

SOUTHERN INTERIOR BEETLE ACTION COALITION

EXPLORING THE CREATION OF SUCCESSFUL RURAL DEVELOPMENT

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ABBREVIATIONS AND ACRONYMS

AMM.....	Association of Manitoba Municipalities
CBT.....	Columbia Basin Trust
CCBAC.....	Cariboo Chilcotin Beetle Action Coalition
CEDF.....	Community Economic Development Fund
CERT.....	Community Economic Revitalization Team
CRT.....	Columbia River Treaty
EDA.....	US Economic Development Administration
FCM.....	Federation of Canadian Municipalities
FSA.....	Fair Share Agreement
GDP.....	Gross Domestic Product
IFA.....	Infrastructure Finance Authority
MAFRI.....	Manitoba Agriculture, Food and Rural Initiatives
MC.....	Management Committee
MOU.....	Memorandum of Understanding
NDIT.....	Northern Development Initiative Trust
NDS.....	Northern Development Strategy
NEEF.....	Nechako Environmental Assessment Fund
OBDD.....	Oregon Business Development Department
OECD.....	Organization for Economic Cooperation and Development
OECD.....	Oregon Economic and Community Development Department
RDC.....	Regional Development Corporation
REDI.....	Regional Economic Development Initiative
RSN.....	Regional Solutions Network
RTA.....	Rio Tinto/Alcan
SEK.....	Kona
SIBAC.....	Southern Interior Beetle Action Coalition
SNW.....	Sustainable Northwest
SRDC.....	State Rural Development Council

UBCM.....Union of British Columbia Municipalities
USUnited States
USDA United States Department of Agriculture

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1 INTRODUCTION

1.1 Overview

1.1.1 Background

The three Beetle Action Coalitions (BACs) recently met with Minister Bell, Parliamentary Secretary Barnett and the Premier's Chief of Staff, to discuss the Rural BC Project. As an outcome of that meeting, the three BACs have been invited to provide additional information and advice to the provincial government in two key areas:

- The BACs have been invited to work with the provincial government to organize a day workshop to present and discuss the major findings of Rural BC Project.
- The BACs have also been asked to provide input to the BC Ministry of Jobs, Tourism and Skills Training on the types of information and “tools” that rural communities need to help them with rural and regional economic development.

The goal for Southern Interior Beetle Action Coalition (SIBAC) is to continue to advocate for the recommendations of their MPB Mitigation Plan and the Rural BC Project recommendations. Core to SIBAC's values will be to clearly articulate the “missing pieces” necessary to fully implement **meaningful** rural and regional economic development in BC.

This work will explore the successes and good practices currently being utilized in rural development in other provinces and states in North America. Work on fostering rural and regional economic development has been an on-going task for the three BACs with previous key research including:

- Regional and Rural Economic Development: Review of Delivery and Public Investment Models. Prepared by Peak Solutions Consulting Inc. (2008).
- Public Investment in Rural and Resource Regions as Strategic Development Tool: Toward a New Era for BC. Prepared for CCBAC (2008)
- Revitalizing Rural British Columbia: Some Lessons from Rural America. Prepared by M. Drabbenstott (2009).
- The Reversing the Tide Project and Conference that explored best practices in Rural Development and Regional Economic Development in North America and Western Europe.

In addition, each BAC has now participated in several individual projects and initiatives supporting rural and regional economic development. These projects and initiatives have focused on drawing together and furthering collaboration between all levels of

government including municipalities, rural areas, First Nation communities, provincial and federal government partners.

1.2 Purpose

This report will build upon and update the previous works note above, include materials for SIBAC to use at the proposed BAC/Government workshop, and assist SIBAC in continuing to advocate for the development of a Rural Strategy document for BC.

The research focuses on two major areas and includes the development of two reports including:

1. **Rural Economic Development** - A Report that summarizes the development process, major components of, and implementation of resources allocated to the development and implementation of Rural Strategies in other jurisdictions in Canada.
2. **Regional Economic Development** - A Report that provides a detailed review of at least five successful models (including Quebec, Alberta, Oregon) of Regional Economic Development in Canada and other jurisdictions. The purpose of this review is to identify the critical elements, processes and resources that were necessary to achieve these successes.

In addition, to support communications and on-going dialogue on the topic of rural economic development, a power point presentation that outlines a rural development approaches for British Columbia has also been prepared.

This report is the first of the two reports and is focused on the rural economic development approach. It focuses on how rural and First Nation communities and unincorporated rural areas are being engaged and are participating in successful rural strategies in other jurisdictions and looks of some of their good practices and summarizing key findings learned from their involvement in rural economic development delivery.

1.3 Report Structure

The remainder of the report is organized as follows:

- Chapter 2 provides a brief overview of rural economic development delivery in three Canadian jurisdictions including Alberta, Manitoba and Quebec. A fourth jurisdiction, Oregon State, is also investigated. This section focuses on the approach taken to developing the rural strategy and how implementation is undertaken in each jurisdiction.
- Chapter 3, the final chapter, outlines the key findings from these jurisdictions and focuses on the principles of offering successful and vibrant rural economic development.

2 RURAL ECONOMIC DEVELOPMENT REVIEW

2.1 Background

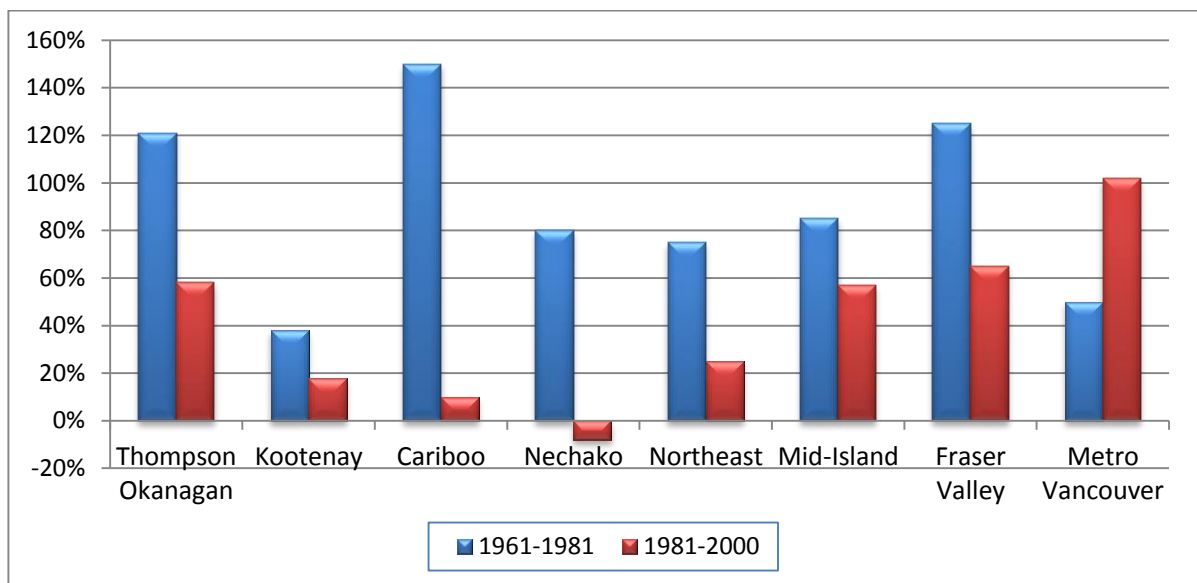
Rural BC is generally seen as those communities outside BC's main population centres. The main population centres in BC consist of Metro Vancouver, Fraser Valley Regional District, Capital Regional District, Regional District of Central Okanagan, Nanaimo Regional District and the major service centres of City of Kamloops and City of Prince George. Conversely, rural BC is generally viewed as all First Nation and rural communities and unincorporated areas throughout the province.

Rural BC has experienced several challenges that have been building over the past thirty years. These include:

- Population stagnation or actual population declines in many rural communities;
- Much slower rates of labour force growth than observed in urban centres and many communities experiencing younger workers actively leaving the community;
- Slower rates of new business creation and business growth that lags urban areas;
- Challenges achieving healthy economic diversification as rural areas struggle with industrial consolidation and government rationalization.

As illustrated in Figure 2-1, the population change in the more rural Economic Development Regions is rooted in the transition that began around 1981. After the recession of 1981 growth slowed considerably for rural BC with the twenty year period between 1961 and 1981 marked as period of strong growth only to be followed by population outflows and job loss in many rural communities. This resulted in the next twenty year period between 1981 and 2000 seeing overall rural growth drop significantly. Conversely, the urban area of Metro Vancouver saw its growth rate actually accelerate in the later period.

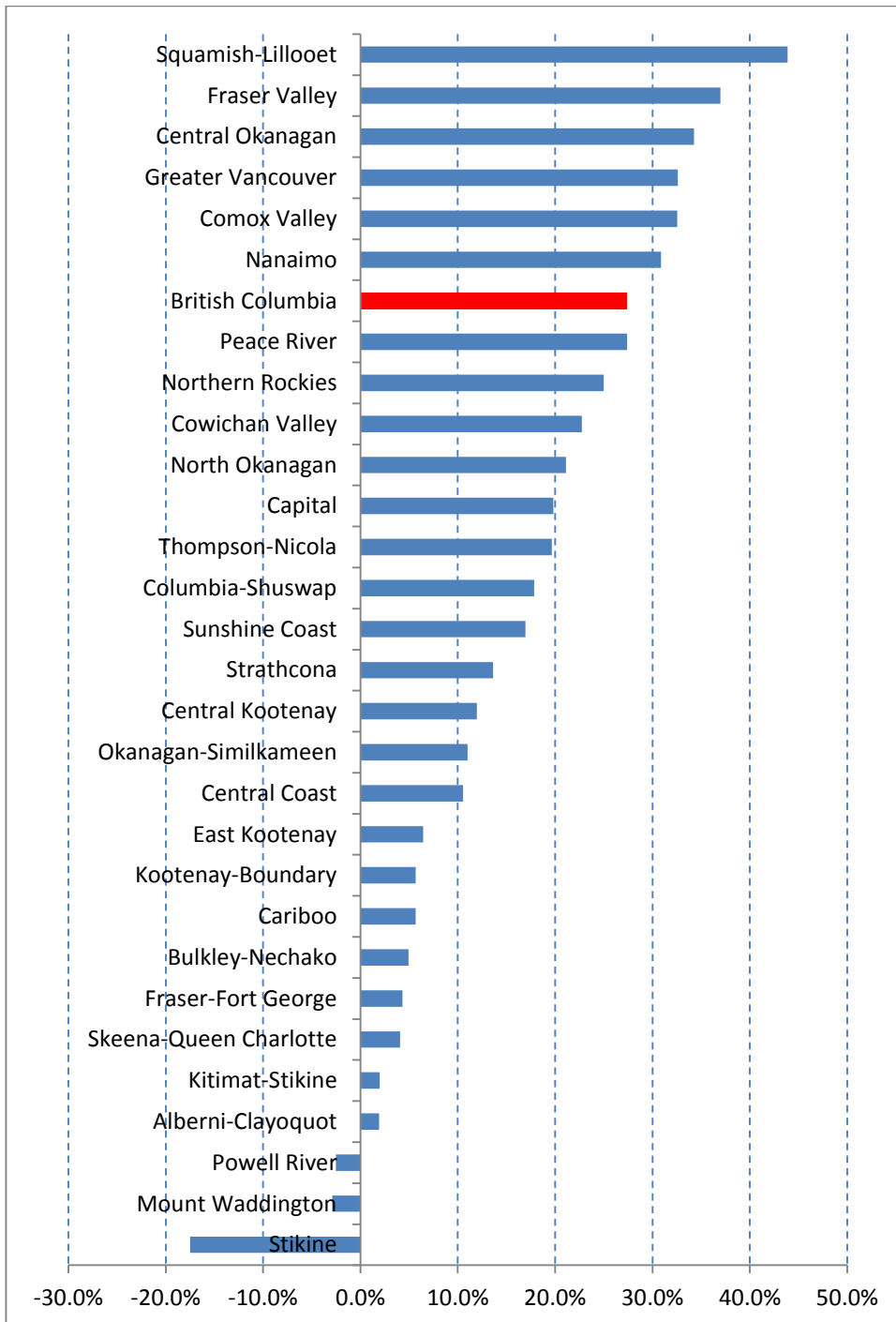
Figure 2-1: Population Change by Economic Development Region (1961 to 2000)



Source:

In Figure 2-2, each regional district in BC is outlined and shows the percentage change in population for the period between 1986 and 2013. As illustrated from this figure regional districts dominated by rural areas have typically had population growth that has lagged the average provincial growth rate. When urban centres or centres within the sphere of influence of urban centres are netted out (communities such as: Vernon, Courtenay, Salmon Arm, Squamish and Whistler) regional districts with rural populations would see a significant portion of their growth over the period disappear.

Figure 2-2: Population Change By Regional District (1986 to 2013)



Source: BC Stats (2013)

2.2 Rural Development Overview

This section examines what four jurisdictions are doing to meet the challenges of economic development in rural areas. As population continues to migrate to urban centres and resource industries generally face declining work forces, many smaller rural communities have been experiencing their own unique challenge of maintaining their economic fabric. In addition, rural communities often lack the resources or the experienced personnel to compete at the same level as more urban centres. Therefore, many jurisdictions in Canada, the United States, and western Europe have developed rural strategies and specialized rural development programs.

Indeed the 2008 report by Peak Solutions for the Cariboo Chilcotin Beetle Action Coalition (CCBAC) and as noted in Table 2-1 below, most other provincial jurisdictions in Canada have long had either a Rural Development Strategy and/or Regional Economic Development structure.

Table 2-1: Canadian Jurisdiction Review by Province, 2008

Jurisdiction	Rural Development Strategy	Regional Economic Development Structure	Rural or Regional Economic Development Unit in Government	Specific Northern Development Strategy/Plan Organization
Alberta	✓	✓	✓	✓
Saskatchewan		✓	✓	✓
Manitoba	✓	✓	✓	✓
Ontario	✓		✓	✓
Quebec	✓		✓	
New Brunswick		Partially		N/A
Nova Scotia	✓	✓	✓	N/A
Newfoundland	✓	✓	✓	✓

Source: Peak Solutions Consulting Inc. (2008)

In addition, the background research, case studies and conference of the “*Reversing the Tide*” project also identified the rural development and regional economic development initiatives of jurisdictions outside of Canada. This research concluded that with the provision of appropriate strategic and multi-year supports rural economic revitalization can in fact be achieved.

2.3 Alberta

2.3.1 Overview

Alberta has a Rural Strategy called “A Place to Grow” that was originally published in February 2005. The Strategy has been updated several times and remains in force.

Alberta's Rural Strategy was originally developed based on the findings and recommendations of an MLA Steering Committee on Rural Development. In 2002 the Deputy Premier of Alberta asked the MLA Steering Committee to:

"...examine why the Alberta Advantage, which has stimulated economic growth along the Edmonton-Calgary corridor, has not appeared to create growth in much of rural Alberta."

The MLA Steering Committee conducted research and consulted widely with rural residents and stakeholders. Consultation included two rounds with grassroots consultations by the MLA Steering Committee taking place in sixteen communities in 2003 and a further sixteen communities in 2004 (Macklin 2013. pers comm.).

Their final report in March of 2004 titled "Rural Alberta: Land of Opportunity" concluded that:

"Many rural Albertans feel that the Alberta Advantage supports the development of urban centres, but does not support – and may even hurt – the development of rural areas. The drive toward efficiency brings centralization in both the public and private sectors. The economic shift from primary production to value-added industries focusses attention on major industrial and academic centres. Little effort is being made, these Albertans feel, to include rural communities in development opportunities, recognize their role in our provincial economy and quality of life, or understand how their communities are affected by changes in the economy and service delivery."

"After extensive research, review and talking with hundreds of rural residents, we have gained a greater appreciation of the complexity of issues facing rural communities. Rural areas make a significant contribution to this province's enviable prosperity, yet rural Albertans struggle with the effects of a relative decline in their numbers. Those effects include loss of key essential services, employment opportunities, leadership capacity, young people and, many feel, a political voice. The complexity of the issues requires a broad, long-term approach."

The MLA's report made several recommendations for action and created the strategic framework for the subsequent Rural Strategy (Government of Alberta. 2005). In addition, a Rural Task Force was appointed to advise the Minister on implementation in 2005 (Macklin. 2013. pers. comm.).

For Alberta, rural primarily refers to communities outside of Calgary and Edmonton.

2.3.2 Alberta's Rural Strategy Goals and Objectives

The Alberta Rural Development Strategy begins with the following commitment statement:

“The Government of Alberta officially recognizes the importance of rural Alberta and its contributions to the Alberta Advantage and is committed to work together with rural communities and rural Albertans to foster a vibrant and sustainable rural Alberta.”

The Alberta Rural Development Strategy identifies the challenges facing rural Alberta communities and then structures its objectives under “four pillars” envisioned as essential for sustainable rural communities:

- **Economic Growth** - providing opportunities for rural communities to develop strong economies.
- **Community Capacity, Quality of Life and Infrastructure** – ensuring that rural communities have the capacity, the quality of life and the infrastructure necessary to remain vibrant and attractive places to live, work and visit.
- **Health Care** – making sure people in rural Alberta have access to quality health services, providing opportunities to develop the economic potential of health care services.
- **Learning and Skill Development** – providing excellent schools, access to the best possible education and expanding opportunities in local communities for people to get the skills they need to complete and succeed in the marketplace. (Government of Alberta. 2010)

To achieve these four objectives, the original 2005 Alberta Strategy identified a multitude of specific priority actions including:

- **Creating a Strong Voice for rural Alberta**

“The voices of rural Albertans – their unique needs, issues and perspectives – need to be heard on an ongoing basis. Moreover, they should help shape government policy and set the course for the development of rural communities across the province.”

To provide a strong voice the following actions will be taken:

- (i) A new Rural Alberta's Citizens' Voice will be established.
- (ii) A new Rural Development Unit will provide leadership and coordination.
- (iii) A new Rural Alberta Gateway will provide rural Albertans with ready access to government programs and services.

- (iv) A new Rural Dialogue will be established between rural Albertans and Government Caucus.

- **Promoting Economic Growth in Rural Communities**

The strategy lists 32 priority actions to help promote economic revitalization in rural Alberta including:

- “Thirteen Regional Economic Development Alliances (REDAs), in partnership with 260 rural communities and numerous other stakeholders, enable strategic regional economic planning, information sharing and implementation of priority projects to ensure economic sustainability and resiliency in rural Alberta.”
- “Support priority economic development initiatives in rural Alberta through the Regions in Transition grants program and work of the Rural Communities Adaption unit.”
- “Continue to provide Alberta communities with timely economic information to support their planning and decision making processes.”
- “Support the settlement and integration of newcomers into Alberta’s communities and workplaces.”

- **Building Community Capacity, Quality of Life and Infrastructure**

“Economic development and community capacity are directly linked.....A combination of actions and strategies are needed to build local community capacity and to support active community volunteers, local initiatives and opportunities.”

The strategy lists 67 priority actions to build community capacity, quality of life and infrastructure including:

- “Work with the University of Alberta, Augustana Campus, to pilot and extend rural post-secondary student internships to rural communities.”
- “Collaborate with other ministries, communities and organizations to further develop and enhance public engagement and participation processes, practices and resources.”
- The Regional Collaboration Program supports activities that improve the viability and long-term sustainability of municipalities through regional collaboration and capacity building.”

- **Improving Access to Rural Health Care**

“Access to high quality health care services is a top priority for Albertans. But in rural Alberta, the challenge of promoting timely access to necessary health services is even more of a challenge.”

The strategy identifies 18 specific strategies to improve rural health care services including:

- “The *Continuing Care Health Technology Initiative* that will field test and evaluate the use of appropriate health technologies in home care settings to provide an array of proven and innovative health technologies to assist seniors and those with disabilities to age in their homes and communities.”
- “Improved capacity and timely access to addictions and mental health services for those living in rural and or isolated areas so that all Albertans have appropriate and equitable access to full range of services.”

- **Expanding learning and skill development opportunities**

“Rural schools face unique challenges in offering the full range of programs to small numbers of students, attracting qualified teachers, bussing students to the nearest school, and accommodating increasing costs. More needs to be done to address those unique needs.”

The strategy then identifies 24 specific actions to improve rural learning and skills development including:

- “Funding provided to support necessary small schools, many of which are rural.”
- “Identify priorities for school infrastructure to the Government of Alberta Capital Planning initiative includes developing an understanding of school jurisdiction needs (both rural and urban).”

Included in the initiatives listed above include initiatives that also support:

- Sustaining and enhancing the quality of rural Alberta’s environment
- Providing opportunities for rural youth
- Engaging and supporting seniors
- Encouraging participation of Aboriginal people

2.3.3 Implementation

Alberta's Rural Development Strategy focuses the provincial government's collective efforts on ensuring rural Albertans are able to contribute to and share in Alberta's prosperity and quality of life (Alberta Agriculture and Rural Development. 2013)

Progress reporting was undertaken in 2007, 2009, and 2010. In these three updates, Ministries from across government have incorporated elements of the strategy into their business planning process and many have outlined significant rural development investments in their business plans and budgets. (Government of Alberta. 2010)

2.3.3.1 Organizations Involved in Implementation

The plan updates and the on-going implementation is coordinated by the Alberta Ministry of Agriculture and Rural Development who provide a rural lens to government on issues and concerns from the rural communities. Each Ministry provides planning and resources to address specific rural initiatives. (Macklin, pers comm. 2013)

The Rural Initiative and Research Unit works with other Alberta Ministries to ensure rural initiatives in the strategy are addressed by providing a rural lens for Ministry planning (Macklin, pers. comm. 2013). As mentioned above, this has led to several Ministries outlining significant rural development investments in their business plans and budgets.

Specific rural development programming is also in place in Alberta for specific rural initiatives, these are outlined below.

2.3.3.2 Focus on Implementation

In addition, in 2006 and as an outcome of the Government of Alberta's rural development strategy, the Government of Alberta provided \$100 million to the **Rural Alberta Development Fund**. The goal of this fund was to help rural communities, regional alliances, and organizations kick-start projects that would contribute to the betterment of rural Alberta (Rural Alberta Development Fund. 2013). The final projects were initiated in 2012 and will run until 2014. The province is now evaluating the outcomes for this program (Macklin 2013. pers comm.).

Other programming was developed for rural Alberta and was part of the funding under the Government of Alberta Community Adaption and Transition Initiative, designed to help rural communities adapt by investing in economic development and diversification initiatives. Overall funding for the Initiative was made available through the National Community Development Trust with specific programs including:

- Community Broadband Infrastructure Pilot Program - This program provided \$10.4 million in grant funding, to 34 projects, to support rural and remote communities for community-led broadband initiatives that enable access to reasonable high-speed broadband service. This program has now closed and the program is undergoing a program evaluation.
- Rural Community Adaptation Program (RCAP) - This program provided \$13.6 million in grant funding, to 67 projects, to increase the capacity of rural communities and regions to transition and adapt, resulting in greater resilience and new, more diverse economic opportunities. This program is also currently undergoing a program evaluation at this time.

Other key rural economic development programming includes:

- Business Vitality Initiative (BVI) - This program helps communities to assess their capacity to work with and support entrepreneurs, and to foster small business growth. Following a recent pilot in four communities and undergoing an evaluation, this program is now being expanded into other communities.
- First Impressions Community Exchange (FICE) - This program was being piloted in 2008 and 2009 in smaller communities across the province. Delivered in partnership with Alberta Urban Municipalities Association, the program involves two municipalities sending small teams of volunteers to one another's communities. The program is still in place but has not seen new funding for its continuation.
- Final Mile Rural Connectivity Initiative (FMRCI) – This program is the Alberta government's strategy to ensure reliable, high-speed internet is available to Albertans. The program recently had another intake and is working on phase 4 which is focused on "Infill" in unserved rural areas who still cannot access high-speed internet. (Alberta Agriculture and Rural Development. 2013)

2.3.4 Summary of Findings

Several key elements have been identified as critical to establishing and sustaining rural development in Alberta including:

- 1) Having high level commitment from the Alberta Government, which included considerable in-region consultation by the MLA Steering Committee to hear the issues from rural communities.
- 2) Incorporating early involvement of grass-roots interests in rural communities and continued involvement through the Rural Task Force.
- 3) Ensuring a clear understanding by the Government of Alberta of the importance of the rural regions to the overall economic success of the Province and stemming the

outflow of population from the rural areas by growing and diversifying rural economies is important to the Province's future.

- 4) Designating a Senior Cabinet Minister responsible for Rural Development and the creation of a specific rural Branch to facilitate implementation.
- 5) Funding commitments to address specific rural capacity and specific rural challenges.
- 6) Having the "rural vision" reflected in the planning and budgeting of every Ministry in the Alberta Government.

2.4 Manitoba

2.4.1 Overview

Manitoba has a relatively high reliance on primary and resource industries dispersed throughout the province—rural development is therefore a critical component of public policy governance. Tourism, fishing, forestry and energy development are examples of major sectors and potential drivers of economic diversification in rural and northern Manitoba. But like other Canadian provinces, there are physical as well as institutional challenges in realizing this potential. Infrastructure and transportation gaps raise living and business costs, while the flow of young people to urban centres results in stagnating population levels in rural areas and labour market shortages.

Over the last 20 years the provincial government has made an attempt to view its rural areas and governance structures as partners in the search for economic development, innovation and adaptation, rather than simply residual recipients of centralized policies and services. They have been more willing to have rural communities play an active role in identifying and following up on critical infrastructure and new forms of resource development that will benefit the provincial as well as rural economies.

In 2006, Manitoba adopted the *Creating Opportunities Action Plan* which outlined, at a very high level, a rural vision for the province. The plan was meant to build on the government's intentions to find new ways to create new economic prosperity in rural and northern Manitoba.

In Manitoba, "rural" is defined as communities outside of Winnipeg.

2.4.2 Manitoba's Rural Policies and Strategies

2.4.2.1 Policy Direction

There was no specific public or community engagement process behind the Action Plan, but instead a reliance on a series of documents that collectively added to Manitoba's emerging rural development policy. In 2000 there were two key rural initiatives: the *Aboriginal Summit*, which itself led to the Manitoba International Gateway Council Initiative; and the *Northern Development Strategy* (NDS). The NDS had been different from government's prior approach to rural and northern development in that it specifically sought to coordinate services and investment in partnership with communities. Government was committed to working with residents, different levels of governments, the private sector, and nongovernmental organizations to better address the priorities of rural areas (Government of Manitoba 2013a). NDS was based on previous consultations including the Northern Mayors and Chiefs Conference and the Report of the Northern Manitoba Economic Development Commission (Conteh 2012).

The major input into the *Creating Opportunities Action Plan*, however, was government's 2003 *Action Strategy for Economic Growth*. The Strategy prioritized leveraging the increasing strategic importance of rural regions in a knowledge-driven global economy. Also acknowledged was the need to empower rural areas with the ability to coordinate activities and encourage real input into the creation of knowledge clusters.

2.4.2.2 Objectives in the Action Plan

The Action Plan identifies rural economic development initiatives in six areas (Government of Manitoba 2006):

Alternative energy

- work with rural communities to develop new biodiesel production opportunities
- update the Biofuels Act to increase access to quality biofuels
- conduct a long-haul demonstration to promote the benefits of biodiesel
- introduce a Green Energy Manufacturing Tax Credit
- work with industry and Manitoba Hydro to develop 1,000 megawatts of wind energy

Tourism

- invest in new provincial parks infrastructure
- improve the Manitoba cottage lots program
- make new investments to promote tourism in rural and northern Manitoba

Agriculture

- encourage consumption of domestic food production
- provide agricultural producers the tools they need to capture more production value
- increase urban understanding and appreciation of rural areas
- encourage new and expanding agricultural opportunities such as organic production

Natural resources

- recognize economic and environmental benefits of clean water
- prioritize water infrastructure in jointly-funded federal/provincial initiatives
- expand the number of conservation districts
- continue to provide technical advice and support for sustainable management and promotion of woodlots
- continue to protect wildlife and natural spaces, and clean up contaminated sites

Industry services and manufacturing

- expand the Rural Entrepreneur Assistance Program to provide more opportunities for rural businesses
- establish a new department of competitiveness, training and trade will lead a campaign to reduce red tape in government
- expand Manitoba's sector council network to develop new opportunities in areas such as apprenticeships, co-op educations, workforce recruitment and new vocational options at the high school level

Aboriginal and northern initiatives

- develop the Conawapa dam in partnership with the Nisichawayasihk Cree Nation
- develop new markets for non-timber forest products in cooperation with the Northern Forest Diversification Centre
- work with the communities on the east side of Lake Winnipeg on developments that are sensitive to the environment
- continue to promote the use of the Port of Churchill, including defending the port's largest user, the Canadian Wheat Board
- build on the historic investment to rehabilitate abandoned mine sites
- expand the Northern Healthy Foods Initiative

2.4.3 Implementation

2.4.3.1 Overview

Prepared in 2006, the plan has not been updated and although it continues to be a guide for the Ministry of Agriculture, Food and Rural Initiatives (MAFRI), it was never fully adopted by other key ministries or the Regional Development Corporations (Cornock 2013, pers. comm.).

2.4.3.2 Organizations Involved

MAFRI is the major player in advancing rural policies and programming, and in advancing the intent of the Action Plan. Their programs include assistance for farm and rural families with the goal of enhancing their knowledge and skills in leadership and management, marketing, sustainable production, adding value, diversification and economic development options within the agricultural sector.

MARFI is composed of three divisions, Agri-Industry Development, Agri-Food and Rural Development and the Policy and Management. Primary responsibility for rural economic development rests with Agri-Food and Rural Development, which has six branches including: GO Teams, Economic Development Initiatives, Economic and Rural Development, Food Development Centre, Food Commercialization and Marketing, and Agriculture Crown Lands.

MAFRI's Community and Business Development section has several tools and programs for advancing rural development. These include:

- The Rural Economic Development Initiatives (REDI) program promotes economic development for diversification and long term sustainability. REDI funds are drawn from the provincial video lottery system and in 2012 amounted to approximately \$22 million (Prince 2013, pers. comm.) Key objectives are business and co-operative development, opportunities for youth, industry support and helping rural communities address priorities and needs. Major programs include:
 - Commercialization support for business - the province has also been offering grants to rural development corporations to promote business development and support regional initiatives. There has been an increased focus on trade issues (Conteh 2012).
 - Rural entrepreneur assistance - which as of 2011 has provided 437 loan guarantees totalling \$23.2 million.
 - Hometown Manitoba – a revitalization program that supports redevelopment and upgrades of public places and building exteriors.

- CED Tax Credit Program - provides community-based enterprises with access to needed equity capital.
 - Young rural aboriginal entrepreneurship – information and business planning assistance is provided to young rural Aboriginal people in entrepreneurial and business initiatives located in rural Manitoba.
- In 2011, MAFRI hosted the “Capturing Opportunities 2011” conference, which promoted knowledge exchange and technology transfer with specific reference to bio-based opportunities, including food and health, bio-products, energy, and agriculture.
 - The Economy and Rural Development Branch fosters the development of cooperative enterprises across Manitoba, including rural areas. This is seen as critical to creating social capital and networks that will encourage rural areas to adapt to knowledge-driven change.
 - The Food Development Centre provides rural entrepreneurs with access to equipment, expertise and industry links for commercializing agri-food opportunities. It is a non-profit, fee-for-service agency operating under the authority of MAFRI.
 - MAFRI manages 38 GO centres around the province. Each office is staffed with a small team offering extension services to producers and their families. Although agriculture is the focus of delivery, community and economic development services are also provided. A Regional Economic Analysis service is now helping communities understand the rural economy and develop strategies and action plans for future development. To qualify for the service, communities must commit to and fund implementation. (Cornock 2013, pers. comm.)

The Community Economic Development Fund (CEDF) is a Manitoba Crown Corporation administered under the Communities Economic Development Fund Act of 1971. CEDF's Mandate is " ...to encourage economic development in Northern Manitoba through the provision of Financial Assistance [in the form of loans and guarantees] and other forms of technical assistance." The technical assistance consists of consulting services and several community programs, including micro enterprise development, economic planning assistance to communities, and delivery of REDI services, in partnership with MAFRI. (Government of Manitoba 2013b)

Manitoba Aboriginal and Northern Affairs is responsible for the Northern Development Strategy. Their economic development portfolio focuses on major resource developments in mining and energy, as well as eco-tourism. They cooperate with CEDF and MAFRI through the GO centres.

The following two rural initiatives have recently been cancelled by the new provincial government:

- Regional Development Corporation (RDC) network has been in existence since the 1960s, with a primary role of promoting rural business and community development initiatives. Provincial funding was withdrawn in early 2012 and five of the seven RDCs are now winding up operations. One will keep operating (Southwest RDC) and another will operate as a much smaller entity (Central Plains RDC). (Cornock 2013, pers. comm.)
- The Community Development Corporations for individual municipalities used to distribute loan funding of approximately \$10,000 to local businesses. These funds are now being repatriated by the province the corporations collapsed.

It is unclear why support for these two organizations was withdrawn. Nevertheless, the Association of Manitoba Municipalities has expressed concern to the provincial government over the loss of the RDCs and has asked for replacement programming (AMM 2012).

2.4.4 Summary of Findings

Key findings regarding Manitoba's rural policies and programs are as follows:

- 1) Rural policy and programming is in a state of transition in Manitoba. While successive governments explicitly addressed rural issues through the preparation of high level strategies in the 1990s and early 2000s, there never was a centrally coordinated implementation process that was able to integrate either key ministries or local communities.
- 2) There was indirect grassroots involvement in the preparation of the 2006 *Creating Opportunities Action Plan* which was the first truly rural strategy, but the plan was never adopted by sector ministries and is unlikely to be updated. The government has now refocused their rural economic development objectives on sector strategies (Cornock 2013, pers. comm.).
- 3) Today, the bulk of rural programming and services is delivered by MAFRI, which provides extension services to communities much in line with what is provided by agriculture agencies in Canada and the US. There is very little, if any, funding support for rural/regional development organizations.
- 4) The closure of the RDCs signaled a withdrawal of support for regional cooperation and capacity, in part because of the lack of improvement in rural socio-economic indicators such as population levels and employment. Nevertheless, individual ministries continue to pursue local community input into policy and programming.

2.5 Quebec

2.5.1 Overview

Quebec's rural strategy is called "*National Policy on Rurality*" and was originally published in 2006 with the strategy designed to cover the period from 2007 to 2014. The *National Policy on Rurality* (Rural Strategy) was launched by the government in response to the efforts of rural communities to ensure the survival of rural areas and of the rural identity and to rethink ways of building on the extensive development potential of rural areas (Government of Quebec 2006). Specifically, rural areas in Quebec began to mobilize to ensure:

- Recognition that they had a strategic role in Quebec development of value added activities;
- Confirmation of their own way of life and well-being; and,
- Access to the same public services that urban populations enjoyed.

Rural areas identified that they had a weak weighting in the territorial governance. They faced significant population decline, and loss of public services. At the same time, there were new dynamics emerging in land occupancy in Quebec (land planning), and more than 400 rural municipalities were considered "devitalized". (Gosselin.2008)

With the launch of the strategy, the Government of Quebec stated:

"Through the National Policy on Rurality, the Quebec government reaffirms its deep-seated conviction that rural areas have a present and a future and that the prosperity and survival of rural communities represent realistic, attainable objectives for all communities. Quebec needs strong, revitalized rural areas to build a socially and economically balanced society."

The Government of Quebec also pointed out in the strategy that:

"The government has full confidence in the spirit of initiative of rural populations and assures them of its complete collaboration...The government's collaboration is also reflected in a willingness to adapt policies, programs and measures pertaining to rural communities to their needs and expectations." (Government of Quebec. 2006)

The rural area for the Quebec Strategy encompasses 1,011 municipalities and 34 aboriginal communities with a total population in 2005 of 1,913,910 inhabitants.

2.5.2 Quebec's Rural Strategy Goals and Objectives

2.5.2.1 Policy direction

The government's approach centres on four strategic policy directions that correspond to targets that rural communities actively engaged in for their own development and should seek to wholly or partially attain; and on the government, which is committed to supporting them by:

- Promoting the renewal and integration of migrant and immigrant populations;
- Fostering the development of the territory's human, cultural and physical resources;
- Ensuring the survival of rural communities; and,
- Maintaining the balance the quality of life, the living environment, the natural environment and economic activities. (Government of Quebec 2006)

2.5.2.2 Rural Strategy Goals and Objectives

The Strategy seeks to ensure that the development of rural communities and the dynamic occupation of the territory by relying on the communities' diversity and specific traits and the ability to take the initiative displayed by rural areas. To this end, the Strategy includes seven intervention objectives aimed at both rural areas and government bodies and includes:

- Strengthen the role of elected municipal representatives and consolidate the role of regional county municipalities (RCMs) in rural development – reaffirms that rural development strategies depend on leadership of elected municipal representatives and that the RCMs are the focal point of mobilization, reflection, cooperation and action in targeted territories.¹
- Ensure that each territory has the means to act – government maintains an array of financial and technical measures that enable each territory to engage in a flexible, autonomous manner in development in keeping with local decisions.
- Promote a dynamic of development by territory – advocates a development dynamic geared to the specific nature of rural areas and satisfying their goals and needs.
- Pursue multifaceted development in rural areas – encourages each RCM and rural community to pursue the multifaceted development with the goal to foster rural areas to envision new ways to offer public services and developing the territory, natural resources and the environment, and that will at the same time benefit from the advantage of heritage and local knowledge.

¹ In 2007 Strategy a total of 91 rural pacts were concluded with the 96 RCMs covering all 17 regions in Quebec.

- Foster cooperation and collaboration between rural and urban areas – advocates the strengthening of cooperation and complementarity between rural and urban areas, which are service centres, in order to foster concrete initiatives that benefit each party by building on common interests.
- Promote the rural way of life – seeks to ensure that the very notion of rurality and rural territory is properly explained and promoted so that its intrinsic values and practices are shared by all Quebecers.
- Offer concrete support from the government in respect to the approaches, strategies and projects of rural communities – such support, which is aimed, in particular, at the devitalized municipalities and that the Strategy will be adapted according to socio-economic conditions in the rural areas and to the specific needs of the communities.

2.5.2.3 Means Adopted

To attain Quebec's objectives, the government has adopted eight means. Three of them are aimed at maintaining and enhancing past achievements and the remaining five are innovative solutions.

The three initiatives targeted at maintenance and enhancement of past achievements include:

- It is essential to establish a second generation of rural pacts.
- It is necessary to round out the network of rural development officers.
- It is desired to further adjust government policies and programs to take into account the specific traits of rural areas.

The five initiatives that are aligned with innovative solutions include:

- Set up rural laboratories to examine and disseminate the results of experiment in innovative activities.
- Facilitate the examination of initiatives geared to development.
- Financial assistance to foster the development of specialty products.
- Encourage recognition of rural vitality through the establishment of the Grands Prix de la ruralité (defined as major annual event to pay tribute to leaders of rural development and highlight innovation).
- Adopt a monitoring and indicator of the vitality of rural communities. (Government of Quebec. 2006)

2.5.3 Implementation

2.5.3.1 Overview

Québec government has implemented many economic development policies and strategies over the 40 years prior to implementing the current strategic approach outlined in the *National Policy on Rurality*. The predecessor agreement was launched in 1989 and focused on rural areas facing economic hardship or areas characterized by dominance of a single industry (i.e. forestry). This was followed by the first generation of the *National Policy on Rurality* which ran from 2002 to 2007. The current implementation period of the Quebec Rural Strategy is recognized as the second generation of rural pacts and runs from 2007 to 2014. (Government of Québec. 2006; Gosselin. 2008)

2.5.3.2 Organizations Involved in Implementation

The Rural Strategy recognized that in an effort to make a determined commitment, adopt a course of action and share it with the parties concerned, partners needed to collaborate. This resulted in several partners pooling resources and making a commitment to implementation of the strategy and included:

- The Government of Québec;
- Solidarité rurale du Québec, in capacity as an advisory body to the government on rurality;
- The Fédération québécoise des municipalités and the Union des municipalités du Québec, in their capacity as representatives of Québec municipalities; and,
- The Association des centres locaux de développement du Québec, in its capacity as the representative of development agencies. (Government of Québec. 2006)

2.5.3.3 Support and Administration

As mentioned above, several organizations in Québec, including the Government of Québec, will be playing a supportive and administrative role in the Rural Strategy implementation and monitoring. In addition, the Province is allocating more rural economic development officers in the regional county municipalities (RCMs). Under the 2007 Rural Plan the number of rural development officers will increase from the 104 in place under the first pact, to 136 under the new agreements. This commitment comes with a \$25.3 million budget allocation, and the goal will be to meet specific capacity goals including:

- At least one officer per RCM with a rural pact;
- An additional officer for RCMs with the most municipalities;
- An additional officer for RCMs with the most devitalized municipalities; and,
- No reduction in the current number of officers. (Government of Québec. 2006)

2.5.3.4 Funding and Resources

A total of \$213 million has been earmarked for the rural pact and must be used to both support community projects and to implement a genuine strategy that contributes to the consolidation and survival of rural communities. The direction of this funding was in direct response from rural consultation where the government heard that there needed to be measures to satisfy local needs and focus more closely on initiatives that lead to greater change. (Government of Québec. 2006)

Another \$12 million has been set aside to provide financial assistance to foster the development of specialty products that will be used to:

- Facilitate the dynamic occupation of the territory; and,
- Diversify the economy of rural communities.

The Province recognized the importance of the rural development officers but recognized that some regional county municipalities (RCMs) were not well covered. Therefore, the Province identified the allocation of another \$25.3 million to increase the number of rural development officers as outlined above. This brings the total budget for strategy implementation to \$280 million for the period from 2007 to 2014. (Government of Québec 2006)

Another key component of support for the Rural Strategy is the adaption of government policies and programs to address the rural needs of communities. To this end the Rural Strategy identifies that the policies and programs of government departments and agencies will be subject to the following conditions:

- When a government department and agencies elaborate policies or programs, they must take into account the characteristics of the territory, in particular of rural areas, and adapt their initiatives accordingly.
- The members of the Comité des partenaires de la ruralité (Committee of Rural Partners) may submit any questions brought to their attention by rural communities, concerning a policy or program that must be adapted to better respond to the specific nature and needs of rural communities.

Overall, the approach is aimed at ensuring that government departments and agencies take into account the specific nature of rural territories when they develop policies or programs. Effort will focus, in particular, on the following key sectors: housing, municipal infrastructure and services, territorial service delivery, (especially daycare and training services), and management of the territory. (Government of Québec. 2006)

2.5.4 Summary of Findings

Several key factors have been identified as critical in pursuing rural development in Québec including:

- 1) In Québec it is recognized that rural development requires a long term multi-year approach that must extend past shorter term and more frequent changing government priorities.
- 2) Québec has allocated very significant and multi-year financial and human resources to help implement their rural strategy.
- 3) There is value in focusing on the people: their pride, their feeling of belonging to a place, and their local knowledge and vision.
- 4) The opportunity for success increases as rural communities push forward initiatives based on their own priorities.
- 5) Government programming is often built on one model without flexibility and recognition of rural factors leading to challenges in up-take by rural areas.
- 6) It is possible to reverse some rural challenges through concerted effort by all stakeholders.
- 7) There is value in seeking development models specific to rural areas.
- 8) Need to determine how to develop human potential in rural areas as a key approach. (Gosselin. 2008)

The Organization for Economic Cooperation and Development (OECD) recently completed an extensive review of Québec's rural development initiatives. This review identified several key conclusions for Québec's Rural Strategy including:

- 1) There is a need to integrate the governance of social and economic development in rural areas. At the provincial level, government responsibilities for social capital should be more strongly integrated with local economic and entrepreneurial development.
- 2) Enhanced external monitoring and evaluation is important to ensure that desired outcomes of rural residents remain in focus and to balance against elected officials who may lose sight of the local population concerns, diluting citizens' influence on the system.
- 3) Diversity of local governments' sources of revenue is important in allowing municipalities a better opportunity to enhance the services provided, in light of changing social and demographic composition of rural communities.
- 4) Facilitation of local-level collaboration of Provincial and Federal policies on rural development efforts is desirable.
- 5) While economic diversification focuses on the development of competences in promising industries, comparative advantages and new knowledge-base, developments in traditional sectors (ie., agriculture, forestry, mining) should still be valued. (OECD 2010)

2.6 Oregon

2.6.1 Overview

In Oregon, rural initiatives are led by the USDA (US Department of Agriculture) whose objective is to bring rural communities together on a regional basis for building a stronger and more resilient economy. The federal agriculture secretary has stated that by creating a regional focus and increasing collaboration with other Federal agencies, USDA resources will have a larger impact, enabling greater wealth creation, quality of life improvements, and sustainability. (USDA 2012)

2.6.2 Planning Background

2.6.2.1 Policy direction

In the state of Oregon, rural economic and community development services are delivered by a variety of agencies at the federal, state, regional and local levels. However, there is no state-wide plan or planning process. As noted in the discussion of regional economic development programs, infrastructure and tax credit programs are targeted at rural communities but there is no attempt to coordinate delivery according to higher level plan objectives.

The lead agency for rural development is the USDA, with some peripheral involvement by the EDA (US Economic Development Administration). EDA is the main supporter of the Oregon Economic Development Districts, who coordinate regional and local access to federal and state programs.

The USDA's Office of Rural Development will define rural by various population thresholds, while many programs must also meet other eligibility requirements, including income levels. Generally, a rural area is not a city or town that has a population greater than 50,000 inhabitants or an urbanized area contiguous and adjacent to a city or town.

2.6.3 Implementation

USDA Rural Development provides financial programs that support essential infrastructure and services in rural America. They promote economic development with loan programs and technical assistance so individuals, communities and businesses are better able to address their diverse and unique needs.

USDA Rural Development programs and assistance are delivered in Oregon through the Portland State Office, four Area Offices, and two Satellite Offices.

The USDA's economic plan outlines seven strategies for economic prosperity, including the following:

- Strategic Partners
- Capital Markets
- Regional Food Systems
- Regional Collaboration
- Community Building
- Alternative Energy
- Broadband and Continuous Business Creation (USDA 2013a)

The underlying issues addressed by the USDA, and echoed by rural advocates in Oregon, regard the increasing disparity in the standard of living and economic vitality of rural versus urban communities. Programs that used to be centred on agriculture production have now taken a wider perspective and focused on a broad range of development goals, including education, entrepreneurship, physical infrastructure, and social infrastructure (including poverty reduction).

The Community and Economic Development Program (CEDP) is targeted at communities and regions in creating self-sustaining, long-term economic and community development in rural areas through the following:

- Business and cooperative programs are mainly grant and loan funds, for which “rural” eligibility is defined in terms of population (any location beyond the urbanized periphery surrounding a city of 50,000 or more) (USDA 2013b). A total of \$59 million was distributed in 2011 to rural businesses and communities in Oregon.
- Rural Development services – there is a wide array of programs and resources supporting “innovation” in rural communities. Two dedicated rural development initiatives are active in Oregon:
 - i. In the Great Region the initiative is focused on regional food system distribution; and,
 - ii. In the Forest-Based Sustainable Rural Development in the Dry Forest Zone – the objective is to increase the vitality of forest-dependent rural communities in partnership with Sustainable Northwest (SNW). SNW is a 15-county region in Oregon and northern California that has targeted the health or forested landscapes and vitality of communities.
- National Rural Development Partnership (NRDP) – In the 1990s, the USDA established State Rural Development Councils (SRDCs) in more than 40 States. Federal financial support ended more than a decade ago, but 28 State SRDCs (including Oregon) remain active in a national network to affect major change on a regional and national level. SRDCs provides a connection between the government and the population and have been utilized to both spread new and updated information on government and private sector programs and opportunities. In addition to information dissemination, SRDCs, through their success stories and other publications and work, are ideal vehicles for feedback to the national office.

The USDA’s total programs budget for Oregon in 2011 was approximately \$0.5 billion, almost all of which is distributed through grants and loans (USDA 2012).

2.6.3.1 Other Organizations Involved

The US Economic Development Administration’s Oregon Economic Development Districts are primarily engaged in regional economic development services, but they are also delivery agents for some of the USDA’s grant and loan funding programs.

Rural Development Initiatives is one of the few long-standing rural development organizations in Oregon. It is not affiliated with the USDA. It began as a program of the former Oregon Economic and Community Development Department in 1992, but was reformed as a non-profit organization shortly thereafter. It provides leadership services to rural communities across the State. Major services include community building, leadership development, networking, and organizational development.

2.6.4 Summary of Findings

Key findings regarding Oregon’s rural policies and programs are as follows:

- 1) Oregon does not have state-led rural programming; instead, the responsibility for rural initiatives is taken by federal agencies, principally the USDA and the US Economic Development Administration.
- 2) A reduction of federal funds and withdrawal of state funds for regional delivery capacity has diminished the role of rural strategies and shifted focus over to federal programs and services. The State’s cancellation of the Regional Investment Boards and Community Economic Revitalization Action Teams, and the US Economic Development Administration’s decrease in support for the Oregon Economic Development Districts has adversely impacted regional participation in rural programs.
- 3) The USDA’s programs are planned at the state level but not for individual regions. Therefore, while there are numerous examples of tailored pilot projects and programs for rural areas, there is no rural-regional planning process.

2.7 Summary Matrix

This section summarizes the key findings and experiences of governments in other provinces and Oregon State in developing their Rural Strategic Plans and pursuing the Plan implementation. As illustrated in Table 2-2, all the Canadian jurisdictions had a rural strategy with active participation from the local and rural stakeholder groups. All jurisdictions had a definition of what was rural given their jurisdiction and had programming that recognized the unique characteristics of rural areas. All these elements have been pointed to as being important for successful Rural Strategy development and implementation.

Table 2-2: Matrix of Rural Strategy Planning and Implementation Features By Jurisdiction

Issue	Alberta	Quebec	Manitoba	Oregon
RURAL STRATEGY				
Does the jurisdiction have a specific rural strategy?	✓	✓	✓	✗
Was there active participation from rural officials and stakeholders?	✓	✓	✓	✗
Was there active involvement from Provincial cabinet or elected officials?	✓	✓	✓	✗
Was there specific efforts to address rural concerns identified by rural stakeholders (ie., health, education, etc.)	✓	✓	✓	✗
Was there a commitment to specific implementation resources outlined in the rural strategy?	✓	✓	✗	✗
Is there a definition of what is considered rural?	✓	✓	✓	✓
IMPLEMENTATION APPROACH				
Did the jurisdiction have prior experience in implementing a comprehensive rural strategy before the current one?	✗	✓	✗	✓
Was there a focus ensuring all Government ministries and agencies considered rural issues in their budgeting and planning?	✓	✓	✗	✗
Are rural interests formally involved in the implementation and review of the success of the rural strategy?	✓	✓	✗	✗
Was there funding and programming specifically developed and resourced for rural strategy implementation?	✓	✓	✗	✓
Has programming been designed to recognize the unique characteristics and variation that exists between rural areas and allow for flexible access to rural programming and funding?	✓	✓	✓	✓

3 KEY FINDINGS FROM THE JURISIDICATIONAL REVIEW

1) A Rural Strategy must identify the key challenges and issues that need to be addressed.

The approach to the development of a provincial Rural Strategy must include an engagement process by provincial government representatives that will ensure meaningful input from rural area representatives, including elected rural and First Nation community leaders and other stakeholders so that not only are the rural area issues and challenges properly captured by the provincial government, but that the rural area participants also feel that provincial government has taken the time to hear rural concerns and issues. In Quebec, Alberta and Manitoba considerable rural consultations were undertaken to ensure that the strategy was reflective of the views of rural area participants.

2) Senior Government must acknowledge and understand there are systemic rural issues and challenges that require specific responses and effort in the Rural Strategy.

By clearly acknowledging and understanding rural issues and challenges, the Province will position the Rural Strategy to craft targeted initiatives and actions to move forward on changes desired by both the Province and the rural area. By identifying the specific issues and action responses in a Rural Development Strategy, it will clearly demonstrate to the rural areas the importance of implementation on the part of the provincial government.

In the Quebec Rural Strategy, much effort was undertaken to highlight the provincial funding commitment to specific programming, and provincial staff allocation would be used to address specific goals of their Rural Strategy. One of the apparent deficiencies of the *Creating Opportunities Action Plan* in Manitoba was that while the ministry responsible was on board, other ministries were not, with the result that strategic objectives were never aligned or integrated with policies.

3) The Rural Strategy must be created with the understanding and input from rural stakeholders.

Provincial governments that have attempted to deliver rural programming without consultation and input from rural stakeholders often experience resentment from rural areas that they feel their voices are not being heard. They see the provincial

government officials as trying to do something “to them” in order to serve their own agenda rather than engaging rural partners to address common concerns. This then places additional pressure on the province to deliver on “their” rural strategy and often does not create the collaboration to leverage the local resources and commitment to the implementation process.

The best rural outcomes have been demonstrated to come where extensive and inclusive consultation has taken place at the grassroots level where issues can be discussed in detail and challenges clearly articulated. This also positions the efforts of the provincial government in a more favourable light to develop a collaborative approach in identifying and building desired solutions and outcomes for a Rural Strategy.

A good example of this is in the Quebec process where several rural and municipal organizations supported the rural strategy and the all-important implementation with their collaborative resourcing. In Alberta, there is a Rural Task Force made up of rural representatives that oversees the Rural Strategy with the province.

4) Rural Strategies must identify concrete outcomes and outline specific actions that the Provincial Government will undertake over a sustained period.

In successful rural planning the vision is clearly supported by tangible actions that provide a pathway to making meaningful change for rural areas and the associated rural and First Nation communities. The rural strategy needs to clearly identify how the Rural Strategy will take action and move through to demonstrated change on the ground.

5) Rural strategies must not only address rural economic fundamentals but also issues associated with other rural issues such as health care and education.

Rural areas in Canada have generally experienced challenges in maintaining their connection to their basic sector industries that have traditionally supported the local area (i.e., forestry, agriculture and mining). Employment in these industries has typically been trending downwards and in many instances rural areas have experienced closures among key local employers.

At the same time, a historically important economic stabilizer in rural communities has been the employment and activities associated with government services, primarily education and health care. With rationalization of health services in urban centres and on-going school closures, there has been a steady decline in this employment in rural Canada. The loss of government services not only reduces the economic diversity of the rural economy but also creates further challenges in attracting new people to reside in an area where health care may not be delivered in the community or students may

have to be bussed to school. This contributes negatively to the liveability of rural areas for potential new residents and existing residential populations and highlights the importance of a holistic approach to rural revitalization that integrates social and economic objectives and encourages new and innovative approaches to rural education and health delivery.

6) Rural Strategies must recognize and have concrete actions that will address the much slower rates of business creation and expansion in rural areas.

It is well known that businesses located in rural areas often face additional challenges in securing capital, and access specialized business development supports (e.g., patents, export development assistance, etc.). However, the rural business community also faces structural challenges that can be in sharper focus in rural areas. These can include challenges associated with finding adequately trained labour, accessing suitably serviced industrial or commercial land, access to rail, or having the desired community amenities to attract new workers, among others issues that are often easier to address in a more urban setting.

7) Need to recognize that rural areas require improved access to capital and business development support in order to stimulate their local economies.

Investments in rural areas are often plagued by challenges in attracting private investment capital. This stems partly from the reluctance of major Canadian banks to lend to business located in many rural areas. This often prevents local rural entrepreneurs to secure the capital to grow and expand their ventures when the opportunity presents itself. In addition, this also creates challenges for the start-up of new ventures in the rural area. As detailed in the case study material prepared for the Reversing the Tide project, the provision of appropriate rural venture capital and business development support are critical to revitalizing rural business growth and expansion in economically depressed rural areas.

In the example of the Kentucky Highlands Investment Corporation, leadership supporting businesses in rural areas can generate considerable results. The Kentucky Highland Investment Corporation (which was seeded with Federal money from the United States government to address areas with high poverty rates) had invested over \$165 million by 2008, providing funding to over 500 rural businesses, helping create more than 10,000 jobs and producing an estimated \$300 million in tax revenue in one of the poorest regions in the U.S. (Kentucky Highlands Investment Corporation 2008).

8) Implementation requires a long-term commitment to success of the rural strategy.

Success in changing the path of rural areas will come from a long term commitment to change the course of rural economies. The current trend in rural areas has been in place for over two decades and in many places in Canada can trace its roots back to the recession of the early 1980s. This long steady decline in most regions of Canada highlight several systemic factors that have played against the development of rural economies that will take on-going and sustained effort to effectively reverse.

In the province of Quebec rural development has been on-going for over 45 years, and since the 1990s rural Quebec's population has been growing while the rest of Canada generally continues to decline. In addition, it has been observed that demographic growth in Quebec has been accompanied by increasing personal incomes (OCED 2010).

9) Provincial Government and rural representatives need transparent, on-going and constructive discussions.

The Rural Strategy will benefit from in order on-going collaboration and dialogue between Provincial and rural representatives to be the most effective. Overtime as successes are achieved or challenges arise, there needs to be an ability and process to find ways to continue to move forward.

10) Active participation of Senior Provincial Minister is needed to demonstrate rural development is a priority to the Province.

The involvement of the Senior Provincial Minister brings importance to the role of rural development. It has proven valuable in jurisdictions like Alberta in highlighting the province's commitment and seriousness in addressing the rural challenge.

11) Need to have initiatives and programs that are targeted at specific rural challenges and issues (i.e., Final Mile Broadband in Alberta)

Rural areas often experience unique challenges that more urban centres are not subjected to. Common across Canada has been the lack of high speed internet access in rural areas, a critical piece of infrastructure in rural development. In jurisdictions with rural programming such as Alberta, Quebec, Manitoba and Nova Scotia, specific programming and associated resources are in place to tackle this challenge.

12) Need to bring together local rural populations at a regional level to collaboratively address issues.

Working with the Province, rural areas, including rural and First Nation communities and unincorporated areas, need to share resources and expertise in order to generate synergies that will increase the chances of seeing the initiative through to success. Many initiatives such as marketing are best approached collaboratively at the regional level as the cost for an individual community marketing is often prohibitive, particularly for a smaller rural community.

13) Recognition that developing stronger economic development and business linkages with First Nations will be critical to long-term success of many rural areas.

First Nations are playing an increasingly important role in the development of rural areas of BC. Collaboration with and between rural and First Nations communities may potentially lead to stronger local business development in many rural areas of the province. The Province proactively engaging in a Rural Strategy that incorporates local First Nations perspectives of rural development will better position the region to pursue desired opportunities.

14) Multi-year funding must be in place to demonstrate the resources will be in place to move forward.

Resourcing is always a critical component in achieving success in rural economic development and a key component of this is ensuring there is an on-going commitment. This has made multi-year funding commitment up front an important tool in delivering rural economic development. In Quebec's Rural Strategy a seven year \$280 million funding commitment was made at the launch of the strategy, while Alberta announced a \$100 million fund that represented a six year commitment. Manitoba's Rural Economic Development Initiatives program is funded through the proceeds of the video lottery system—while the amounts change from year to year, the base formula guarantees funding as long as the lottery exists.

15) Funding should be flexible so that investments can be targeted at making real change happen.

Creativity and resourcefulness at the local level should not be clouded by bureaucratic wrangling or programming structure. This will be particularly critical in implementation where the Provincial Government has had reservation about allowing resources to be used to actively change economic direction (i.e., venture capital funding, loans programming in rural areas currently “red circled areas” by banking industry and are not able to attract private capital in a conventional way).

16) Program monitoring and evaluation is critical to guiding sound funding decisions.

Monitoring and evaluation is an important tool in keeping the Rural Strategy on track. There needs to be a clear mechanism to demonstrate how the planning and implementation of the Rural Strategy have changed the course of rural areas and benefited the region and province. Organizations that have been in place for extended periods of time like the Kentucky Highlands can clearly communicate the benefits to local and senior levels of government and thus justify the benefit of continued effort.

17) Non-Government Organization (NGO) and Rural Development Support Organizations play a critical role in rural development.

The jurisdictional review and previous research undertaken by the BACs on rural economic revitalization has demonstrated the critical role NGO Rural Advocacy and support organizations play in rural development. Organizations like the Rural Policy Research Institute (RUPRI) in the US are extremely effective at providing unbiased analysis and non-partisan advice to policy makers and support to rural communities.

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