access to health services, low incomes, and high unemployment. Promoting local economies that are less variable to external economic cycles can be a strong factor in increasing the health of rural Canadians.

Research has shown that individuals who live in communities with strong social capital, such as networks, relationships and associations, tend to be prosperous, healthier and experience less crime (Torjman, 2004). Public health research points that communities who demonstrate high social connectedness have higher determinants of well-being.

There are many existing strategies that are currently being used to increase social connectedness and quality of life in communities. As stated previously, the application of asset building is gaining popularity as a mechanism to promote a better quality of life. Asset based approaches to increasing well-being focus on strengths and build on
existing capacities and opportunities versus focusing on weaknesses and inadequacies (Torjman, 2004)

6. Creating Learning Communities
Research has shown that successful transitioning regions and communities are those that organize themselves and make the most of local assets (Bradford, 2003). They are areas that have a strong institutional capacity and social connectedness to engage civic, business, and industry networks to implement and create strategies that enhance life in those communities. The underlining strength of social networks in the revitalization of transitioning communities is the process of social learning. Social learning between local institutions will guide communities toward developing innovative ideas, building trust, sharing knowledge, and building upon local successes. Communities that have high levels of social learning within their institutions are termed learning communities. Learning communities can be defined as, “communities that provide the right institutional base and cultural context for upgrading the economy and for upgrading quality of life and living standards for the population” (Bradford, 2003). Learning communities find ways of mobilizing local resources to solve problems.

Governance policy has traditionally promoted learning by investing in the public education system. But governance bodies can play more of a role in supporting social learning within and between communities. This approach differs from the traditional concept of learning related to schooling and/or obtaining knowledge. In this case, learning emphasizes social problem solving, such as participatory planning. Communities that promote this learning do not pop up spontaneously; they need ongoing support in the learning process.

Governance bodies can play an enabling role in community learning. Through its Human Resources Development Canada (HRDC) branch, the federal government has developed the Office for Learning Technologies with the mandate to building a culture of life long learning (Human Resources Development Canada, 2004). The Office gives support to the establishment of community learning networks. These networks are unique to each area but entail increasing the sharing of knowledge, technology education, improvement of labour skills, and support for community development. This type of governance support will help communities create innovation solutions to problems, but break down barriers for rural involvement in the knowledge-based economy.

Recipes for Recovery
Governance bodies can also play a role in community learning efforts by coordinating multi-organisational “community learning committees” in rural areas. These committees comprise representatives from education institutions, government, business, industry, and civil societies (Torjman, 2004). This committee would help to set goals and implement a strategic plan for community learning efforts. An example of such an effort is the Random North Development Association (RNDA) in Newfoundland which operates on the principle that greater education leads to greater employment (Random North Development Association, 2004). The RNDA is composed of representative from regional development corporations, education institutions, Human Resource and Development Canada, and the provincial departments of Industry and Human Resources. The RNDA aims to "bridge the gap" between education and employment in rural areas by reducing social barriers to employment, increasing access to telecommunications and on-line learning, and emphasizing workplace learning.

In a discussion about the application of learning-based policies, the literature on innovation in community renewal suggests that these policies are best applied at the regional level, more specifically through strategic groups called regional clusters (Torjman, 2004). These regional innovation systems represent a grouping of interrelated, geographically-concentrated producers or service producers along with the key suppliers. This cluster is accompanied by the supporting knowledge, research and government institutions. The clustering of activities allows for the rapid exchange of information and best practices (Torjman and Leviten-Reid, 2003). These qualities give regions an important economic and social advantage, as they become the basis for learning and experimentation.

The effectiveness of innovation policy also increases at the regional level due to the widened base of common knowledge. This regional level is extremely important because proximity dictates information sharing and resource exchange between and within local organisations that is critical to the innovation and community renewal process (Torjman, 2004).

7. Preservation of Rural culture
The application of technology to agrarian and resource extraction activities in the early 1900s thrust rural areas into the “modern age” cutting away many of the attributes that once characterized rural areas. The modernization of rural practices and people was
viewed as a progressive strategy to liberate rural areas from what was perceived as ‘backwardness’. This liberation meant implementing a process to wipe away their social and cultural differences compared to city-dwellers and to enable them to compete economically (Day, 1998). The loss of cultural and traditional practices was the price to be paid to join the modern movement toward growth and prosperity.

The importance of culture in the development of a region has largely been overlooked in the past, but a new perspective has arisen in development theory over the past twenty years. Research is beginning to grasp the importance of culture in economic development with focus on the interactions that take place between economic, social and cultural amenities within rural communities. Cultural and location specific products are increasingly valued in post-industrial markets, allowing even small places to hold a competitive advantage in niche markets for the consumption of cultural goods (Hutton, 2002). These industries can be derived from cultural values, traditions and skills. In the Nova Scotia case, the success of the wooden boat building industry is an example where culture and seafaring history played a significant role in creating a competitive advantage for coastal communities.

By providing public engagement in the creation and implementation of policy, and the regional clustering of services and resources, governance policies can reflect cultural aspects of the community. Those organizations and residents that are located within the area share a common knowledge about the community. Local participants can bring forward cultural information about the community that could be used to create effective economic and social renewal strategies.

8. Transparency and Accountability
The literature suggests that governance policy should set transparent goals and provide a mechanism by which to track the impact of the policies over time (Hutton, 2002; Perry, 1999). Transparency is extremely important within governance policy because without clearly defined goals or mechanisms to monitor them, governments lose the confidence of partnering agencies and community members who have invested their time, tax funds and resources into the process.

By setting transparent, definable and measurable goals, communities and governance bodies can mark their progress and shortfalls. Goals must be clear and provide a
description of the intended actions. For example, if the goal is to increase community resiliency within a region, then detailed actions and the intended working partners should be outlined. As well, a detailed operational strategy and timeline should also be presented.

The process of how the goals are reached is important. The implementation of benchmarking mechanisms in policy practice is necessary to ensure that real impacts are happening at the local level. Policies which aim to be innovative and address complex issues must shift away from results-based and short-term monitoring, and towards a benchmarking strategy that gives importance to long-term commitment and consistent monitoring of economic outputs, and social and environmental indicators, such as education, social housing, pollution levels, and health statistics. Feedback from the agencies and partners involved in the implementation of the policy should also be implemented. This type of process allows information collected during monitoring to be used to adjust the delivery and implementation of the policy.

Summary

Innovation is defined as the creation of new ideas and/or the application of existing ideas applied in new ways or within new fields. Innovation can be viewed as a process to developing new policies and as an outcome that encompasses new ideas and methods. Within this definition, the literature relating to innovation brings the concepts of active public participation, collaboration, inclusion, ecological recognition, knowledge economy, organizational re-structuring, social learning, networking, and transparency to the traditional notion of rural governance.

An analytical framework for innovative governance was created based on the literature review. This framework embodies the salient concepts within the innovation and governance literature. The framework identifies eight principles that should be reflected in an innovative governance strategy targeted towards rural revitalization. These principles include local empowerment, democracy, ecological respect, promoting local economies, enhancing quality of life, creating learning communities, preservation of rural culture, and transparency and accountability. The framework will be used to analyse the economic strategies from Nova Scotia and British Columbia.
CHAPTER FOUR: THE SOCIO-ECONOMIC PICTURE OF COASTAL RURAL COMMUNITIES
A TALE OF TWO COASTS: NOVA SCOTIA AND BRITISH COLUMBIA

Introduction

Processes such as the globalisation of commodity markets, declining natural resources, and urbanization are having a profound impact on local, rural communities. Many of these impacts are common across Canadian rural communities, including vast unemployment, urban migration, poor health, and lower quality of life.

In the following chapter, I examine the socio-economic state of two coastal provinces, Nova Scotia and British Columbia, which are experiencing similar issues and problems within their rural communities.

Nova Scotia

Nova Scotia was one of four provinces established by the Dominion of Canada in 1876. The province is surrounded on four sides by water, by the Atlantic Ocean to the South, Northumberland Strait to the North, the Bay of Fundy to the Northwest, and the Gulf of St. Lawrence. It is composed of two land masses: a peninsula known as the mainland, and Cape Breton Island, located in the north-east end of the province. The total land mass of Nova Scotia is 55,491 km$^2$ with the peninsula stretching 580 km south-west to north-east (Education Canada, 2004). Today, 936,092 people call Nova Scotia their home. Many of the statistics presented in the following section were taken from the report, “Painting the Landscape of Rural Nova Scotia” (2003) created by the Rural Communities Impacting Policy Project, a joint research project between the Coastal Communities Network and the Atlantic Health Promotion Research Centre at Dalhousie University (Rural Communities Impacting Policy Project, 2003).

Political History

The Progressive Conservatives

The nature of politics in Nova Scotia during the last hundred years has been conservative. Previously during the late 1800s and early 1900s, politics in Nova Scotia was dominated by the Liberal Party. Liberal thought and ideology of providing social programs and services dominated Nova Scotia until the 1950s, when Robert Stanfield,
brought conservative ideas to rein (Beck, 1988). During the 1950s, Nova Scotia adopted the ideals of individual rights posed by Stanfield and then-Prime Minister, John G. Diefenbaker. Although Stanfield and Diefenbaker were both members of the Conservative party, both men were considered to be conservatives with left-leaning ideals.

While Stanfield considered himself to be a moderate with progressive values, he often supported a conservative agenda. He was wary of decentralized powers, opposing regionalism and maintaining a suspicion of municipal authority, with constant threat of reducing those powers. Stanfield focused on industrial development in the rural areas and provided institutional support to businesses in rural areas to increase social and economic development. Stanfield's agenda encompassed the notion that sizeable deficits and tax increases should be avoided. This trend of conservative development has continued to this day: increase the opportunity for industrial and business development in rural regions and the rest will follow. This agenda continued into the 1970s and 1980s with the Progressive Conservative government of John Buchanan.

Social democracy and the Antigonish Movement
Conservatism did not always rule political thought in every region in the province. Social democratic roots were beginning to grow in the eastern part of the province starting in the late 1920s. A man by the name of Moses Coady, a reverend and professor at St. Francis Xavier University, began to examine the livelihoods of farmers and fisherman in the province (Delaney, 1985). Coady traveled the province talking to fisherman about the opportunities for co-operatives and adult education, especially for workers who felt they had little control over the pricing of their products. His main view was that people had the power to make better lives for themselves. Coady felt this message was especially true for rural workers and residents. During the 1930s, a movement based on Coady's principles began in Nova Scotia called the Antigonish Movement. The Antigonish Movement embodied the principles that social change could be created through education, and

"The world calls loudly for a real democratic formula to bring life to all its people. It is not going to be done by guns, making armies or bombs, but by a program in which the people themselves will participate. This is democracy not only in the political sense but it is participation by the people in economic, social and educational forces which condition their lives."
—Dr. Moses Coady, St. Francis Xavier University, Extension Program (St. Francis Xavier University Coady Institute, 2004)
that education will not function to its full capacity without group co-operation. The Antigonish Movement fueled a co-operative movement in the Maritimes and later became the basis for the community economic development (CED) movement.

**Politics Today**
There is a unique political climate in Nova Scotia today. Loyal to its conservative and social democratic histories, Nova Scotia is governed by a minority government in which the Progressive Conservatives hold 25 seats, and New Democrat Party sits as official opposition with 15 seats, in a 52-seat house. This fractured political climate suggests that the Progressive Conservative may need to try new approaches to economic development in order to maintain popular vote. Meanwhile, the NDP look increasingly toward more populist community-based, socially integrated approaches. This has been demonstrated in the creation and passing of the Regional Community Development Act, described as "an act to encourage and facilitate community-based planning for economic, social and institutional change" (Nova Scotia Provincial Legislature, 1997).

**Demographics**
Based on the criteria set out in Chapter One, approximately 70-75% of all communities in Nova Scotia are rural in nature (Rural Communities Impacting Policy Project, 2003). This represents 63% of the total population (Statistics Canada, 2001).

**Diversity**
The population of Nova Scotia is diverse in origin. The vast majority – approximately 90% - of people consider themselves to be of European origins, most notably Britain, Germany, Scotland, Ireland, and Poland. In addition, 4% of the province considers themselves to be Francophone speakers, 2% Africian-Nova Scotians, 2.5% First Nations, and 1.5% other visible minorities. There are 48 African-Nova Scotian communities, located mostly in the southwest region of the province.

There are 12 261 First Nations people living in Nova Scotia with ten First Nations reserves in the province. First Nations represent approximately 1% of the population in Nova Scotia. Approximately 4 000 First Nations live off of the reserves (Rural Communities Impacting Policy Project, 2003).
Population Change

The province of Nova Scotia has experienced dramatic population change. There was a major population shift from the rural to urban areas from 1986 to 2002. This has been attributed to the decline in the fishing industry and accelerated youth-out migration to urban centres. During this period, the population of the Urban Halifax Municipality grew by 60,000 people. The following map, created by the Rural Communities Impacting Policy Project, depicts the population change according to county from the period of 1986 to 2002.

As the map suggests, most of the population loss has occurred in areas of the province where sizeable regional centres do not exist or at the extremities of the province away from the Halifax Regional Municipality. Nova Scotia joins Newfoundland and Saskatchewan as the only provinces in Canada that have witnessed dramatic population decrease in their rural areas in the last 10 years. By contrast, other provinces have experienced an increase in their rural population; however, it is worth noting that this rise has been attributed to a population increase within First Nations reserves and the rise in "bedroom" and vacation communities located near urban centres.
Age Structure

The age structure of rural Nova Scotia has also seen a dramatic shift in recent years. Recent census data show a dramatic drop in the number of youth living in rural communities, and a simultaneous increase in people over the age of 60, in the past ten years. This trend is represented in the following graph:

Graph 1 – Age structure of Nova Scotia rural communities from 1991-2001. (Statistics Canada, 2001)

The shift in rural youth represents a migration of younger people to urban centres both within and outside the province.

Income

The average income of Nova Scotians is lower than the Canadian average. While the urban centre of Halifax has an average income ($30,000) that is on par with the Canadian average, the rural average ($23,000) is well below that of its urban counterpart. Furthermore, the figures for Nova Scotia represent the largest split between urban and rural incomes in the country (Rural Communities Impacting Policy Project, 2003).

Economy

The majority of the economy in rural Nova Scotia is composed of several natural resource and land-use based sectors including fisheries, forestry, mining, oil and gas, agriculture, and tourism. Other significant industries include services, government, education
institutions, and manufacturing. Despite global economic and industrial shifts, the economy in rural Nova Scotia continues to be heavily dependent on natural resource extraction and processing. This reliance continues to render these communities very vulnerable to resource depletion, environmental degradation, and cycles in the global markets.

The fishing industry has always played a large part in the economy of Nova Scotia. However, the number of people and vessels operating in the fish industry has declined substantially since 1983. Interestingly, commercial landings and commercial value has risen. This trend demonstrates that the fishing industry is now being shared by fewer people due to technological advances and an increase in corporate ownership in fishing licensing.

The aquaculture industry has risen dramatically in Nova Scotia over the past decade with the value of the aquaculture output increasing by $32.35 million since 1987.

Graph 2 – Employment by sector in rural and urban Nova Scotia, 1999. (Nova Scotia Department of Finance)
The forestry industry also plays a large role in the economy. Forest extraction and processing make up 5% of the economy. Most of the forested land is composed of Crown land, both freehold and leased, and privately-owned land, both large- and small-scale.

![Graph 3 – Percentage of land used according to ownership for the purposes of forestry in Nova Scotia (Nova Scotia Department of Finance)](image)

In contrast to British Columbia, Nova Scotia has allowed the development of off-shore oil and natural gas exploitation. A moratorium on natural gas exploitation and processing was lifted in Nova Scotia during the mid-nineties, and profits from natural gas began to flow into the province in 2000. Currently, natural gas and petroleum brings in $1.5 billion to the economy. Although gas and oil exploitation has increased in the province, the number of people employed in the oil, gas and mining has decreased steadily since 1999 while the individual incomes of people employed in the industry have increased.

Tourism plays an important role in the economy of rural areas; Nova Scotia is no exception. In 2002, tourism in Nova Scotia contributed $1.3 billion to the economy. Much of this income has been attributed to travel to and within the Halifax area, but as much as $600 million is estimated to come from rural travel.

Manufacturing maintains a dominant role in rural areas. Manufacturing sectors include wood products, plastics, food processing, and metal products. Overall, there are 1,886 manufacturing locations in Nova Scotia, 63% of these are located in rural areas.
Environment
The marine area and coastline play large roles in the environment of this province. The Province also encompasses many large freshwater and salt-water lake systems. As natural resources continue to play such a vital role in the economy of this region, ecological sustainability has become a particularly pressing issue. There are several environmental processes and events that heavily impact ecological sustainability in Nova Scotia.

Air and water quality
First and most importantly, the quality of air and fresh water in Nova Scotia is affected by industrial activities in the United States and other parts of Canada. Due to wind and weather pattern, air-borne pollution originating in such industrial areas travel to Nova Scotia, where it is deposited as acid rain or smog. Also affecting air quality is the burning of coal for electricity production. The burning of coal accounts for 44% of greenhouse house gas emissions in the province.

Acid rain is a large problem in Nova Scotia. Freshwater systems in Nova Scotia have poor buffering capacity, which can prevent them from adequately adjusting the pH level of rain when it lands in lakes and streams. Most of the province’s lakes and streams are affected by extremely acidic (or low) pH, thus affecting fish and aquatic vegetation habitat. Salmon are now absent from over 14 of the rivers where they formerly spawned.

Marine environment
It is no surprise that marine environment in Nova Scotia has undergone extreme changes in the past five decades. Overfishing, changes to aquatic habitat due to trawl fishing, and the emission of sewage and oil into the marine environment, have caused serious damage to aquatic ecosystems and marine organisms. Fish stocks in the once plentiful coastline have substantially decreased in the past two decades. This decrease has had devastating impacts on the economic and social well-being of coastal rural communities. Due to the diverse nature of the ground and in-shore fishery, Nova Scotia has not experienced the overwhelming loses experienced during the closure of the cod fishery in Newfoundland.
Quality of Life

Employment
Maintaining good employment opportunities is of the utmost importance to rural Canadians, as identified in a report done by the Canadian Policy Research Network (2001). Yet maintaining secure employment in rural Nova Scotia has been difficult for many people, particularly considering the lack of well-paying, secure non-seasonal employment. As of 2001, 10% of rural Nova Scotians were unemployed, compared to 8% in urban parts of the province; these numbers appear even graver when compared to the Canadian average of 7% for the same year.

Education
There is a disparity between the education level of rural and urban Nova Scotians. In the 2001 census, 11% of rural Nova Scotian had less than a grade 9 education, versus 4% in urban areas. In rural Nova Scotia, 41% of the population lack a high school diploma. Access to information technology for the purposes of learning and education in rural communities has become a priority for governments. Many rural communities are just beginning to obtain access to the internet; broadband service is still not available to most areas.

Health
The health status of rural people tends generally to be lower than that of their urban counterpart; Nova Scotia is no different. People living in rural Nova Scotia report higher rates of chronic illnesses compared to the Canadian average. As many as 74% of all deaths in Nova Scotia occur from cardiovascular disease, diabetes and cancer. These high rates of chronic illnesses have been attributed to high rates of obesity; 48% of Nova Scotia report being overweight, compared to the national average of 32%.

High obesity rates in rural Nova Scotia have, in turn, been attributed to high rates of smoking, poor diets, heavy drinking and low physical activity levels. Areas of the province that have the highest rates of obesity, heavy drinking, and smoking are areas in the province that also have the highest unemployment rates and whose economies are more linked to seasonal employment. Also, regions of the province that have higher incomes comparable to the national average tend to have better rates of overall health, regardless of health care spending per region.
Rural Nova Scotians find limited access to health care, compared to those living in urban areas. There is a dire/chronic lack of health care professionals in rural areas: some areas have as low as 1 doctor per 800 people versus the national average of 1 to 500. Furthermore, waiting lists are much higher in rural communities; as well, many residents must drive an average of 3-5 times longer to visit a physician than their urban counterparts.

**British Columbia**

British Columbia is the westernmost province in Canada. It was the sixth province to join confederation in 1871 and is bordered to the west by the Pacific Ocean, to the north by the state of Alaska and the Yukon Territory, to the east by the province of Alberta, and to the south by Washington and Idaho states. The total land mass of British Columbia is 948,600 km², making the province 17 times of the area of Nova Scotia. British Columbia is home to 4.18 million people -- almost 5 times that of Nova Scotia. The coastline of the province is measured at 22,984 km.

Most of the statistical data presented in this section has been gathered from the 1996 Census, Statistics Canada, unless otherwise noted.

**Political History**

*Turbulent Waters*

British Columbia has historically been a battleground between left- and right-leaning parties, demonstrating a deep split in political values in the province. The past three decades have experienced frequent swings between parties with right-leaning economic values, such as the Liberals and the Social Credit Party, and the left-leaning social democratic party, the New Democrats. The British Columbian Liberal is more akin to free-enterprise conservative political views than the Progressive Conservative Party in Nova Scotia (Pockington, 1994).

The period 1970-2000 showcased this political struggle. The NDP came into power in 1972 and were viewed by conservative British Columbians to be a threat to free enterprise system (Blake, 1996). This led to a drive from the right-leaning Social Credit Party to push the NDP out of power. The Social Credit Party promoted conservative values commonly found in small-town BC, endorsed individualistic ideals, populist, and maintained a contempt toward restrictive government regulation. The New Democrats, on the other
hand endorsed the power of the state in solutions to personal and societal economic problems. The NDP were pushed out of power by the Social Credit Party lead by Bill Bennett in 1975. The Social Credit remained in power until 1991 when the NDP once again took power under the leadership of Michael Harcourt. The pendulum swung again in 2001 with the election of the right-leaning Liberal Party under Gordon Campbell.

The split in political values in the province is representative of the divide between the rural and urban ideologies, and provides evidence for deep regional tensions. Howlett and Brownsey (1996) attribute this tension to the social structure of resource-based communities in rural areas, in which many workers felt their lives were controlled by corporations and governments stationed in the Lower Mainland. This created an ideologically-divided province, in which rural areas were dominated by interests in regional capital of forestry workers while the urban areas maintained values of environmental protection. The value split has survived to this day, creating a dynamic and turbulent political atmosphere in British Columbia between resource-based rural communities of the north and the urban regions to the south.

Politics Today
Today the current Provincial government is a majority government led by the Liberal Party. The Liberal Party runs on a typical neo-liberal platform that promotes tax cuts, government downsizing, and conservative policies. The platform of the Liberal Party of British Columbia is more conservative than that of the Liberal Party of Canada to which it is not affiliated. Although many rural regions in BC maintain conservative values, many opponents to the current government feel that the conservative policies of the Liberals favour urban areas, while further cutting services and resources to the rural regions (Creative Resistance, 2004).

In response to allegations of anti-rural bias and the need to re-energize the rural economy, the Liberal government created the Heartland Strategy to endorse economic development in rural areas. The Heartland Strategy outlines the commitment to more spending for infrastructure in rural areas, a focus on resort and off-shore oil development, revitalizing resource industries, and eliminating barriers to corporate investment (Government of British Columbia, 2004).
Demographics
In 1996, approximately 42% of the population in British Columbia lives in rural areas. There was an increase of 14.2% in the rural population between 1991-1996 (Statistics Canada, 2001). Again, this population increase is attributable to migrations from urban centres to “bedroom” or rural communities adjacent to growing urban and regional centres, especially in communities surrounding Greater Vancouver and Victoria. Typically, this ‘bedroom rural’ population represents 50% of the rural population in Canada.

Diversity
13% of people living in rural communities in BC are recent immigrants, or second or third generation Canadians. This percentage is higher than any other province and above the national average of 6.5%.

In addition, First Nations people make up approximately 5% of the rural population in BC. There are approximately 488 Native reserves in BC, many of which are located in rural areas. Population growth on urban reserves between 1996-2001 was 4% higher than growth on rural reserves (BC Stats, 2001).

Population Change
British Columbia is not experiencing the high degree of decline in rural population that is occurring in Nova Scotia. As presented in the following map produced by BC Stats, only the areas occupied by the Queen Charlotte Islands and the northern region of Vancouver Island are in decline. It is instructive to note that these regions depend more heavily on natural resource extraction, such as fishing and forestry, as compared to other rural regions which are not in decline.
### British Columbia Regional Districts

**Percent Change in Total Population**

<table>
<thead>
<tr>
<th>Percent Range</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>.8 to 0.0</td>
<td></td>
</tr>
<tr>
<td>0.0 to 1.0</td>
<td></td>
</tr>
<tr>
<td>1.0 to 2.0</td>
<td></td>
</tr>
<tr>
<td>2.0 to 3.2</td>
<td></td>
</tr>
</tbody>
</table>

#### Percent Change 1999-2000

*BC Level = 0.8%*

#### Compound Average Annual Percent Change 1996-2000

*BC Level = 1.15%*

---


**Age Structure**

Similar to Nova Scotia, the age structure of rural BC is undergoing dramatic shifts. Increasingly, rural communities are composed of a higher percentage of persons over the age of 65, as older individuals migrate to rural areas for retirement and youth move to urban centres. Map 3 demonstrates this trend. The situation in BC is not as dramatic as the situation in Nova Scotia.
The percentage of youth who have migrated outside of rural communities to urban centres stands at 27% of rural communities (Rural Communities Impacting Policy, 2003). This is the second highest rural youth migration rate in the country, after Saskatchewan. Many of these youth migrants relocate to urban centres within the province.

**Income**

The average income for families in rural BC is $57,000. This is low, in comparison to the average for urban centres in BC, which stands at $68,009. Statistics for individual income was difficult to locate as most census data for BC is recorded as household or family income.

**Economy**

The economy in British Columbia is comprised of manufacturing, natural resource extraction industries, and increasingly oriented toward service industries such as tourism, agriculture and construction. The economy of rural BC is heavily dependent on natural resource industries and exports. This makes the economic and social climate of rural communities in BC highly vulnerable to global market commodity prices which are out of the control of the community. The natural resource extraction and processing industries have historically been key elements of regional growth and development in BC.
Although the resource extraction industries have been key determinants in regional development for rural areas in BC, they have show considerably more volatility than other industries in BC.
The fishing industry has always played an important role in the economy of coastal rural communities in BC. The fishing industry contributed approximately $600 million in GDP to the BC economy in 2002. The fishing industry is dominated mostly by the salmon fishery, calculated to be worth $300 million. After a long moratorium on aquaculture development, the revived industry is beginning to play a large role in the economies of coastal rural communities. In 2002, the aquaculture industry contributed $116 million to provincial revenue.

Historically, the forestry industry has been the largest economic contributor to the rural economy in BC; this important role continues today. In 1998, forestry contributed $1.8 billion in revenue to the BC economy (BC Ministry of Forests, 1999). Most of the forestry activities are located in rural area, creating jobs in processing and harvesting of timber. In 1998, a total of 170,000 hectares was harvested in BC for the purposes of forestry.

An informative picture emerges when comparing land ownership for the purposes of forestry in Nova Scotia and British Columbia. In BC, the overwhelming majority (89%) of
land that is logged for timber is Crown land. In Nova Scotia, Crown land only accounts for 36% where most of the forestry activities occur on private lots where smaller forest companies dominate the industry allowing for more locally based forest practices.

![Graph 7 - Percentage of land used according to ownership for the purposes of forestry in British Columbia (BC Ministry of Forests, 1998).](image)

Tourism, often seen as a replacement for ailing natural resource economies, is becoming an especially important growth industry for coastal communities. In 2000, the tourism industry outpaced all other natural resource-based industries, becoming the third-largest earner of export income for the province (BC Ministry of Small Business and Economic Development, 2004). Tourists provided $9.4 billion in revenue for the province in 2000. Similar to the situation in Nova Scotia, natural resource-based communities in BC view tourism as a replacement industry to prop up failing economies, one that requires little input.

**Environment**

Over the past hundred years, heavy natural resource extraction and processing have been major contributors in the BC economy, and little thought was given to the need for environmental protection. Coastal communities in particular have experienced devastating environmental impacts from the forest, mining and fishing industries operating within the regions.

Recipes for Recovery
Mining
A classic made-in-BC environmental disaster occurred in the Britannia Mine during the early part of the 20th century, located along the coast of Howe Sound in Britannia, BC. Copper was mined at the Britannia Beach site from 1904-1974 (BC Museum of Mining, 2004). At its height, the Britannia mines were the largest producer of copper ore in the British Commonwealth.

It is now commonly recognized that high level metals can be toxic to marine and terrestrial organisms, and inhibit photosynthetic processes. In the processing of the copper ore from the Britannia Mine, it is estimated that 44 million tonnes of mill tailings were deposited in Howe Sound inter-tidal zone. Metals are also deposited in the coastal zone through run-off and stream outflow. Today, Britannia Mine is the highest source of metals contamination in North America. In 2001, the BC government outlined a $60 million remediation plan to clean up the mine site. The Britannia Mine site is an extreme case, but intense mining practices in rural regions of BC have created similar impacts.

Other methods, such as open pit mining, also have a history in the province. Such methods have fewer environmental impacts.

Fishing
While salmon fishing was once the pillar of the coastal BC economy, salmon stocks have steadily declined in the past ten years. The catches in the past five years have been the lowest recorded in the past fifty years (Pacific Fisheries Resource Conservation Council, 1999). Declines in salmon stocks have been heavily influence by over-fishing, the destruction of salmon-bearing streams through forestry practices, and climate change. In some areas of northern Vancouver Island, fisherman report only being able to fish 6 days out of every year because low stocks and few open license days.

Salmon aquaculture is now trying to fill the spaces once occupied by the wild salmon fishery. Yet the salmon farming industry has many environmental impacts from sewage outflows created within the farms, antibiotic drugs that get dispersed into the environment, and sea lice infestations carried to wild fish population from the farmed salmon (Pacific Fisheries Resource Conservation Council, 1999).
Forestry

Forestry has been the backbone of the coastal economy in BC. At the same time, the forest industry has caused many environmental problems such as the destruction of wildlife habitat due to clear cut logging, the loss of salmon bearing streams, reduction of biodiversity, and an increased soil erosion.

Quality of Life

Employment

The unemployment rate in BC is currently at 7% (BC Stats, 2004). The rural unemployment rate stands at around 10% with higher rates recorded in the northernmost regions of the province. Interestingly, the total unemployment rate in BC has remained steady from 1995-2004, but the composition of these figures are telling. In 1995, the unemployment rates of urban and rural communities were relatively comparable. Since 1999, the unemployment rates in rural communities continue to rise as urban unemployment decreases.

Education

On average British Columbian have 13.5 years of schooled education. That average increases to 15 years in urban centres, and decreases for most rural communities to 12 years.

Health

Like Nova Scotia, the health status of people living in rural areas of BC is inferior to that of urban populations (BC Ministry of Health Services, 2004). Small rural communities in BC are often separated by long distances where accessibility to adequate health services is difficult.

Summary

Although Nova Scotia and British Columbia have similar geographical coastal elements, they are facing a different suite of issues in terms of their natural resource-based rural communities. Nova Scotia is facing a situation where coastal resource communities are quickly decreasing in population; this is not occurring to a large extent in British Columbia. The philosophies held by the current governments of each province is quite different as well: the British Columbia's Liberal majority government operates on a neo-conservative ideology, in which ensuring community development means lifting barriers to greater investment in rural areas of province. In Nova Scotia, the minority government
Incomes and unemployment in rural communities are both similar in Nova Scotia and British Columbia. As well the economies of the two provinces are comparable with heavy dependence on service sectors, and natural resource extraction and processing. Yet both provinces are experiencing a decline in the extraction of natural resources, especially that of the fishing industries. The decline of the fisheries is having a greater impact on the Nova Scotian rural economy; meanwhile, British Columbia is more affected by the decline in the forest industry due to the relocation and closing of mills, and forest depletion.

The quality of life indicators are very similar in the two provinces. Proper access to health services and education in rural communities is difficult for both provinces. The economic and social situation in both rural British Columbia and Nova Scotia is a bit dire, but this sets the stage for greater opportunities for change and to implement new approaches to facilitating economic development within the two provinces.
CHAPTER FIVE: ANALYSIS OF CASES

Community Development Policy Initiative: Supporting Sustainable Communities (DRAFT, 2003)
Community Development Lens for Governmental Departments (DRAFT, 2004)


Introduction

This chapter provides an overview of the policy analysis for the two cases. A detailed analysis for each policy is presented in Appendices I, II, and III. The policies are analysed according to the framework for an innovative economic development policy outlined in Chapter Three, which include concepts related to local empowerment, democracy, ecological respect, promoting local economies, enhancement of quality of life and health, creating opportunities for learning, preservation of rural culture, and transparency and accountability. A summary of the policy analysis is presented along with specific planning mechanisms employed in the economic development approaches of Nova Scotia and British Columbia. The policy analysis and planning mechanisms presented in this chapter as well as lessons learned in the academic literature are used to define the implications for economic development planning outlined in Chapter Six.

Analysis

To analyze the approaches taken by the provinces of Nova Scotia and British Columbia to revitalize rural communities, each policy was read and reviewed under the lens of the innovation framework outlined in Chapter Three. The policies chosen had been published by their respective provincial governments with the intention of increasing economic and community development in rural areas. For Nova Scotia, the following policies were chosen: Opportunities for Prosperity: A New Economic Growth Strategy for Nova Scotia (2000) and the Nova Scotia Community Development Policy (2004). For the province of British Columbia Heartland Strategy for Economic Growth (2003) was selected. Comparable policies related to community development, social planning, or cultural strategy in British Columbia do not yet exist for rural areas; therefore the Heartland Strategy will be the sole policy for comparison within the BC context. Due to

Recipes for Recovery
this asymmetry in the policy analysis of the two cases, Nova Scotia's economic development strategy is presented in richer detail.

Each policy was also analyzed according to its goals, purpose, vision, objective, elements, and principles. For the purpose of this research, the following definitions are provided:

- A goal is defined as an immeasurable long-term end result that conveys wants and needs.
- An objective is a measurable milestone point that is needed to reach one's goal.
- A purpose is the intended target(s) or reason(s) for creating the policy.

In cases where goals or objectives were not specifically stated, the section has been omitted.

The individual policies were examined within the analytical framework for innovation, which include local empowerment, democracy, ecological respect, promoting local economies, enhancement of quality of life and health, creating opportunities for learning, preservation of rural culture, and transparency and efficacy. The policies were assessed according to whether or not they included issues or proposed planning mechanisms relating to each of the principles. Often, no mention is made in one of these areas. In this case, the absence of approaches is acknowledged. As well, the policies sometimes explicitly stated their objective or action in a principle area; yet, where strategies were not explicitly presented in a specific area, they were inferred from other related material in the policy. The policy analysis and planning mechanisms presented are used define implications for economic development planning outlined in the following chapter.

**Nova Scotia**


*Opportunities for Prosperity: A Progress Report (2003)*

**Overview**

The policy *Opportunities for Prosperity* was ratified in 2000. The policy resulted from the accumulation of 100 community consultation meetings across Nova Scotia to create a vision for the province in 10 years. The creation and implementation of this policy was administered by the Department of Economic Development. The strategy emphasizes
approaches which aim improve education, training, employment, income, investment, infrastructure, technology, exports, and business climate. The Opportunities for Prosperity policy is an umbrella for several detailed strategies exploring areas related to community development, culture, innovation, and the information economy.

**Figure 3** - Framework of policies in operation under the Opportunities for Prosperity economic growth strategy.

**Goals**

The goal of the Opportunities for Prosperity economic strategy is explicitly stated within the policy: to make Nova Scotia a better place to live, work, do business and raise families. This goal provides a well-rounded statement that embodies an array of factors that are important to Nova Scotians, as expressed by the public during consultations. Reaching this goal will require improvements to the economy, but the policy also gives equal importance to increasing quality of life. Another goal stated within the document is to encourage economic development that is “transparent, fiscally and social responsible, economically, socially and environmentally sustainable, consistent, inclusive, and equitable” (p.3). This goal was created through a large public consultation process over a period of months, and thus reflects a range of citizen visions as to what matters in economic development.
Purpose
Several overall purposes are identified in the policy. First, the purpose of the policy is to develop a new economic strategy for Nova Scotia. This statement highlights the overall driving force behind constructing the strategy. The second stated purpose is for the policy to “function as a framework for action, a framework that stresses consistency and sustained relevance in our economic development activities in the years ahead” (p.2). This second purpose gives weight to long-term planning and consistent economic improvement. No mentions are made in this section of social agendas or the need to improve life in communities.

Elements
The policy is divided up into several areas of focus. Recommendations and priority actions are discussed in relation to education, training, employment, income, investment, infrastructure, technology, exports and business climate. Other issues addressed in the policy include analyses of fiscal issues such as deficit control, industry structure, and the role of communities and government.

The structure of the policy document begins with a brief introduction to the policy, followed by a synopsis of what was heard during the community consultations, a “what we learned” section reflecting upon current economic trends and demographic changes, a section on the vision for economic development in Nova Scotia, and a section outlining strategic directions on how to move toward the desired vision, and an examination of growth opportunities. The last section of the document pertains to how the government will measure progress of the policy over time.

Objectives
The objectives of the document are clearly stated in the final pages of the policy. They include objectives ranging from economic targets to reversing population demographic trends. The objectives encapsulate the challenges facing Nova Scotia’s economic development and provide specific objectives as to where the province would like to be in 10 years; for example, “export expansion by $2 billion, or about 40% between 1999 and 2005, and exports per person above the national average by 2010".
Principles
The agency responsible for the creation of the policy invested a considerable effort to build several key principles upon which to base and implement the policy. The principles that are presented were distilled from community forum meetings conducted by the Department of Economic Development. The principles vary in focus from an emphasis on the need for greater collaboration within government and between communities, market-focused economic development, the need to promote geographic clustering of industry and businesses, and a commitment to accountability. Due to the large public consultation process, these principles allow the public to feel that the implementation of the policy will respect their values on economic development and provide a guiding framework for government. The principles also cover a range of standards on which to base any economic action; these reflect sound economic principles and citizen priorities, ensuring that the intended focus of the policy does not become shifted in years ahead.

Framework for Innovative Policy
Many of the principles for innovative economic development policy were met by Opportunities for Prosperity. In some cases, direct references were made to one of the principles and a strategic plan was presented. In other cases the principles were loosely met by inferring that such issues were recognized by the policy; these, however, could not be examined in detail. The policy was strong in recognizing the importance of local empowerment, increasing democratic processes, promoting local economies, creating opportunities for learning, and establishing a mechanism to ensure transparency in the process. At the same time, the Opportunities for Prosperity was weak in its recognition of ecological issues related to activities contained within the policy, and it did not contribute much space for discussing strategies to increase quality of life and health in communities, nor the impact that economic decisions would have on social dynamics in rural areas. The following is a detailed analysis of Opportunities for Prosperity according to the eight principles outlined in the framework for innovative policy. For each principle, a brief analysis is given followed by the planning mechanisms or approaches used within the policy which embody that principle.
Local Empowerment

Analysis
Throughout the creation of the policy, the Department of Economic Development stressed the importance of community participation and involvement. Lines such as, "working with citizens to build the economy (p.4)" illustrate the importance that the government places on citizen participation to effectively reach its economic vision. By placing more power into the hands of the public to guide economic decision-making, the government is building on community strengths and capacity. By recognizing the important role the public has to play in economic policy development, the province bestows a greater feeling of ownership to citizens in the economic process.

Planning Mechanisms
Opportunities for Prosperity specifically promotes the strengthening of regional capacity. By increasing the capacity of regions, the government can become a supporter or facilitator of development, in contrast to its traditional role of development manager. By taking on this new role, the province helps to increase the influence of regions and individual communities in their own development, thus instilling a greater sense of empowerment.

Regional Economic Development Agencies
By creating more autonomy for regions, the provincial government has chosen to increase regional capacity by strengthening the power that Regional District Associations (RDAs) have in economic and social development. The primary function of the RDAs is "to integrate and coordinate the activities of all local development groups and / or undertake activities itself to accomplish common objectives within the regions" (Nova Scotia Department of Economic Development, 2004). The RDAs function to prepare economic plans and strategies, identify opportunities, build capacity, distribute information, counsel business, and provide operational assistance to other local organizations. The local RDA is made of a board of directors from the community, local business. Every year each RDA is given $125,000 to advance economic development projects in each region. The provincial government provides little in the way of guidelines to determine the type of projects that should be pursued or limits of the number of projects to be invested. By imposing few requirements, the provincial government allows each region to invest in projects that meet local needs. This type of
funding arrangement helps to build regional capacity by investing in locally created projects which respond to regional specific conditions.

**Action Teams**

Community Economic Development (CED) Action Teams have been proposed as a strategy to help communities under stress. The CED Action Teams are composed of government employees with skills related to economic and community development. The purpose of the CED Actions Teams is to “increase community capacity” by working in collaboration with local municipal governments and regional development agencies to find solutions to prevalent community problems. The Action Teams work with communities that are under considerable stress as a result of economic and/or social transition. Using the Action Team approach for distressed communities helps to empower local organizations and agencies to discover new strategies that lessen the impact of economic strife. By using the CED approach to increase economic welfare, the provincial government hopes to instill a sense of local ownership and resiliency, and to lead communities away from learned patterns of helplessness and economic bail-outs.

**Communities of Interests**

The policy gives attention to investment and economic development in what are titled ‘communities of interest’. These communities are sections of the public that have traditionally been ignored or disempowered by the economic process. To meet the objective of inclusivity, the provincial government through has signed memorandums of understandings and set up special strategies with the Le Councile de développement économique de la Nouvelle-Ecosse (Acadian Nova Scotians), the Black Business Initiative, the Aboriginal Open for Business Centre, Mi’kmaq Nova Scotia FirstNet Program, and the Nova Scotia Co-operative Council. Within the policy it is stated that “it is critical that we ensure all of our citizens are active participants in growing Nova Scotia’s economy (p.24, Progress Report)”. Attempting to increase the economic power of these communities of interest allows their members to feel empowered within a system that has traditionally marginalized or excluded them.
Democracy

"Work with communities, citizen groups, and labour to ensure participation in economic growth." (p.3)

Analysis
There were overwhelming attempts to improve the democratic process throughout the creation and implementation of this policy. One of the grounding principles stated within the policy is collaboration. It stresses the importance of partnerships and collaborative efforts between government – provincial, federal and municipal, communities, and citizen groups. On page 3 of the policy, it states that the "government alone cannot cause economic growth. Governments must work closely with citizens to build the economy." This commitment to collaboration between governments, and with business and communities gives voice to sectors of society that have not been given such opportunities in the past. Collaborating with these sectors creates more possibilities for innovative thinking and solutions, creates less space for conflict, and provides a medium for information sharing.

Planning Mechanisms

Province-wide Public Consultation Process
A large, province-wide public consultation process was conducted. Approximately 100 meetings were conducted in all regions of the province. Meetings were also set up with specific target community groups such as the Black Business Initiative and several First Nations communities. The overall process attempted to be very inclusive by targeting members of the public that had been previously under-involved in the economic process, in particular the natural resource workers of rural communities, who are often the most affected by macro-economic decision-making. The province-wide consultation process allowed all individuals to participate from the conception of the policy, to give their opinions on issues, create a collective vision, create the foundation principles, and set forth an agenda for the implementation of the policy. The process for the public consultations involved advertising in the local newspapers and coordinating with the RDAs. Residents signed themselves up for public meetings and information was provided before each session. Feedback opportunities were also provided for people who were unable to attend a public meeting through online website forms and regular mail.
Ecological Respect

Analysis
Like most economic development policies today, Opportunities for Prosperity mentions the importance of improving sustainability and the natural environment, but offers few real commitments to reduce environmental impacts of economic activity. For example, the policy discusses the importance of natural resources and the need to encourage more value-added industries, but no mention is made of any environmental issues related to these industries.

To address these shortcomings, a strategy to manage environmental risk and impacts from mining discharge to aquaculture effluent should be present. In a time where the Maritimes have already intensely suffered from degraded ecosystems such as the Atlantic fisheries, the promotion of more natural resource extraction without an environmental impacts plan is economically dangerous. This is also particularly relevant in the case of oil and gas exploration off the coast of the province, to which the government turned after the fall of the Atlantic coast fishery. Once landed on shore, natural gas goes through a refining processing that has many environmental impacts. The burning off of sour gas (hydrogen sulfide) from the natural gas before it can be used commercially can create a host of environmental issues, including neurotoxic effects in humans to damaged crops and livestock. In Alberta, where open gas wells are often located in rural areas, local people have reported an increase in livestock deaths and human illnesses related to lung and brain function (Huang, 2004). Venturing into oil and gas exploration, or any economic activity which has environmental impacts, as an economic development tool without clear and concise environmental risk and impacts plans is not looking toward long-term success of the province.

Promoting Local Economies

Analysis
The economic approach found within Opportunities for Prosperity is a bit of a mixed bag. On one hand, the policy places a lot of focus on market-driven strategies that emphasize increasing exports, reducing trade barriers and red tape, and highlighting the need for an externally driven economy. On the other hand, the policy also emphasizes economic diversification, increasing entrepreneurship, increasing regional economic capacity,
supporting a growing co-operative economy, and promoting local investment through Community Economic Development Investments Funds (CEDIF).

Planning Mechanisms

**Mixed Economic Approach – Market-driven with an emphasis on Community Economic Development**

While there is some acknowledgement of alternative strategies, such as community economic development, increasing regional capacity and promoting local investment, market-driven approaches are the main emphasis of this policy. In this vein, the policy focuses on increasing the development of value-added industries for oil and gas and natural resources, and innovation industries focused on technology. The policy also highlights the importance of increasing exports within the resource, manufacturing, and services industries. This market approach is necessary to compete globally in external markets, but Nova Scotia should not rely too heavily on externally driven approaches. External economic dynamics have traditionally made rural communities in Nova Scotia very vulnerable to changing forces. A market-driven economic approach is important to increasing economic development in the province, but real efforts need to be made to break the unilateral dependence on external investment and trading. Nova Scotia will require both.

**Investment in Regional Development**

Although the market approach is the primary focus of the policy, it also provides considerable mention of local economics and investment. The provincial government is attempting to increase regional economic capacity. By investing funds and resources into a system of Regional Development Associations (RDAs), the province has made regional economic development a priority. The RDAs are mandated to develop a growth strategy and a business plan for the region in which they represent. No major restrictions or guidelines are placed on the RDAs in how the funds will be spent or what type of projects should be invested in. This allows the RDAs to use local ideas and innovation to build capacity in the regional economies.

**Community Economic Development Investment Funds (CEDIFs)**

The policy also discusses the importance of increasing local investment in the province. To accomplish this goal, the policy directs the setting up a Community Economic Development Investment Funds (CEDIFs) and community bonds. These CEDIFs act as a “pool of
capital, formed through the sale of shares (or units), to persons within a defined community that is created to operate or invest in local business” (p.20, Progress Report). This type of funds meets the goal of promoting local economies by investing local money back into the community, thereby increasing economic and social opportunities. Also, in support of promoting local economies, the policy documents the importance of the cooperative industry in Nova Scotia. With guidance from Opportunities for Prosperity, the government signed a memorandum of understanding with the Nova Scotia Co-operatives Council to work together to develop sustainable economic development projects.

Ensuring quality of life and health

Analysis

Enhancing the quality of life and health is discussed within the policy, but emphasis on these issues is light. The policy falls short of satisfying this criterion in several ways. The policy does not specify which types of social services the government would like to create or improve. As well, one mention is made in the document about the need to reverse the employment trend in rural communities from low-wage, part-time jobs to higher paying, full-time employment. Many of these low-paying, part-time jobs are attributed to the increase of external companies setting up call-centres and service centres which maximize low-wage human resources in rural communities (Walker, 2004).

Creating Opportunities for Learning

“Places with skilled workers, learning institutions and companies tuned to the knowledge economy can lead development.” (p.29)

Analysis

The policy outlines several planning mechanisms to increase the opportunities for learning in the province. The policy states that to increase competitive advantage, the province must enhance life-long learning. The policy goes on to state that this can be accomplished by investing in education institutions, places greater emphasis on the knowledge economy, increasing the access to communications technology, and enhancing opportunities for innovation. By increasing the learning opportunities to rural Nova Scotians, the government hopes to increase the number of skilled workers the province can add to its economy and attract more knowledge-based service industries.
Planning Mechanism

Establishment of Smart Communities

Several references are made to the promotion of 'smart communities' in the province. The smart communities program is managed by Industry Canada, and endorses the use of information and communication technologies to empower residents and institutions. The goal of the program is create opportunities for learning through information sharing and for business development. One such project has been attempted with success in Nova Scotia. The policy highlights the need to develop more of these communities especially in rural areas.

Regional Learning Clusters

The policy strongly recognizes the importance of creating regional clusters as a way to promote local economies and to enhance local learning systems. Clustering is mentioned in relation to industrial clustering of value-added services and manufacturing, learning institutions, and technological services. The use of clustering to facilitate learning in communities is mentioned throughout the policy.

Preservation of rural culture

Analysis

Rural culture receives only sparse recognition within Opportunities for Prosperity. When culture is mentioned in the document, the reference is directed toward the relationship between cultural industries and the economy. The policy does not discuss the possible connection between external market-driven economics and the loss of rural culture. While the policy does give reference to the importance of investing in arts and heritage projects, it does so only in relation to increasing the role of cultural industries in the economy versus the need to invest in culture as a social issue.

Transparency and Accountability

Analysis

One of the founding principles of the economic development policy is accountability. The policy mentions in detail a benchmarking technique that uses social and economic indicators.
Planning Mechanisms

Benchmarking

The benchmarking process utilizes an adjustment mechanism to provide feedback throughout the implementation of the policy. The responsible government agency will report success and failures of the policy. The benchmarking system is also straightforward and easy to follow.

Progress Reporting

A progress report has already been presented to the public three years after the policy's creation, Opportunities for Prosperity: A Progress Report (2003). These reports will be published every 3 years.

Community Development Policy Initiative: Supporting Sustainable Communities (DRAFT, 2003)
Community Development Action Plan: Fiscal Year 2004-2005 (DRAFT)
Community Development Lens for Governmental Departments (DRAFT, 2004)

Overview

Under the umbrella of Opportunities for Prosperity (2000), the Community Development Policy Initiative was created to respond to a growing need to strengthen regional capacity, respond to the demographic changes resulting from mass youth out-migration and ageing citizens in rural communities, and eroding economic and social infrastructure. In Opportunities for Prosperity, the policy promised to build a comprehensive community economic development policy based on localized successes in the provinces. The creation of the policy has been coordinated by the Nova Scotia Department of Economic Development. The Department used a collaborative approach to conceive the policy. Many public and governmental organizations were involved in the creation of the community development policy; these included the regional development associations (RDAs), the Sustainable Communities Initiative, the Coastal Communities Network, the Black Business Initiative, and le Conseil de Developpment Economique de la Nouvelle Ecosse.
The CD policy is currently in draft form. After conducting many community consultations in every region of the province and with communities of interest, major themes that emerged during consultations were compiled and distilled into a draft CD policy and strategy (2004). A final draft of the policy will be available in late 2004 or early 2005 (Bryant, 2004).

Goals
The primary goal of the CD policy is to create a more positive climate for sustainable community development (p. 1). As well, the goal of the policy is to create a framework in which the provincial government can have a positive impact on communities by helping to address change and to become sustainable.

Purpose
The CD policy hopes to fulfill several purposes. The policy aims to combine economic development efforts with broader communities and social objectives. It attempts to create an effective Community Development Policy that will identify regional differences, and provide a framework within which communities can develop initiatives that target areas of concern. The policy also aims to provide guidance to the provincial government department in their work with communities. Finally the policy hopes to define government’s role in supporting communities in their efforts to increase sustainability.

Elements
The CD policy focuses on several crucial areas of interest that were deemed to be important by rural communities. The policy addresses issues related to communications access, development, education, employment, First Nations relations, rural infrastructure improvements, social issues, youth issues, cultural activities, volunteers and non-governmental organizations, the role of government in communities, and the role of communities in their own well-being.

Objectives
Several clearly-stated objectives are outlined in the CD policy. The first objective is to clarify the services and resources that the provincial government provides to rural communities. Secondly, it hopes to build more collaboration, co-operation, and co-
ordination among communities, within departments, and between departments and communities. Thirdly, the policy hopes to develop ways to assess the impact of government policies and programs on communities. Lastly, to create a mechanism that identifies and develops community assets to enhance the economic, social, environmental and cultural well-being of Nova Scotians.

Principles
Twelve founding principles are presented in the policy. These principles were created through the public participation process within community members, businesses, and non-governmental organizations. These principles define what communities feel the governments should be doing to promote sustainable community development (p.4).

• Local leadership – the community plays the leadership role in its own development.

• Government support – government actively facilitates and supports community development through the provision of information, expertise, guidance, and other resources, as appropriate.

• Collaborative approach – community development builds on cooperation, coordination, and collaboration between Government and the community.

• Balance – community development builds on a balanced approach that addresses and integrates economic, social, environmental and cultural considerations.

• Respect for local values – government strives to understand and respect community values.

• Social inclusion – all community members, regardless of gender, age, disability, race, culture, language or social and economic status have the opportunity to become engaged in the community development process and are able to access its social and economic benefits.

• Transparency and accountability – government involvement in community development encourages transparency, accountability, participation, and evidence-based decision-making.

• Partnerships and shared interests – community development engages the necessary partners at the community and government levels.
• Common vision – community members and government define a common vision for the future.
• Democratic decision-making – the community has an opportunity to participate or advise in decision-making.
• Focus on community assets – community development is built on existing community capacity and assets.
• Volunteerism – community development values, respects, nurtures, and encourage volunteerism.

Framework for Innovative Policy
Generally all of the principles were represented in the CD policy. In some cases direct references were made in regards to one of the principles, and a strategic plan was presented, but in other cases the principles were loosely presented by recognizing the importance of a principle without the presentation of a strategic plan. The CD policy overwhelming embodied the principles in local empowerment, democracy, enhancing quality of life and health, and transparency. Principles related to ecological respect, promoting local economies, and creating opportunities for learning were loosely referenced in the policy.

Local Empowerment
Analysis
The CD policy places a considerable amount of emphasis on empowerment and capacity-building to address changing community needs. The policy states several times that building capacity within communities will be integral to shaping those communities years from now. It is endorsed in various areas of the draft document that communities will play the leadership role in their own development, while the government is to play a facilitator/supporter role to helping communities obtain their goals. This approach stands in marked distinction from the traditional paternal government-community relationship, in which governments managed communities by setting their priorities and agendas.
Planning Mechanism

Emphasis on capacity building and community-based activities
The CD policy stresses the importance of capacity building and community-based initiatives. By promoting a community-based agenda, the government hopes to strengthen community capacity whereby empowering communities to deal with issues primarily through local solutions.

Democracy

Analysis
Similar to Opportunities for Prosperity, the CD policy was created through an extensive consultation process involving stakeholders, community members, industry, communities of interest, and non-governmental organizations. Meetings were held in all regions of the province and with particular community groups of interest such as the youth groups and the Black Nova Scotian community. Any issue could be discussed within the meeting; generally, the key issues of interest remained similar between regions. These included: youth out-migration, volunteer burnout, skills shortages, education, transportation, broadband, lack of employment, funding for NGOs, employment opportunities in primary industries, local ownership of land and resources, opportunities in value-added industries, literacy, affordable housing, school drop-outs, property taxation, water quality, access to healthcare, and lack of transit. The government provided opportunities for additional input through the mail and on the web for those who could not attend the community meetings.

Planning Mechanisms

Inclusive public consultations
Social inclusion and community-based decision-making are also important areas of focus in the CD policy. In the creation of the policy, the government made great efforts to include as many community members from different backgrounds as possible paying close attention to gender, age, disability, race, culture, language, social and economic status. Inclusion also is represented as a founding principle of the policy. It was important to the community-based decision-making to recognize that giving voice to concerns will create better, more viable locally based solutions in the end.
Ecological Respect

Analysis
Similar to the Opportunities for Prosperity, the CD policy makes a brief mention of major environmental problems that exist in the province, yet no information is presented regarding what they are or how they might be addressed. As well, the policy does not present any ecological or environmental connections related to community development. The absence of an ecological focus may be due to the fact that few environmental issues were mentioned at community meetings; the only ecological concern voiced was related to water quality.

Promoting Local Economies

Analysis
Very little attention was paid towards economics in this policy. The CD policy was created under the umbrella of the Opportunities for Prosperity strategy, a document focused primarily on economic development. The two policies are meant to be equal components of a larger economic strategy. Issues related provincial economics or promoting local economies are presented in that policy, rather than the CD policy. Although there is a distinct absence of economics in this policy, it does stress the need to improve and increase the number of community-based economic practices to encourage renewal in struggling communities. The policy suggests that this approach need to be applied more universally, whether in the practice of CED or conventional economics.

Enhancing quality of life and health

Analysis
One of the stated pillars of the policy is the promotion of community health and wellness. As mentioned in Chapter 3 on socio-economic trends, rural health in Nova Scotia is very poor. Rural communities suffer from high rates of drinking, smoking, obesity, cancer, and heart disease. For a CD policy to be successful in achieving its goals, it is important that social issues and health become a priority.
Planning Mechanisms

Community Asset Building

To enhance the health and well-being of rural Nova Scotians, the policy focuses on improving local assets, beginning with the assumption that communities have the ability and authority to control local resources and solve their own problems. In this approach, government plays a supporting role. By strengthening assets, communities can improve quality of life and thus health by raising the quality of community necessities (housing, food security, employment, health services).

Assessing social impacts through the ‘community development lens’

The policy also plays close attention to raising the awareness and consideration of possible impacts of government decisions on activities and outcomes in the community. This “community development lens” helps to assess social and cultural impacts related to government decision-making, especially surrounding economics. This increased awareness will signal to government that the quality of life and health in rural communities needs to be improved. From there, a connection can be created between decision-making and local impacts.

Creating Opportunities for Learning

Analysis

There was no discussion of learning opportunities in the CD policy. In the What We’ve Heard section of the policy, an ample amount of space was dedicated to discussions of improving communications technology access in communities and the increasing the influence of learning institutions. The policy Opportunities for Prosperity talks extensively about creating learning communities in rural communities.

Preservation of rural culture

Analysis

One of the objectives stated in the policy is to preserve heritage and culture. While rural culture was not explicitly discussed, the emphasis on a community-based approach to development is promising, as there is a greater likelihood that local values and ideas will be encouraged, thus safeguarding regional culture.
Transparency and Accountability

Analysis

Accountability and transparency is a set priority in the CD policy. The agency responsible for the community development policy must annually review the policy and action plans. A third party may be employed to carry out this assessment.

Planning Mechanism

Benchmarking social, economic and environmental impacts

Sustainable Community Indicators (SCIs) have been created to assess 13 sectors of community life from economic to public safety throughout the implementation of the policy. An evaluation of the SCIs in each region will occur every two years. These evaluations will inform decision-making related to the policy throughout its implementation.

Other notable mentions - Integration

Analysis

One of the interesting and innovative aspects of the CD policy is its commitment to the integration of economic, environmental and social objectives. The policy places significant emphasis on integration across traditional sectors. As stated in principle 4, "community development builds on a balanced approach that addresses and integrates economic, social, environmental, and cultural consideration." (p. 4). By integrating policy objectives, the provincial government and communities will be able to assess real impacts of decision-making and allow organizations to strengthen community assets. The policy also promotes the governmental integration between provincial departments, federal and municipal governments, and First Nations.


Overview

The Heartlands Strategy for Economic Growth was created by the government of the province of British Columbia in 2003. The Strategy is the responsibility of the Ministry of Small Business and Economic Development. The government has appointed a task force...
of six Heartland MLAs to monitor the progress of the policy on the ground. As well, a Heartland Strategy manager has been assigned to each region to help cut red tape and find new opportunities for investment.

Goal
The goal of the Heartland Strategy is to create jobs and new opportunities for British Columbia’s heartlands. (p.1)

Purpose
The strategy strives to fulfill several stated purposes. Firstly, the strategy aims to build on tax cuts and other actions the provincial government has taken to stimulate the economy. Secondly, to recognize that a one-size-fits-all approach to economic development ignores regional and local specificities that must be acknowledged in order for full potential to be realized. Thirdly, the strategy intends to increase better working relations between communities and businesses. Fourthly, the strategy emphasizes the need to revitalize BC resource industries, to encourage growth in new and emerging sectors, and to build partnerships with First Nations. Finally, the strategy attempts to work towards the restoration of BC’s transportation infrastructure.

Elements
The strategy examines several areas of interest important to heartland development; these include health care, education, forestry, energy, mining, agriculture, fisheries, aquaculture, tourism, film, high tech, small business, First Nations, and transportation.

Objectives
The document did not present specific objectives for the policy. Five general guidance statements are made pertaining to:

- Fostering new jobs and growth in every region through significant tax cuts,
- Eliminating red tape and regulations that impede investment,
- Increasing access to capital and Crown land,
- Creating legislation that endorses more flexible and rewarding workplaces,
- Increasing the efficiency of the Worker’s Compensation Board.
Principles
No adhering principles are presented in the policy.

Framework for Innovative Policy
The Heartland Strategy did not embody all of the principles. The strategy strongly reflected the principles for enhancing quality of life and creating opportunities for learning. It provided some elements to improve ecological respect, local empowerment, democracy, and promote local economies, although it was not the strategy's explicit purpose to meet these criteria. Details relating to the preservation of rural culture or the improving transparency were not mentioned in this policy; in some cases, these aspects of economic development are outlined in other government policy documents (ie. BC Progress Report Board, Interim Benchmarking Report 2004) not specifically tied to the Heartland Strategy (BC Progress Board, 2004). It is important to recognize that complementary policy documents do exist, yet due to scope of this thesis they were not analyzed.

Local Empowerment

Analysis
The Strategy does not mention community capacity building. The document also provides very little detail related to increasing local empowerment. One mention is made in relation to building a new relationship with First Nations (p.34). The policy states that the purpose of building this relationship would be to allow First Nations to fully participate in the economy. Encouraging First Nations to participate in the local economy increases their sense of empowerment to affect change in their communities and contributes to their resiliency. However, no specific plan or definition of this 'new relationship' is mentioned.

Democracy

Analysis
Most importantly, the Heartland Strategy did not incorporate a public participation process into the creation or implementation of the strategy. The government did not allow for citizen or stakeholder input into what they felt was important. As well, the government did not provide communities with the opportunity to provide in input into creating a collective vision for BC rural areas.
Planning Mechanism

Partnerships and multi-level governance structures

Although no opportunity was given for public participation, the Strategy does emphasize the importance of partnerships between government, communities and First Nations to define goals and set agendas for investment. Collaborative partnerships provide opportunities for agencies and the public to participate in decision-making, and to voice ideas and concerns.

The policy proposes to clarify land-use issues with First Nations and communities to advance natural resource extraction. The Land and Resource Management Plan (LRMP) was initiated by the current government to clarify land-use conflicts within rural areas of BC. Depending on the intended process and approach to land-use settlement, the clarification of land-use issues may provide more influence for communities and First Nations into these decisions.

Ecological Respect

"BC communities and forest workers have paid the price for overly restrictive regulations, unfair propaganda campaigns and poor resource management in the forest industry. (p.12)"

Analysis

The Heartland Strategy tackles environmental sustainability on a case-by-case basis. Depending on the area of focus, the strategy staggers its commitment to fulfilling environmental values or attempting to mitigate environmental impact of economic activities. Economic initiatives discussed within the document include improving the Forest Practices Code, focus on results based forestry, oil and gas exploration, investing in clean energy, increasing mining opportunities, streamlining the aquaculture industry, the elimination and creation of parks, and an investment in sustainable forestry research.

Promoting local economies

Analysis

The Heartland Strategy presents a mixed approach to economic development emphasizing the importance of both internal and external investment. Most of the focus of the strategy has been made toward attracting more investment in the province through tax cuts for businesses and industry. Another major focus is the reduction of red-
tape regulations to increase private sector investment. While such economic measures can promote local industry and business to flourish in rural areas, these measures also give greater incentive for external industries to set up natural resource extraction operations in rural areas, and then to export the products to urban centres or out of the province for processing. This process exacerbates a cycle of removing valuable natural capital out of rural areas leaving little re-investment into the local economy.

Several opportunities in the policy support of strengthening local economies. Firstly, the policy mentions that restrictive forest policies are being reversed to create new opportunities for smaller local forest companies to become competitive. Secondly, the policy also directs the investment of funds toward regional tourism organisations to strengthen regional capacity to market these areas as tourist destinations. Lastly, the policy states that the government is committed to increasing economic opportunities for First Nations through the creation of the Economic Measures Fund and the First Citizens Fund. The stated purpose for these funds is to ensure that the First Nations will benefit from oil and gas development within their territories, and to support more small business development. These three policy objectives help to create greater capacity within the local economy, encouraging these economies to be less reliant on traditional external economic forces.

Enhancing quality of life and health

Analysis
The strategy does discuss the need to increase quality of life and health of rural British Columbians; most of the emphasis is on improving health care delivery. Through the Heartland Strategy, the government has created a rural health plan that focuses on improving health care delivery, attracting better caregivers to rural areas, increasing medical school spaces, and improving access to services.

The singular focus on health care delivery obscures the importance of other aspects related to quality of life and health. Although improving access to health services is important to improving the overall health of rural British Columbians, it only scrapes the surface of what the government could be doing to increase quality of life. No references are made in the documents to community development initiatives or improving community assets. Only in one area related to oil and gas exploration does the strategy...
address the possible social impacts related to economic development decisions. Connections simply are not made in this policy between other economic decisions and the social impact on communities nor are strategies presented to mitigate negative social impacts on communities.

Despite the lack of attention paid to quality of life features, the strategy does state that the government is committed to increasing the quality of life for First Nations. The plan does not detail a strategy on how this will be accomplished.

**Creating Opportunities for Learning**

**Analysis**
The *Heartland Strategy* does pay considerable attention to creating opportunities for learning. The Strategy accomplishes this goal by the traditional means of investing funds into local education systems. The Strategy also outlines objectives to invest funds into research and building capacity within the high-tech communications industries in rural areas.

**Planning Mechanisms**

**Focus on rural research and learning**
There are promising plans mentioned within the document regarding their intentions to improve investment in research, training, and innovation in every region. The plan is to expand university institutions across the province and create various regional innovation research chairs to investigate opportunities for new social and economic investment. This approach to improving learning opportunities within regions encourages university institutions to play a greater role in the regions development while creating local access to learning services for rural residents.

**Civic networking**
Creating better access to high-speed broadband in rural areas is also listed as a priority. Access to communications technologies in rural areas create more economic and social opportunities in the knowledge economy, open doors for information sharing between agencies, and provide better access to learning institutions on-line.
Preservation of rural culture

The strategy does not present any details related to the protection or promotion of rural culture in British Columbia.

Transparency and Efficacy

Transparency or benchmarking mechanisms are not outlined in the document. The strategy does not mention any method to monitor progress nor does the policy make any mention of indicator goals to assess during the implementation of the policy. Although the Heartland Strategy does not specifically reference a benchmarking or monitoring system, a parallel government board - BC Progress Board - does exist that provides benchmarking data related to economic and social performance in British Columbia.

Summary

Most of the principles for innovative economic development policy were reflected in the economic strategies for Nova Scotia and British Columbia. The policy documents for both provinces were strong in their mention of community economic development, and increasing opportunities for learning. At the same time both province were weak in their presentation of strategies on the environment, increasing quality of life, and preservation of local culture.

The suite of Nova Scotia policies addressed more of the principles for innovative policy than the parallel Heartland Strategy for British Columbia. The Nova Scotia economic development strategy incorporated more planning mechanisms related to increasing local empowerment, increasing public participation, locally responsive economic development, and accountability. The Nova Scotia economic strategy also made more efforts to increase economic development capacity and participation at the local and regional level. To accomplish this, the Nova Scotia strategy outlined the application of specific planning mechanisms such as community action teams, a system of regional development agencies, community investment funds, and community asset building.

The Heartland Strategy for British Columbia also outlines several planning mechanisms that meet the principles for innovative economic development. The strategy emphasizes
partnerships and multi-level governance structures, research, and promotes civic networking in rural communities.
CHAPTER SIX – CREATING INNOVATIVE ECONOMIC DEVELOPMENT POLICY FOR RURAL COMMUNITY RENEWAL

Introduction

"Rural Canada has to adapt and find new ways to play in the shifting economy. There are lots of innovative ways to address that". – Greg Halseth (2004), speaking on the changing conditions affecting the decline of northern communities in BC (Ramsey, 2004)

Creating innovative economic development policy is imperative to the recovery of rural communities in Canada. The impact of globalisation, the failure of traditional government approaches, the accelerated decline of rural communities, and the need to increase rural communities’ role in sustainability has pointed to the need for new approaches to rural economic development. Innovation is an important element, because it introduces new concepts from other disciplines to tackle reoccurring issues, and it encourages the application of creative approaches to solve problems. As well, it takes advantage of new concepts and research to reshape current governance strategies. Innovation in economic development policy speaks not only to the process of developing new policies, but also the outcome of the policy that envelopes new ideas and methods.

The purpose of this thesis is to identify policy approaches and planning mechanisms essential to creating innovative economic development policies that address issues faced by declining Canadian rural communities. An analytical framework was created by examining the literature on innovation, planning, community development, economic development, and sustainability. This framework was used to analyse two provincial government strategies on rural economic development – Nova Scotia and British Columbia. Both provinces are facing a few similar economic and social issues within their rural communities such as high unemployment, and the loss of major resource industries. Through the analysis of the current literature and the cases, it became clear that particular policy elements and instruments were necessary ingredients of economic development policy to make it more meaningful and innovative as a way for the government to better address declining rural communities.

The following chapter outlines the implications for planning based on the policy analysis and the literature related to six focus areas of economic development policy – governance and policy delivery, community development, ecological planning,
economic re-structuring and development, cultural planning, and transparency and accountability. Implications are presented as one line sentences with concluding remarks from the literature and the policy analysis of the two cases.

This chapter embodies the full nature of the issues involved in innovative economic development policy for rural communities; therefore this chapter is not presented in a typical fashion. To provide a comprehensive guide to economic development planning for planners and policy makers when creating policy for declining rural communities, this chapter needed to convey the complexity of rural economic development, and the numerous implications for planning as a result of this research.

Implications for economic development planning:

**Conditional requirement to implement innovative economic development policy**

*The political climate must be open to new ideas and change.*

Creating effective innovative economic development policies for coastal community renewal requires a political climate that is open to change and new ideas; this does not necessarily mean a political climate that is stable. In the case of Nova Scotia, the provincial government felt that the situation for coastal communities was desperate: small towns were beginning to disappear, rural employment was high, and industry was relocating to urban centres. Due to the province's significant rural population, the government was pressured to find new solutions and seek new approaches to rural economic development. In the case of British Columbia, rural resource industries are declining rapidly, but still allow the provincial government to operate within the status quo, thus giving the appearance of greater economic stability and effectiveness of current governmental approaches than is actually the case. Industries such as forestry and mining are still minimally able to support rural development, but fewer and fewer people are benefiting from these rural economies. Until British Columbia's rich endowment of natural capital are depleted, political pressure will maintain the development of resource extraction.

Another influential factor is the political ideology of the current government in power. In Nova Scotia, the government is under minority rule with the Progressive Conservatives as the ruling party and the New Democrats as the official opposition. This political climate
suggests that the moderately right Progressive Conservative will need to try new approaches as the balance of power is within the hands of the left wing New Democrats which tends to lean to more community-based, socially integrated approaches. Nova Scotia’s political situation stands in stark contrast to that of British Columbia, in which the government is made up almost entirely of right-leaning Liberals with very little opposition from the populist New Democratic Party. Economic development within British Columbia within the last three years since the election of the Liberal Party to government has been guided by free-enterprise conservative, market-driven models of development and further away from populist community-led initiatives.

Implications for governance and policy delivery

Launching innovative policy elements into economic development requires governance institutions and agencies to operate in new ways that will allow them to emphasize better communication and resource exchange between involved parties, to increase levels of community involvement in decision-making, and to shift away from government roles that are rigidly authoritarian. This transition requires an organisational shift in governance structure that supports more innovative and responsive methods of economic development. The following implications outline structural and organisational roles that governance bodies need to play to increase the effectiveness of innovative economic development policy within rural communities.

**Build multi-level, multi-sector structures to deliver policies.**

"The criteria of success are increasingly reflected in the multi-sectoral and dynamic strategies based on a vision of the kind of territory that people want for the future, a vision which is focused on realizing sustainable development and encouraging local endogenous development." (OECD, 2002)

Although the recent trend in planning has been a shift towards more community-based planning, these processes cannot function to their full potential without strong support from upper-level governance bodies. Community-based planning needs to be combined within structured and informed support from governance bodies that help to sustain positive responses to economic and social changes. The goal for governance bodies should be to provide multi-level governance that supports community-based decision-making yet provides resources and plays a facilitation role in the community’s
Development. Provincial governments are best able to accomplish this goal by encouraging partnerships, organising information and speak out sessions with communities, helping to create development objectives with the communities, and working with local authorities as well as other governmental departments. This structure of governance builds social infrastructure and multi-organisational relationships that can best deal with changing conditions at the local level.

Governance bodies need to encourage more partnerships and collaboration in the delivery of services and in the creation of public policy. Collaboration taps into the ideas of many people, and engages different organisations each with their own expertise and responsibilities to contribute to the process of innovative economic development (Bradford, 2003). Collaborative working relationships can also allow for a better flow of information between governmental departments, and between the community bodies and the government.

The Nova Scotia government utilised the multi-level governance approach to create its economic development policy. The government shifted its role from administrator and financial manager to include providing resources and information support to regions through the Regional Development Authorities (RDAs), Community Action Teams, creating partnerships between private and public bodies, and helping to create overall economic development goals and objectives through a strong consultation process.

Create public participation processes that are inclusive and responsive to public needs and vision.

Incorporating a strong public participation process was a key factor for creating an innovative economic development strategy in Nova Scotia. The Nova Scotian government made it a priority to ask the public where they saw the province heading in the next thirty years and what changes they thought needed to be made to current economic policy in order to reach their goals. This participation process helped frame the direction and focus of the economic development policy. The participation process also ensured local buy-in and made the local communities feel that they had a role to play in the economic future of their province.
In contrast, the approach taken by the British Columbia government did not involve a participatory process. The BC economic development policy, the *Heartland Strategy*, was conceived and developed solely by government with little or no public input. The nominal outcomes of each Strategy underscore the difference in each province's goals and approach: *Heartland Strategy* is an economic agenda of how the government will be spending funds to enhance rural development, while the Nova Scotia economic and community development policies are plans to guide economic and social development of rural communities for thirty years.

**Play the role of supporter and facilitator versus the role of manager through the use of Community Action Teams.**

Government can play a more meaningful role in rural communities by acting as a facilitator rather than a manager of development. Within a facilitator role, the government provides information, resources, financial, and technical support to communities versus the role of manager that directs development and financial priorities from a central agency often located outside the area. Playing the role of facilitator in community renewal allows the local community to take an active and energetic part in their own development, thus building capacity at the local level. By taking on the role of manager, governments may limit the capacity that communities can play in their own development.

In the case of Nova Scotia, the government wanted to take on the role of facilitator for communities by organising partnerships, creating access to information and resources, and supporting regional development bodies. This facilitator role more easily lends itself to building capacity at the local level and to deal with changing conditions by allowing the regional development agencies and local organisations to set their own priorities for locally appropriate development. An example of this facilitator role is the creation of **Action Teams** by the Nova Scotia government. The Action Teams are composed of experts and government employees in economic development that are dispensed to rural communities in crisis. The Teams work with community organisations and government bodies to find strategies to local issues. The Action Teams provide organisational capacity and resources to communities that might not be able to afford to hire an economic development consultant. As well, the Teams have links to government information and programs. This type of innovative structure allows
communities to set their own agendas, while gaining support and experienced guidance from the provincial governments.

Figure 4 - Government in the role of facilitator through the use of Action Teams.

**Approach social, political, economic, and environmental issues in an integrated manner.**

Innovative policy needs to recognise the integrated nature of community issues. Economic development policy that attempts to "address issues of unemployment or poor wages without understanding the dynamics of possible environmental degradation and community health will be doomed to fail" (Day, 1998). Past government approaches to rural development focused mainly on natural resource development, while ignoring social and community issues. Innovative government policy must play greater attention to the interconnectivity of social and political dynamics in economic development.

In the Nova Scotia example, the government thought it necessary to have a community development policy in accompaniment with their overall economic development strategy. The Department of Economic Development in Nova Scotia realised that to tackle issues of declining communities and poor economic showing, the government would have to address interrelated issues of development such as increasing community capacity and investing in social capital. The Community Development Policy in Nova
Scotia emphasizes the importance of an integrated approach to development by stating, "community development builds on a balanced approach that addresses and integrates economic, social, environmental, and cultural considerations" (p. 4).

**Address place-specific and people-specific needs.**

The social and economic dynamics of rural communities are constantly in flux due to the influences of globalisation and external processes on the economies of these areas. Policy that attempts to implement innovative elements must be flexible in order to address ever-changing needs. This does not mean that economic development strategies should be loose and unstructured; only that these strategies should be able to incorporate and respond to dynamic feedback. Although rural areas are normally considered the hinterland to urban areas, individual rural communities have needs that speak specifically to their differences in population and location (Hutton, 2002). Innovative economic development policies are responsive to these place and people specific needs.

In Nova Scotia, the government has set out a large, overarching economic and community development framework that hopes to guide community processes throughout the province. Yet, the government has outlined a system of regional governance that responds to place and people specific conditions prevalent within each region. This structure provides an overarching provincial framework for economic development but allows for regionally-based development to respond place-based conditions.

The *Heartland Strategy* does provide development agendas for each region in BC, yet these agendas are very broad and outline the provincial government’s economic investment agenda for these regions. As well, the *Heartland Strategy* does not outline a benchmarking mechanism that would allow the policy to adjust to changing place and people specific conditions.

**Implications for community development planning**

Including community and social development in traditional economic development strategies has not been commonplace, but recent shifts in governance and public
policy have recognised the need to include social, environmental, political, and cultural objectives in mainstream economic development. Aligning community development with economic strategies will be an important step to addressing complex issues and moving communities toward sustainable futures. The following implications outline strategies governance bodies could implement to foster community development within an innovative economic policy.

**Build or strengthen local capacity.**

Building capacity at the community and regional level is integral to the success of any economic development policy. Governments can play a leading role in increasing the capacity of rural people to be involved in development and the development of public policy. By building capacity at the local level, governments can support communities to be more responsive and empowered by changing circumstances. The literature on capacity building and empowerment show that communities and citizens who feel empowered to make or direct change in their space of influence can make sustainable and long-term positive impacts on their communities (Perry, 1999; Day, 1998; Atlantic Health Promotion Research Centre, 2003). Inserting programs and action plans that build capacity should be a necessity of every long-term economic development strategy.

The Nova Scotia government attempted to build capacity by increasing the role of regional development agencies, by increasing the influence of previously marginalised ‘communities of interest’ in current economic development, and by creating CED Action Teams to build capacity with extremely distressed communities. As well, the Community Development Policy document for Nova Scotia contains several references to the idea that building capacity within communities will be integral to shaping those communities years from now. The British Columbian example did very poorly on this count. No mention is made of the importance of building capacity within communities, with the exception of First Nations communities where the Heartland Strategy recognises the need to build better relationships with First Nations and to empower these communities to participate within the economy.
Include mechanisms for community asset building.

Economic development policy for rural areas needs to place stronger emphasis on striving towards developing local assets. These assets encompass activities and resources that individuals, households and communities have to sustain or improve their well-being (Smith et al, 2002). By creating policy that focuses on improving community assets, governments can address issues that are interrelated in nature, and help to mobilise the community to tackle issues within their own skill and talent base. Here, governments can play a role not only in creating policy that encourages and facilitates the strengthening of community assets, but also in providing external resources and services that help build better assets in local areas. A stronger focus on improving assets will allow communities to be better-equipped to handle future changes in social and economic conditions. The Community Development Policy for Nova Scotia mentions the need to improve local assets as a means to increase community well-being and social development.

Include ‘communities of interests’ in creation and implementation of the economic policy.

Attempting to be inclusive is a common struggle during the creation and implementation of public policy. Involving traditionally excluded groups in the policy process is an important step in ensuring that the policy responds to the people who will be most affected.

In Nova Scotia, encouraging social inclusion is a founding principle of the Community Development Policy, which strives to ensure that, “all community members, regardless of gender, age, disability, race, culture, language or social and economic status have the opportunity to become engaged in the community development process and are able to access its social and economic benefits.” Also in the Nova Scotian case, the government signed memorandums of understandings and set up special strategies with the Le Conseil de développement économique de la Nouvelle-Ecosse (Acadian Nova Scotians), the Black Business Initiative, the Aboriginal Open for Business Centre, Mi’Kmaq Nova Scotia FirstNet Program, and the Nova Scotia Co-operative Council. Making ‘communities of interest’ an integral element of the economic development policy, the Nova Scotia government ensures that these communities will be included in the economic future of the province where they had traditionally been left out.
In the case of British Columbia, the government is making great efforts to include First Nations in the economic development planning of the province through the use of government-First Nations economic partnerships.

**Social impacts related to economic development decision-making should be monitored and assessed through the use of indicators and a 'community development lens'.**

Recent literature and research has suggested that social planning needs to play a greater role in economic development (Battle et al, 1998; Colman, 2003; Peters and Fisher, 2004). Past economic development initiatives have failed to take into account the social impacts of economic decision-making. Although the revitalisation of rural communities will be dependent upon strengthening the economy, problems such as unemployment and poor wages must not only been seen as an economic problem solely curable by economic strategies. These issues need to be viewed more holistically, as problems which include social elements as well. Governments have a crucial role to play in assessing social impacts related to economic decisions. A policy mechanism must be put in place to monitor social and community impacts during the implementation of the economic development policy.

In the *Community Development Policy* for Nova Scotia, government created a check-list of Sustainable Community Indicators to “inform government decision-making in relation to how government policies and programs affect communities” (p.12). Indicators are profiled in 13 areas of Nova Scotian life. The indicators assess a range of sectors: for example, the economic indicators assess elements such as income and access to capital, while health indicators looks at issues of mortality and health promotion. The *Community Development Policy* also utilizes a ‘community development lens’ that helps to assess social and cultural impacts related to government decision-making, especially surrounding economics.

As mentioned earlier, the Heartland Strategy does not specifically detail a system of indicators to benchmark social and environmental impacts related to economic decisions. This capacity is held within an arms length government endorsed organisation – the BC Progress Board - that monitors British Columbia’s performance in the areas of economics and quality of life.
Implications for ecological planning

A flaw of many economic development policies is that they do not address the environment. Ecological integrity has typically been compromised in the pursuit of economic development planning in rural areas, for instance through the destruction of creeks and streams in forest extraction or the degradation of marine habitat through the practice of drag fishing. Innovative economic development should emphasize an understanding of ecological impacts related to economic development. The following implications for policy development guide governments to incorporate more ecological aspects into economic development policy.

Set clear environmental goals and action plans.

Economic development policy should set out clear environmental goals and action plans. Especially due to the influence of resource industries within rural communities, economic development policy must provide ecological goals to ensure responsible development. These explicit goals could encourage the development of an industry within a particular resource, while providing specific environmental targets that the industry would be required to follow. An example might be creating a policy for the fishing industry that would recognize the need to provide more jobs and invest more funds into the industry, while firmly stating that benthic ecosystems must be protected through reduced use of drag net fishing practices. However, it is often the case that even when economic development policies do propose ecological goals for development, they do not state accompanying action plans on how these goals may be accomplished. Environmental action plans detailing the process or strategy for meeting stated goals are necessary for effective economic development.

In both the British Columbia and Nova Scotia cases, the governments make commitments to improving environmental quality and reducing impacts related to economic activity; yet neither government details how they plan to reach their stated goals of ‘environmental sustainability’. The British Columbian strategy makes a better attempt at understanding and mitigating environmental concerns. The strategy does detail several plans the government intends to implement to improve forestry and aquaculture practices.
Create an ecological check-list to monitor and assess impacts related to economic development decision-making.

As with the social/community check-list, an ecological check-list should be created to accurately assess impacts related to economic development. The check-list should be tailored to the ecological and geographic specifics of the area within question. As well, particular attention should be paid to the specific industries operating within the area. If forestry is a major industry within a particular province, then the environmental check-list would incorporate indicators related to buffering guidelines, riparian preservation, wildlife populations, and turbidity of nearby streams.

Implications for economic development planning
Implementing new ideas in rural economic development requires a shift away from the belief that rural economies can be improved simply by using economic solutions such as increasing resource output, subsidies, or attracting external investment. Innovative economic development brings together lessons learned within economic geography, community economic development, entrepreneurship, co-operatives, and regional planning. The following list outlines implications for policy development that aim to improve and re-structure the delivery of economic development policy in rural areas.

Promote regional industry and learning clusters.
Clustering is not a new concept in economic development. Governments introduced clustering in their economic strategies after the successes of the high tech sector clustering in San Jose, California and Boston, Massachusetts. Rethinking the structure of traditional industrial and resource networks has been integral to tapping into new economic markets and demands. Clusters can be understood simply as the geographic concentration of interconnected companies and institutions within a given field (Torjman and Leviten-Reid, 2003). Clusters can be comprised of government facilities, learning institutions, knowledge industries, and resource companies. Clustering emphasizes the exchange of knowledge and skills between agencies. Due to this emphasis, clusters become centres of learning and innovation. Clustering stresses the importance of geographic proximity, but also the development of collaborative relationships and supporting programs. These clusters of industries or institutions present a competitive...
advantage through their shared amenity and location, and can drive growth within a
particular location.

The economic development of the last decade has emphasised the centrality of
industrial activity, specialised services and ‘knowledge production’ (Hutton, 2004).
Emphasis on restructuring has been primarily located in or on the periphery of urban
centres. Rural communities and regions can learn from clustering successes in urban
areas. Governments play an integral role in developing policy and strategies to
encourage resource industrial and learning institutional clusters within rural areas. Due to
the remote distances between rural areas, these areas have been mostly excluded from
participating in the growing knowledge economy. By encouraging the establishment of
industrial and learning clusters to these areas, rural communities can gain access to new
markets and employment therefore providing more opportunities for economic
diversification.

Clustering can also work to preserve local culture. Industrial clusters can be created
which capitalise on regional cultural expertise. Such a cultural cluster has been created
in Nova Scotia in the wooden boat-building industry. The Cape Islander is a traditional
style wooden boat that is indigenous to south-western Nova Scotia and has been used
for centuries by local fisherman. A boat building cluster has been established in Cape
Island, Nova Scotia that markets this particular type of fishing boat to the world and
keeps the traditional culture of boat building alive in the local community.

In Opportunities for Prosperity, the Nova Scotia government strongly promoted the
establishment of regional clusters. Clustering is mentioned in relation to industrial
clustering of value-added services and manufacturing, learning institutions, and
technological services. The policy states that to increase competitive advantage the
province must enhance life-long learning. The policy goes on to state that this can be
accomplished by investing in education institutions, placing greater emphasis on the
knowledge economy, increasing the access to communications technology, and
enhancing opportunities for innovation.
Promote a mixed approach that endorses the development of local economies and external market trading.

Supporting and facilitating bottom-up economic development practice is imperative for every upper level government body. The movement in grassroots economic development is geared toward the promotion of more community-based economic practices. Community economic development is premised upon the idea that in order for communities to be successful, economic development must be fuelled from within the community itself, and must harness local resources and skills (Torjman and Leviten-Reid, 2003). Such practices strengthen economic and social capacity, reduce outside dependency (thus strengthening community resiliency), encourage investment to stay within the community, and encourage the creation of industries that offer regional cultural amenities and services.

Although strengthening local economies is an important segment of economic development policy, the importance of external commodity trading cannot be ignored. For the regions and communities which rely on natural resources industries to comprise a large part of the local economy, national and international trade is an important segment of a successful economic strategy to generate revenue for such areas. The emphasis within an innovative economic development policy would be to highlight strategies to improve local economies through community-based development and to promote market driven economics. The challenge is that market-driven approaches are necessary to compete in global markets, yet external economic dynamics have traditionally made rural communities very vulnerable to changing forces. A market driven economic approach is important to increasing economic development, but real efforts need to be made to break the sole dependence on external investment and trading. This can be accomplished by placing equal emphasis on strategies and policies that promote community-based economic practices. Both provinces promoted a mixed economic strategy for rural renewal.

Promote local investment through the use of community development funds.

It is a common feature of economic development policy to include strategies that encourage internal investment in the local economy. Many economic development
policies focus on encouraging external investment in the local economy. This practice has been only nominally successful: initial investments may be made, but industries will then often leave the targeted region after subsidies and corporate grants have disappeared. Most policies fail to increase local investment in the local economy. Maintaining local investment keeps capital within the local economy, and reduces the impact of external economic changes.

The Nova Scotia government has taken an interesting approach to increasing local investment in the province. Opportunities for Prosperity economic policy outlines a strategy to set up Community Economic Development Funds (CEDIFs) and community bonds. These CEDIFs act as a "pool of capital, formed through the sale of shares (or units), to persons within a defined community that is created to operate or invest in local business". This type of fund meets the goal to promote local economies by investing local moneys back into the community whereby increasing economic and social opportunities.

**Encourage entrepreneurship, small business development, and economic diversification by creating Small Business Resource Centres.**

Diversifying the local economy has reduced the dependency communities have on external influences, such as commodity markets, that are generally out of their control. Research has shown that communities that have focused on diversifying the local economy have become more resilient to changing economic conditions (Battle et al., 1998). Economic development in rural communities has traditionally been tied to resource extraction and processing. This has made rural areas particularly vulnerable to environmental degradation, and commodity markets. Strategies that have attempted to diversify have focused its efforts on increasing small businesses and strengthening entrepreneurial capacity. This has been accomplished by the setting up of Small Business Resource Centres that provide resources and build capacity within the local business community (Nova Scotia Community Business Resource Network, 2004). These centres are usually operated by provincial or regional governments, or local non-governmental organisations. The small business centres can also aid in building a business climate that is locally responsive, and increases the community’s competitive advantage to market local amenities and skills.
Focus on regional governance and economic development.

“Ensuring a stronger voice for residents of diverse regions, via a range of adjustments and innovation in governance, institutions, policy and planning systems, is central to disclosing new development pathways, and to more fully mobilising the full range of resources within these regions.” – Hutton (2002).

The practice of rural development has traditionally been synonymous with regional development due to the natural resource base of most rural economies and the sparse population of rural areas. According to much of the research on innovation and community renewal, economic development policies that focus on development on a regional scale tend to be more successful (Torjman, 2004; Torjman and Leviten-Reid, 2003). This success has been attributed to the ability of regional governance to foster greater information exchange and networking within the region between local agencies, to increase local influence on economic decision-making, and to focus on strengthening local assets. Regional government can more readily recognise and support critical development needs and opportunities by providing a stronger voice for regional interests and mobilising local capital (Hutton, 2002).

In the Nova Scotia case, the province paid particular attention to increasing the powers and capacity of regional governance bodies through a system of Regional Development Associations (RDAs). The idea behind the RDAs is to increase the influence local regions have in their own development. The RDAs are mandated to increase regional capacity by developing a growth strategy and a business plan for the region in which they represent. Much of economic development authority has been divested from the provincial government to the regional associations.

Although the province of British Columbia has a system of regional governments, the authority to guide major economic development planning has been retained by provincial government agencies verses the situation in Nova Scotia where the majority economic development planning has been granted to regional development bodies.
Focus on long term investment.

A cited failure of past economic development schemes is their short-term focus and investment into the community (Peters and Fisher, 2004). Governments need to make a long-term commitment to community renewal that looks beyond the traditional four-term political cycle. It is difficult for governments to accomplish this goal, especially if the governments replacing one another have different political ideologies of development – whether conservative or progressive. Governmental commitments to implement a particular policy must recognise that effective economic development for rural communities cannot be accomplished within a short time frame, and that community renewal requires steps to be taken over a long time period with a commitment to the process of positive renewal versus an instant product.

Implications for rural development and the knowledge economy

Until recently, with the widespread use and integration of the internet, rural areas have been kept out of participating in the growing knowledge economy. Government attempts to promote economic development in knowledge sectors have been limited in focus to urban areas and their outskirts. High-value goods and services, especially within the information and knowledge sectors, have become important drivers of economic growth within urban areas but economic development has continued to remain resource focused in rural regions. In an age where rural regions suffer economic impacts related to environmental degradation, resource depletion, and cost factors, more emphasis needs to be placed on increasing access to knowledge, learning and high valued sectors within these areas. This move will be an important step in helping to diversify the economies of rural areas into 'post-stable' economies of value-added industries, tourism, cultural industries, and learning institutions (Hutton, 2004).

The promotion of learning and knowledge sectors will be beneficial not only for the economies of rural areas, but they will also provide a tool for social learning. Providing access to information and networking will increase the ability for communities to share best practices with organisations, government departments, and other communities encountering similar issues. This type of social learning will help guide communities toward developing innovative ideas, building trust, sharing knowledge, and building upon local successes.
The following implications for policy development outline mechanisms to increase access to the knowledge economy and promote social learning within rural communities.

**Promote the establishment of "learning communities" through information and civic networking.**

The government's investment in learning has traditionally been channeled through the education system. Yet a new role for government involves the support for a more diverse definition of learning, both within and between communities (Torjman, 2004). This investment can help communities learn from each other's experiences. This process of learning can be facilitated by government through the establishment of community learning networks. These community networks are mainly locally control organisations that foster community development and promote life-long learning. Many community networks use various forms of technology, such as education networking and distance learning (Torjman, 2004). These networks are multi-organisational. They are organised by committee of representatives from education institutions, government, business, industry, and civil societies. This committee would help to set goals and implement a strategic plan for community learning efforts. Government's role is to facilitate the formation of such committees and to aid the committee in identifying the community's learning priorities.

The Nova Scotia policy, *Opportunities for Prosperity*, discusses the need to learn from the successes of the Smart Communities program supported by the federal agency, Industry Canada. The goal of the program is create opportunities for learning through information sharing and for business development. The policy directs the implementation of more Smart Communities type projects in other rural areas in the province.

**Encourage new research on rural topics through the use of Regional Innovative Research Chairs at local learning institutions.**

Research has a large role to play in innovative economic development policy through the introduction of new ideas or ways of doing things. Research focusing on rural issues has in the past focused on natural resource development, regional economics, and agriculture. Education institutions and governments are starting to understand the complexity of rural areas by investing more funds into research addressing social...
environmental, political and cultural dynamics of these areas as well. Research will play a large role in finding new solutions and in gaining a greater understanding of how improved community dynamics can help bring about sustained improvement to rural areas.

As outlined in the Heartland Strategy, the British Columbian government has taken an informative approach to promoting innovative rural research. The policy discusses the introduction of several Regional Innovation Research Chairs across the province to investigate opportunities for new social and economic investment.

**Implications for cultural planning**

Society is beginning to grasp the importance of culture to our quality of life. Cultural differences between areas are defining features of these regions. These differences can create a cultural competitive advantage between regional businesses and industries through the delivery of high-value services and amenities (Hutton, 2002). These industries can be derived from cultural values, traditions and skills. Governments have been slow to recognise the importance of culture to the success of economic development projects. Understanding cultural differences between regions will be crucial for governments to successfully guide economic development programs and initiatives. The following implication will guide government’s ability to promote regional cultural identity, build economic development policy that maximises rural cultural values, and create an atmosphere for policies to be more widely accepted within communities.

**Respect regional culture and values by including cultural objectives and goals.**

Economic development policy must be cognisant of culture in order to ensure that implementation is effective. Past economic development strategies have not adequately appreciated local culture thus making it difficult to garner local support and ensure successful implementation throughout the time line of the policy. Especially in cases where culture plays a large role in the local economy, such as in multi-cultural communities or communities of difference, economic development policy must strive to accommodate and support regional differences to create relevant policy that is publicly endorsed.
Economic development policy that endorses local culture increases the region's competitive advantage in offering specialised cultural services or goods. These cultural amenities make attractive regional features that can spur more development and growth than other communities that do not showcase such differences. Industries such as tourism, art, and high-valued services take advantage of these differences in regional culture.

The Nova Scotia policy, Opportunities for Prosperity, the government has made great strides to include ‘communities of interests’ in the formation and implementation of economic development. These ‘communities of interest’ include the Acadian economic council, the Black Business Initiative, co-operative association, and First Nations communities. In the Community Development Policy, the document specifically lays out, respecting local values, as one of its twelve founding principles. By emphasizing a community approach development within the province’s economic development program, there is a greater likelihood that local values and ideas will be encouraged thus safeguarding regional culture.

**Implications for accountability and transparency planning**

Accountability and transparency are extremely important elements within governance policy because without clearly defined goals or mechanisms to monitor policy, governments lose the confidence of partnering agencies and community members who have invested their time, tax funds and resources into the process. The following implications help increase the accountability and transparency of economic development policies not only to the public, but to public and private organisations invested in the economic process.

**Include mechanisms for benchmarking successes/failures at a regional scale.**

Economic development policy must include mechanisms for monitoring and assessing success throughout the implementation of the strategy. This type of benchmarking is necessary to assess impact of policies at the local level. Policies which aim to be innovative and address complex issues must shift away from simple results-based and short-term monitoring to a benchmarking strategy that emphasizes the importance of long-term commitment and consistent monitoring of economic outputs, and social and environmental indicators (such as education, social housing, pollution levels, and health.
statistics). Such benchmarking is a critical policy tool that can effectively disseminate information to local industry, businesses, and regional and local organisations. This function can be key to generating regional social and economic trends as well as to understanding the success or failure of the economic policy in question. Benchmarking also provides feedback to make adjustments or changes to the implementation of the policy.

Accountability is one of the underlying principles in Opportunities for Prosperity. The policy outlines a benchmarking mechanism that will monitor progress of various social and economic indicators. The benchmarking process utilizes an adjustment mechanism to provide feedback throughout the implementation of the policy. As well, accountability is listed as a priority in the Nova Scotia Community Development Policy. The policy outlines Sustainable Community Indicators (SCIs) to assess 13 sectors of community life from economic to public safety throughout the implementation of the policy.

Although no benchmarking or transparency mechanisms are outlined in the British Columbian Heartland Strategy, the BC Progress Board provides benchmarking reports on economic and quality of life indicators (BC Progress Board, 2004).

**Include clearly defined policy goals, objectives, and guiding principles.**

Economic development policies that are not transparent about their true intentions regarding the intended targets and scope may be difficult for the public and agencies to understand or to trust. Goals must be clear and provide a description of the intended actions. Guiding principles frame the intentions of the policy and provide a greater understanding the policy to the reader and/or effected agencies.

Both the Opportunities for Prosperity and the Community Development Policy for Nova Scotia presented clear goals, objectives and guiding principles. This made for a greater understanding the policies intentions, targeted organisations, and agenda. Especially interesting are that the guiding principles were generated through a participation process that outlined elements within an economic development policy that was important for Nova Scotians.
Include mechanisms for action planning and progress reporting.

To ensure greater accountability, economic development should not only outline statements of intentions but also present action plans regarding how those intentions will be fulfilled. Policies often make statements about guiding a particular action yet give few details about how that would be accomplished. Considering the vast timelines of implementation for economic development policies, annual or bi-annual progress reporting is important to disseminate information to the public and agencies regarding the success of the policy. Providing information regarding the policy's intended actions and progress helps the public and agencies understand how the policy is working, how it may be affecting their community, and how the policy might be changed to better serve outlined goals.

The Nova Scotia Opportunities for Prosperity document states that the government will provide progress reports on a tri-annual basis to communicate changes to the implementation of the policy, to provide information about successes and failures, and to communicate about new initiatives. The British Columbian Heartland Strategy does not include a mandate to publish progress reports during the implementation of the policy.

Summary

Rural communities in Canada have been heavily impacted by the processes of globalization, and the loss of resource industries. This has created an atmosphere of volatility and uncertainty within the social and economic fabric of these communities. Community instability has created a ubiquitous rural crisis across Canada resulting in mass migration to urban centres, high unemployment, poor community health, and fragmented social capital.

Rural communities are struggling to cope and adapt to rapid external change, therefore identifying a new role for future governance is necessary. Governance bodies have an opportunity to better facilitate economic and social development in rural areas by moving away from the notion that resource extraction is the sole determinant of regional development towards a progressive view that supports innovative approaches to rural development. Innovative governance policy for rural communities should embody the
concepts of active public participation, inclusion, ecological recognition, knowledge economy, organizational re-structuring, social learning, networking, and transparency.

The purpose of this thesis is to identify innovative economic development policy approaches and mechanisms to address declining communities. By identifying innovative policy and planning mechanisms, this research offers a guiding framework of new approaches that policy makers can consult when designing future economic strategies for rural decline.

The implications of innovative governance to future economic development planning are numerous. By applying the concepts of innovative governance to rural economic development policy, several opportunities for rural revitalization arise:

- Improved relationships between government and communities in rural development.
- Improved processes and structures of governance in rural development.
- Built capacity within communities to deal with changing economic conditions that invests in social capital and community assets.
- Guided long-term economic renewal that invests in community development processes that facilitate resilience.
CHAPTER SEVEN: BIBLIOGRAPHY


Barnes, T.J. 2004."New Borderline Communities: Canadian single industry towns, staples, and Harold Innis." http://www.geog.ubc.ca/~tbarnes/


Recipes for Recovery


Journal of Environmental Planning and Management. Vol. 43, Iss. 5: 601-621.


http://www.gov.bc.ca/bcgov/content/images/bc_heartlands_main_doc.pdf


http://www.innovation.gc.ca


Recipes for Recovery


Recipes for Recovery


Recipes for Recovery 116


Rural Communities Impacting Policy Project. 2003. "Painting the Landscape of Rural Nova Scotia". Available from the Atlantic Health Promotion Research Centre, Dalhousie University, Halifax, N.S.


World Health Organisation (WHO).1946. “WHO; definition of health”.  
http://www.who.int/about/definition/en/

### APPENDIX I:  
**Opportunities for Prosperity: A New Economic Growth Strategy for Nova Scotians**

<table>
<thead>
<tr>
<th>Presence of Principles</th>
<th>Absence of Principles</th>
<th>Analysis</th>
<th>Planning Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal</strong></td>
<td></td>
<td>To make Nova Scotia a better place to live, work, do business and raise families.</td>
<td></td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td></td>
<td>To develop a new economic strategy for Nova Scotia.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>To function as a framework for action, a framework that stresses consistency and sustained relevance in our economic development activities in the years ahead (p.2).</td>
<td></td>
</tr>
<tr>
<td><strong>Vision</strong></td>
<td></td>
<td>The vision of a thriving Nova Scotia by 2010 is the best place in Canada to live, work, do business and raise families.</td>
<td></td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>A balanced budget by 2002-2003. (p.35)</td>
<td>An increase in provincial employment levels by 20000 by 2005.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investment per person above the national average by 2005.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Export expansion by $2 billion, or about 40% between 1999 and 2005, and exports per person above the national average by 2010.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Provincial GDP growth above the national average over the next 10 years.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consistent net in-migration through to 2010.</td>
<td></td>
</tr>
<tr>
<td><strong>Overview</strong></td>
<td>Focus on economic development that is transparent, fiscally and socially responsible, economically, socially and environmentally</td>
<td>Recognition of inter-related and integrated issues.</td>
<td></td>
</tr>
<tr>
<td>Elements</td>
<td>Strategy focuses on education, training, employment, income, investment, infrastructure, technology, exports and business climate.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principles</td>
<td>Collaboration – Government must work with communities, citizen groups, and labour to ensure they participate in economic growth. Governments must also work extensively with other levels of government – federal, municipal, and First Nations. (p. 3-4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Market focus – Economic development must be attentive to external market pressures.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Clustering – Encourage the building and expansion of industry clusters throughout Nova Scotia with competing, complimentary and interdependent firms.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accountability - Reporting clearly and honestly to the people of the province on what the government intends to do and making the process as transparency as possible. Includes the laying out of a policy framework for action and giving progress reports.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Empowerment</td>
<td>“Working with citizens to build the economy”. Public consultation that is inclusive and responsive.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>“Strengthen the regional capacity to advance economic development.” (p.13)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>“Increase community capacity through the use of Community Economic Development (CED) Action Teams to work with communities under stress: the work will be in co-operation with municipalities and regional development agencies.” (p.23, progress report)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Multi-level, multi-sectoral governance structures</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regional industrial clustering</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Action planning and progress reporting</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CED Action Teams that work in collaboration with government bodies.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Democracy</strong></td>
<td>✔</td>
<td>The emphasis on government as a supporter and facilitator.</td>
<td>Working with 'communities of interest'.</td>
</tr>
<tr>
<td>--------------</td>
<td>---</td>
<td>------------------------------------------------------------</td>
<td>--------------------------------------</td>
</tr>
<tr>
<td>✔</td>
<td>The strategy involves an approach focusing on &quot;communities of interest&quot;. These communities are sections of the public that have traditionally been ignored or disempowered in the economic system. Special strategies and memorandums of understanding have been signed with the Le Conseil de developpement economique de la Nouvelle-Ecosse (Acadian Nova Scotians), the Black Business Initiative, Aboriginal Open for Business Centre, Mi'Kmaq Nova Scotia FirstNet Program, and the Nova Scotia Co-operatives Council. (p.25, Progress Report)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>A large, province wide public consultation process was conducted with approximately 100 meetings. The process attempted to be very inclusive by involving members of the public and sectors that had been previously under-involved.</td>
<td>To ensure involvement of the public and sectors that have been previously under-involved a province-wide consultation process should be considered.</td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>Feedback opportunities were provided to the public through web-site and mail.</td>
<td>Comprehensive communications strategy</td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>&quot;Work with communities, citizen groups, and labour to ensure participation in economic growth.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>The strategy stresses the importance of partnerships and collaborative efforts between government – provincial, federal, and municipal, communities, and citizen groups.</td>
<td>Multi-level, multi-sectoral governance structure.</td>
<td></td>
</tr>
</tbody>
</table>

<p>| <strong>Ecological Respect</strong> | ✔ | &quot;Embrace sustainability as a foundation for long-term growth.&quot; | |
| ✔ | &quot;Recognize the natural environment as an asset.&quot; | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Long detailed mention of natural resource and value-added industries, but made no mention of environmental costs or ecological impacts. The strategy did not mention how they plan to deal with environmental damage or pollution created by these industries.</th>
<th>Ecological check-lists for economic development policies and for industry.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
<td>The strategy did describe the need to manage resources effectively and that industry will need to meet increasingly stringent international environmental standards.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>Mentions were made about the impact to the environment by the agricultural industry due to run-off. No mentions were made about a strategy or protocol on how this toxic effluent would be handled.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>The strategy did briefly discuss environmental sustainability within the context of development for Nova Scotia, but made no mention on how that would happen or would be addressed.</td>
<td>Environmental goals and objectives</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>The strategy did discuss the potential of oil and gas exploration and processing in the province, but never addressed the environmental impacts related to the industry.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>The document did mention the need to promote environmental industries as a growth area in the province.</td>
<td>Promotion of policies that encourage the establishment of environmental industries.</td>
</tr>
</tbody>
</table>

**Promoting Local Economies**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>The strategy has a stated market focus with an emphasis on the development of more value-added industries for oil and gas and natural resources, and innovation industries focused on technology.</th>
<th>A market focus is an important aspect of a balanced economic development policy.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
<td>Emphasis within the strategy is placed on increasing exports, not only within the resource and manufacturing industries, but service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emphasis on increasing internal and external investment in the province.</td>
<td>Policies that encourage economic diversification.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Emphasis also placed on increasing economic diversification in the province.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>&quot;Adopt an approach that is more market-focused and externally driven.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Attention is paid to increasing entrepreneurship in the province.</td>
<td>Entrepreneurship and small business policy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mention of the need to reduce trade barriers and reducing government red-tape and regulations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>A major emphasis of the strategy is to increase regional economic capacity. The government is committed to investing $125,000 annually to each of the province's 13 regional development authorities (RDAs) to strengthen regional economic development. The RDAs are mandated to develop a growth strategy and a business plan for the region.</td>
<td>Focus on regional governance and economic development.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>To strengthen the capacity of the regions, a community economic development policy for the province will be created through the Opportunities for Prosperity strategy.</td>
<td>Strengthen regional capacity through community economic development.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The strategy stresses the importance of increasing investment in the province. To fulfill the desire to increase internal investment in the province, the government has created Community Economic Development Investment Funds (CEDIFs) and community bonds. The CEDIFs act as a &quot;pool of capital, formed through the sale of shares (or units), to persons within a defined community, created to operate or invest in local business.&quot;</td>
<td>Implement CEDIFs to increase local investment in local economic projects.</td>
<td></td>
</tr>
<tr>
<td>Checkmark</td>
<td>Description</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>The strategy documents the importance of the co-operative industry in Nova Scotia. The government has signed a memorandum of understanding with the Nova Scotia Co-operatives Council to work together to developing sustainable economic development projects.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>&quot;Ensure health, education and social services are provided in a manner that enhances growth.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>The strategy focuses on improving the education system, and the need to re-invest in education institutions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>Mentions are made of the need to reverse the employment growth of low-wage, part-time jobs to higher paying, full-time employment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>The strategy does mention achieving social goals as a proponent of an effective economic strategy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>The strategy has a strong focus on regional clustering. Most of this emphasis is on industrial clustering, but mentions are made regarding the clustering of learning institutions and technological industry.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>&quot;We need to do better at building and expanding clusters&quot;.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>&quot;Places with skilled workers, learning institutions and companies tuned to the knowledge economy can lead development.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔️</td>
<td>The strategy reiterates the growing importance of the knowledge economy to Nova Scotia.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The policy briefly discusses the relationship between life-time learning and competitive advantage of the provincial economy.</td>
<td>Recognition of life long learning as an important aspect of economic development policy.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>&quot;Focus on the learning industry: education and knowledge services.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Several mentions are made regarding the need to increase access to communications technology in all communities.&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The strategy discusses briefly the want to create a stronger culture of innovation and design with industry and learning institutions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The report brings the attention to the need to foster more innovation within industry and social institutions. Innovation is recognized as a &quot;commercialization of new ideas and processes&quot;.</td>
<td>Promoting innovation in industry and social institutions creates more opportunities for economic development.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Within the section on growth opportunities, the policy discusses the need to increase and endorse the &quot;smart communities&quot;. The smart communities program is managed by Industry Canada. Smart communities endorse a vision for the community that involves the use information and communication technologies to empower residents, and institutions. The goal of the program is create opportunities for learning through information sharing and for business development. One such project has been attempted with success in Nova Scotia. The policy directs the need to develop more of these communities especially in rural areas.</td>
<td>The promotion of 'smart' or learning communities that employs information and communication technologies to empower residents and institutions.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Little mention is made of importance of Nova Scotian culture within the context of economic development. When culture is described within the strategy, it is related to promoting cultural industries for the purposes of tourism.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>The strategy does briefly discuss the potential of cultural business growth to the economy.</td>
<td>Cultural policy emphasizing arts and heritage should be placed within economic development strategies.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>It briefly mentions the importance of investing in arts and heritage projects.</td>
<td>An overall cultural strategy should be produced as a parallel document with the economic development strategy.</td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>Under the umbrella of Opportunities for Prosperity, the government created the Nova Scotia Cultural Sector Strategy. The Cultural Strategy is a plan for cultural development in the province with an emphasis on elements that were specifically economic.</td>
<td>Attempts must be made to include 'communities of interest'.</td>
<td></td>
</tr>
<tr>
<td>✔</td>
<td>The policy discusses the progress it has made to include communities of people traditionally excluded or disempowered by the economic process in Nova Scotia. As mentioned in the Local Empowerment analysis, the government has signed memorandums of understanding with several cultural communities, including the Acadian economic council, the Black Business Initiative, and First Nations. These agreements attempt to increase the participation of these communities in economic development in the province, but will also ensure that these communities will be able to endorse economic schemes that protect local culture resident to those areas.</td>
<td>Inclusion of benchmarking processes.</td>
<td></td>
</tr>
</tbody>
</table>

**Transparency and Accountability:**

| ✔  | One of the founding principles of the economic strategy is accountability. The policy mentions in detail the benchmarking process through the use of social and economic indicators. The benchmarking process also utilizes an adjustment mechanism to provide feedback throughout the implementation of the policy. |  |
|   | The responsible agency for the policy will report success and failures of the policy. A progress report has already been presented to the public three years after the policy's creation. These reports will be published every 3 years. | Transparent progress reporting |
|   | All steps, policy adjustments, and actions plans will be presented to the public. | Clear communications strategy |
|   | The benchmarking system is straightforward and easy to follow (accessible). | Benchmarking system should be clear and easy to follow. |
|   | A considerable amount of commitment is made toward the accountability framework that focuses on policy mandates and the monitoring of indicators. |   |
## Communities Development Policy Initiative: Supporting Sustainable Communities

<table>
<thead>
<tr>
<th>Goals</th>
<th>Presence of Principles</th>
<th>Absence of Principles</th>
<th>Analysis</th>
<th>Planning Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td>To create a more positive climate for sustainable community development.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To create a framework where government can have a positive impact by helping communities address change and become sustainable.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Presence of Principles</th>
<th>Absence of Principles</th>
<th>Analysis</th>
<th>Planning Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td>To combine economic development efforts with broader community and social objectives.</td>
<td></td>
<td></td>
<td></td>
<td>Integration of economic, environmental, and social objectives.</td>
</tr>
<tr>
<td>To create an effective Community Development Policy that will identify regional differences and provide a framework for communities to develop initiatives that target their areas of concern.</td>
<td></td>
<td></td>
<td></td>
<td>Commitment to regional governance</td>
</tr>
<tr>
<td>To provide guidance to provincial government departments in their work with communities.</td>
<td></td>
<td></td>
<td></td>
<td>Multi-level, multi-sector governance structure</td>
</tr>
<tr>
<td>“To define government’s role in supporting communities in their efforts to increase sustainability.”</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Presence of Principles</th>
<th>Absence of Principles</th>
<th>Analysis</th>
<th>Planning Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarify the services the provincial government provides.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Build more collaboration, co-operation, and co-ordination among communities, among departments, and between departments and communities.</td>
<td></td>
<td></td>
<td></td>
<td>Multi-level, multi-sector governance structure</td>
</tr>
<tr>
<td>Develop ways to assess the impact of government policies and programs on communities.</td>
<td></td>
<td></td>
<td></td>
<td>Monitoring social impacts of governance decision-making.</td>
</tr>
<tr>
<td>Improve mechanism to identify and develop community assets to enhance the economic, social, environmental, cultural well-being of Nova</td>
<td></td>
<td></td>
<td></td>
<td>Focus on community asset building.</td>
</tr>
</tbody>
</table>
Opportunities for Prosperity outlined the need to develop stronger regional capacity. In *Opportunities for Prosperity*, the strategy promised to build a comprehensive community economic development policy built on recent, localized experience in the province.

Several governmental and civil organizations were heavily involved in the creation of the community development policy; these included the regional development associations (RDAs), the Sustainable Communities Initiative, the Coastal Communities Network, the Black Business Initiative, and Le Conseil de Développement Économique de la Nouvelle Écosse.

Elements of the policy touch communication access, development, education, employment, First Nations relations, infrastructure improvements, social issues, youth, cultural activities, volunteers and non-governmental organizations, the role of government in communities, and the role of communities in their own well-being.

**Local leadership** – the community plays the leadership role in its own development.

**Government support** – government actively facilitates and supports community development through the provision of information, expertise, guidance, and other resources, as appropriate.

**Collaborative approach** – community development builds on cooperation, coordination, and collaboration between Government and the community.

**Balance** – community development builds on a balanced approach that addresses and integrates
<table>
<thead>
<tr>
<th>Economic, social, environmental and cultural considerations.</th>
<th>objectives.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Respect for local values</strong> – government strives to understand and respect community values.</td>
<td>Respect for local values.</td>
</tr>
<tr>
<td><strong>Social inclusion</strong> – all community members, regardless of gender, age, disability, race, culture, language or social and economic status have the opportunity to become engaged in the community development process and are able to access its social and economic benefits.</td>
<td>Promote inclusion of persons typically marginalized by development processes.</td>
</tr>
<tr>
<td><strong>Transparency and accountability</strong> – government involvement in community development encourages transparency, accountability, participation, and evidence-based decision-making.</td>
<td>Promote and improve accountability and transparency.</td>
</tr>
<tr>
<td><strong>Partnerships and shared interests</strong> – community development engages the necessary partners at the community and government levels.</td>
<td></td>
</tr>
<tr>
<td><strong>Common vision</strong> – community members and government define a common vision for the future.</td>
<td></td>
</tr>
<tr>
<td><strong>Democratic decision-making</strong> – the community has an opportunity to participate or advise in decision-making.</td>
<td>Enhancing public participation in decision-making.</td>
</tr>
<tr>
<td><strong>Focus on community assets</strong> – community development is built on existing community capacity and assets.</td>
<td>Focus on strengthening community assets and local capacity building.</td>
</tr>
<tr>
<td><strong>Volunteerism</strong> – community development values, respects, nurtures, and encourage volunteerism.</td>
<td></td>
</tr>
</tbody>
</table>

| **Local empowerment ✓** | The policy puts a considerable amount of focus on building community capacity to address community needs. Stated within the policy, "communities play the leadership role in their own development". | Enhancing local capacity. |
The policy stresses the importance of community-based initiatives and activities to strengthen community capacity and empower communities to deal with issues facing the community.

Through this policy the government want to support communities in obtaining there goals. This is a diversion away from the traditional approach where governments created agendas for communities.

The policy discusses the importance of government as facilitator and supporter, and not as a manager.

**Democracy**

- A large public consultation process was administered with stakeholders, members of the public, industry, and community groups.
- The responsible agency created opportunities for direct community input through the web and mail.
- The policy makes reference that the government must encourage community-based decision making and promote social inclusion.
- All of the information compiled at the consultation sessions were presented in document form to each of the participants to ensure accuracy and inclusion of all the issues represented during the sessions.

**Ecological Respect**

- The policy made brief mention that there were major environmental concerns in some areas, but no mentions were made of what they were or how they would be addressed.
- The policy did not address any ecological or environmental issues related to community development.
<table>
<thead>
<tr>
<th>Promoting local economies</th>
<th>Very little attention was paid to economics in the policy. The community development policy is under the umbrella of the Opportunities for Prosperity economic strategy which talks in detail of economic approaches for the province.</th>
<th>Stress on community-based activities and initiatives.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>✓</strong></td>
<td>The policy does stress the need to increase community-based practices to encourage renewal in struggling communities. This could be approach can be applied to economics as well such as community economic development.</td>
<td>Focus on community health and well-being.</td>
</tr>
<tr>
<td>Enhancing quality of life and health</td>
<td>One of the stated pillars of the policy is to promote community health and wellness.</td>
<td>Improving local assets as a means to enhance quality of life.</td>
</tr>
<tr>
<td><strong>✓</strong></td>
<td>A principle of the policy is to improve local assets by assuming that communities have the ability and authority to control local resources and solve their own problems. In this approach, government plays a supporting role. By strengthening assets communities can improve quality of life and thus health by raising the quality community necessities (housing, food security, employment, health services).</td>
<td>Use of a ‘community development lens’ to promote a community development focus and awareness within government.</td>
</tr>
<tr>
<td><strong>✓</strong></td>
<td>It is stated that the government will use a community development lens to “raise awareness and consideration of possible impacts of government decisions on activities and outcomes in communities.” Using a community development lens to assess impacts will make government more aware of social issues related to decision making. This awareness will signal to government that quality of life and health in rural communities needs to be improved.</td>
<td></td>
</tr>
<tr>
<td>Creating opportunities</td>
<td>There was no discussion of learning opportunities in the community development policy. In the What</td>
<td></td>
</tr>
</tbody>
</table>

Recipes for Recovery
<table>
<thead>
<tr>
<th><strong>for learning</strong></th>
<th></th>
<th><strong>We've Heard</strong> section of the policy, an entire section was dedicated to improving communications technology access in communities and the increasing the influence of learning institutions. The Opportunities for Prosperity strategy talks extensively about creating learning communities.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Preservation of rural culture</strong></td>
<td>✓</td>
<td>One of the objectives stated in the policy is to preserve of heritage and culture. By emphasizing a community approach development, there is a greater likelihood that local values and ideas will be encouraged thus safeguarding regional culture.</td>
</tr>
<tr>
<td><strong>Transparency and Accountability</strong></td>
<td>✓</td>
<td>The agency responsible for the community development policy must annually review the policy and action plans. A third party may be employed to carry out the assessment.</td>
</tr>
<tr>
<td></td>
<td>✓</td>
<td>Measuring progress versus measuring success is emphasized. This approach ensures that the government is committed to long-term implementation of the policy.</td>
</tr>
<tr>
<td></td>
<td>✓</td>
<td>Sustainable Community Indicators have been created assess 13 sectors of community life from the economy to public safety. The evaluation of the socio-economic indicators on a two year bases informs decision-making in relation to government policies and programs.</td>
</tr>
<tr>
<td></td>
<td>✓</td>
<td>One of the foundation principles of the policy is accountability. An accountability framework must report on progress to ensure transparency and enable evidence based decision making.</td>
</tr>
<tr>
<td><strong>Other notables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Integration</strong></td>
<td>✓</td>
<td>The policy stresses the importance of policy integration between sectors.</td>
</tr>
</tbody>
</table>

Enhancing local values and importance of culture in rural development planning.

Importance of action planning and progress reporting.

Measurable performance indicators and benchmarking.

Emphasis on accountability.

Integration of social, economic, and environmental objectives.
| ✔️ | Firstly, the policy highlights the importance the integration across traditional sectors. Stated in principle 4 of the policy, "community development builds on a balanced approach that addresses and integrates economic, social, environmental and cultural consideration." | Promotion of a balanced approach. |
| ✔️ | Secondly, the policy discusses the importance of governmental integration within provincial departments, federal and municipal government, and First Nations through the creation and implementation of the policy. | Collaboration between and within governmental departments. |
### British Columbia Heartland Strategy for Economic Growth

#### Goal
To create jobs and new opportunities for British Columbia's Heartlands.

#### Purpose
To build on the tax cuts and other actions the government has already taken to stimulate the British Columbian economy.

To recognize that a one-size-fits-all approach to economic development is not enough for regions of the province to realize their full potential.

To increase better working relations between communities, and businesses.

Revitalize the resource industries.

Encourage growth in new and emerging sectors.

Building new partnerships with First Nations

Restoring BC’s transportation infrastructure.

#### Objectives
To foster new jobs and growth in every region of BC significant tax cuts.

On-going elimination of red tape.

Increase access to capital and Crown land.

<table>
<thead>
<tr>
<th>Presence of Priniciples</th>
<th>Absence of Principles</th>
<th>Analysis</th>
<th>Planning Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Planning Mechanism

- Moving past a one-size-fits-all approach to rural development.

- Promotion of partnerships and multi-level working relationships.

- Building partnerships with traditionally marginalized communities.
| Legislation that creates more flexible and rewarding workplaces. |
| Increasing the efficiency of the Worker's Compensation Board. |

**Overview**
The government has appointed a task force of six Heartland MLAs to monitor progress on the ground and a Heartland strategy manager to each region to help cut red tape of find new investment opportunities.

**Elements**
The strategy focuses on health care, education, forestry, energy, mining, agriculture, fisheries, aquaculture, tourism, film, high tech, small business, First Nations, transportation

**Principals**
No principles were stated in the document upon which the strategy is based.

<table>
<thead>
<tr>
<th>Local empowerment</th>
<th>The policy outlines a strategy to build a new relationship with First Nations that allows First Nations to more fully participate in the economy.</th>
<th>Emphasis on partnership building and collaborative initiatives with First Nations.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democracy</td>
<td>The Heartland Strategy did not entail an extensive consultation or participation process in the creation or implementation of the policy.</td>
<td>Emphasis on partnership building and collaborative initiatives with First Nations.</td>
</tr>
<tr>
<td></td>
<td>The Heartland Strategy emphasis the use of partnerships between the government, communities and First Nations to define goals and set the agenda of investment.</td>
<td>Regionally responsive governance systems.</td>
</tr>
<tr>
<td></td>
<td>The Agricultural Land Commission will be restructured to create a more regionally responsible commission allowing input from communities and local framers more say in land-use decisions.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The policy proposes to clarify land-use issues with First Nations and communities to advance natural resource extraction. Depending on the process and approach to land-use settlement, the clarification</td>
<td></td>
</tr>
</tbody>
</table>
of land-use issues may provide more influence for communities and First Nations.

<table>
<thead>
<tr>
<th>Ecological Respect</th>
<th>✓</th>
<th>“BC communities and forest workers have paid the price for overly restrictive regulations, unfair propaganda campaigns and poor resource management in the forest industry.”</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td></td>
<td>The Forest Revitalisation Plan was created through this strategy to respond to challenges in the forest industry. The Plan highlights the importance of partnerships between forest companies, communities, forest workers, and First Nation will the goal to ensure a competitive and sustainable forest industry that provides jobs.</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>The policy claims that the new-results based forest practices maintain environmental protection while reducing costly regulations.</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>Improving the Forests Practices Code is a component of this policy to provide environmental protection and implement tough fines for non-compliance.</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>The policy states that the government will invest funds into sustainable forest research.</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>The policy gives various methods to improving the forest industry in BC, yet most of those improvements focus on economic improvements. Strategies to increase environmental practices are stated but the strategies that are made are related to increasing in research and improving the forest practices code. While these programs are important it speaks little to the other environmental issues and impacts related to forestry such as stream protection, soil erosions and habitat destruction.</td>
</tr>
<tr>
<td>✓</td>
<td>The policy emphasizes the importance of further oil and gas exploration in the interior and coastal areas of BC. While oil and gas development can create jobs for rural areas, many of the environmental impacts of oil exploration can be devastating. This is especially true in the extraction of sour gas and coal-bed methane where water and air quality are both negatively affected. No mention is made in the policy of ways to migrate such impacts.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Investments will be made to increasing the use of small hydro, wind, geo-thermal, and solar energy generation.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>In reference to oil and gas exploration, the policy discusses the implementation of an environmental information gathering process with environmental groups, communities, and First Nations.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>A goal is set within the policy for the province to acquire 50% of its new supply of energy from clean electricity over the next 10 years.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>In reference to mining exploration, the policy states that the government has made the environmental assessment processes more efficient and effective to stimulate investment. Questions have to be posed whether the streamlining of this process has allowed for less stringent examination of environmental impacts related to mining exploration thus putting ecosystems in jeopardy.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The policy states that the government is working toward expanding coal mining industry in BC. There are various environmental impacts related to the increased use of coal such as air pollution emitted during the burning process, habitat and soil impact related to the extraction of coal, and water</td>
<td></td>
</tr>
<tr>
<td>Promoting local economies</td>
<td>Significance tax cuts for business and industry.</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>-------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Reducing red tape-regulations to private sector investment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enhancing quality of life and health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------</td>
<td>----------------------------------</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Restrictive forest policies are being reversed to create new opportunities for smaller, innovative local forest companies.</td>
<td>Promotion of small business and entrepreneurship within rural areas.</td>
</tr>
<tr>
<td>✓</td>
<td>The policy directs the investment funds to regional tourism organizations to market these regions as tourist destinations.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>Through the policy, the government will maintain tax cuts and eliminate red tape to increase the number of small businesses in BC.</td>
<td>Promotion of small business and entrepreneurship within rural areas.</td>
</tr>
<tr>
<td>✓</td>
<td>The policy states that the province is committed to increasing economic opportunities for First Nations through the investment toward the Economic Measures Fund and the First Citizens Fund. These funds help ensure that First Nations will benefit from oil and gas developments and for small business set up.</td>
<td>Encouraging involvement of communities that have traditionally not been involved in the economic system.</td>
</tr>
<tr>
<td>✓</td>
<td>The strategy examines the need for better delivery of health care in rural areas. A health plan was created through the Heartland strategy to reduce erosion of the health care in rural areas.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The strategy aims to attract and retain better quality caregivers to rural areas.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The health plan as part of the strategy hope to provide accessible, patient-centred public care, to improve health and wellness, and provide affordable health care.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>The strategy will increase the number of medical-school spaces, forgivable student loans for new medical graduate, and more dedicated funds for ambulance services.</td>
<td></td>
</tr>
<tr>
<td>✓</td>
<td>In reference to the exploration of oil and gas in the province, the policy discusses the investment of funds into research about social and economic impacts related to the industry.</td>
<td>Promoting research that examines social impacts related to economic activities.</td>
</tr>
</tbody>
</table>
Stated within the policy, the government maintains they are committed to increasing the quality life for First Nations within the province.

**Creating opportunities for learning**

- Education spending will be increased, including more spending to post-secondary institutions.
- Administration for school districts will be strengthened and streamlined.
- Increasing university spaces for individuals leaving high school.
- School planning councils are being created at the school level to identify student needs and set goals for improvement.
- The policy establishes education as an essential service to eliminate school strikes and lockouts.
- The policy states that the government will invest more funds into research, training, and innovation in every region of BC. This includes invest to expand university institutions across the province, and the creation of regional innovation chairs to create new social and economic development opportunities at BC education institutions.
- Implementation of a system of Regional Innovation Chairs to invest in training and innovation in rural regions.
- The policy promises the investment of money to encourage growth in BC computer animation and digital media sectors.
- The policy directs the investment of funds to research into aquaculture and the environment to local education institutions.
- The policy outlines the importance of investing in the high tech and communications industry for rural areas. This approach will be accomplished by a series of tax credits to tech industry.
<table>
<thead>
<tr>
<th></th>
<th>The policy states that the government will ensure funds for increasing access to high-speed internet in rural areas.</th>
<th>Increasing access to information and civic networking services in rural communities.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investments are being made toward increasing educational opportunities for First Nations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Investments are outlines for the learning facilities to create high tech education programs. Funds will be directed to education facilities within the Heartlands. A total of six regional research chairs on innovation will be created across the province.</td>
<td></td>
</tr>
<tr>
<td>Preservation of rural culture</td>
<td>✔️  No mention is made in the policy regarding the protection or promotion of rural culture.</td>
<td></td>
</tr>
<tr>
<td>Transparency and Accountability</td>
<td>✔️  No where in the policy document are transparency or accountability mechanisms outlined during the implementation of the policy.</td>
<td></td>
</tr>
</tbody>
</table>