A Review of Socio-Economic Planning in New-Wes-Valley


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Submitted To: Dr. Kelly Vodden and the Gander New-Wes-Valley Community-based Research Project Steering Committee
Date: November 26, 2009
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Introduction

Much of rural Newfoundland is currently undergoing demographic changes. This is due to the migration of the population into larger urban centers and the fact that the populations of these rural communities are aging. This has created a problem in these communities because they are losing both their work force and customers. Many of these communities have developed studies to identify where the gaps in the labor force are and how their town’s well-being is affected. After these gaps are identified a plan for how to mitigate and adapt to these changes is put forth.

The Municipality of New-Wes-Valley is one of the communities in rural Newfoundland that is being affected by these changes. The municipality is a small town located on the North end of Bonavista Bay (See Figures 1 & 2). It is composed of eight amalgamated communities (See Figure 3) and has a population of nearly 2500 people.1

Figure 1: New-Wes-Valley Population

Source: Statistics Canada

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1 M. Jones. Labour Market Study: New Wes Valley. Service Canada, 2007-08
The community relies heavily upon the fishery and a fish processing plant, but also has a combination of other employment facilities, such as two health care facilities, one educational institute, one recreational establishment, one retail store, two pharmacies, and several restaurants. As is the case with much of rural Newfoundland the majority of youth leave the community after graduation to attend post secondary school and further their education. Only a limited number of these individuals return, leaving the community without educated personnel to stabilize the community’s declining work force. The decline in the work force leads to economic problems in the region.

Figure 3:- Listing of communities which compose the Municipality of New-Wes-Valley - Arranged in descending order of population

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Methods

Several interviews were conducted to gather information on the proposed plans and initiatives for the community of New-Wes-Valley. The information included in this document was provided by the major activists of the planning process. The development of a plan is still in process, however a Labour Market Study was conducted which is the basis for this report. The Mayor of New-Wes-Valley, Councilor at Large and the Economic Development Officer (EDO) attended a meeting in Gander where a focus group session was first conducted. Another follow up interview was conducted with the research analyst of the Labor Market Study. The information they provided was used in conjunction with the Labor Market Study and other resources to complete this community based research assignment.

The following report will examine the recent planning process (undertaken through a Labor Market Study), how it was conducted, its successes and failures as well as what the key players in this planning process and what they hope to achieve from it. The New-Wes-Valley planning process is still ongoing and only a Labor Market Study has been completed thus far. The community has however been successful in some implementation, such as hiring an EDO to aid in creating a plan, building on the results of the study. Furthermore, the need for the community to establish a plan is critical due to the rapid changes that the community is currently undergoing due to labor gaps and out-migration into larger urban centers.

Description of the way the planning process was conducted

The decline in population, as displayed by the above demographic data, illustrates the need for a socio-economic plan. The goals of the planning process are to stimulate economic and social development in an attempt to revive the community’s strengths and attract new employees and consumers to the area. The plan was first initiated by a simple conservation between town council members and Service Canada representatives in 2006. Michael Jones, a research analyst, was then hired to conduct a labor market study on the region, examining the economic state of the area and where the gaps in the labor market are most prominent. After an analysis of these gaps was conducted it was identified that further action must be taken. This was the beginning of the next phase of
the planning process, although recommendations for action had already been made in the Labour Market Study. The study “was focused upon the identification of specific labour market/skills issues. Additionally, it aims to identify and develop potential solutions to these issues through realistic and tangible recommendations”.\(^2\) A further “full-blown Community Development Plan (Economic Development Plan) for the Municipality of New-Wes-Valley” was one recommendation of the study.

The study involved many stakeholders, including local business, town council and both Federal and Provincial governments. Each had a key role in the process of conducting the study, providing valuable information and participating in the process. There were three stakeholder sessions which discussed the future of New-Wes-Valley and enabled these individuals to put forth their opinions of what actions and initiatives could be developed to better the municipality. The Department of Fisheries and Aquaculture provided the community with a Ministerial representative to speak on behalf of the department regarding matters concerning the local fishery. Beothic Fish, the harvesters and union representatives also participated in the labor market study process. Considering that much of the municipality is heavily dependent upon the fishery these representatives played a critical role and were of the utmost importance when considering areas of exploration for future economic progression.

The process began with the research analyst conducting interviews, surveys and consultations with the stakeholders. This approach was beneficial because it incorporated both receiving and giving of information regarding the process, which attracted interest from the stakeholders and community citizens. The next stage of receiving information involved focus group sessions and discussions with both Federal and Provincial Governments. This was a more in-depth level of consultations, and gathering information as it actually involved proposing ideas to different levels of government and stakeholders. Once the study was completed, it was publicized via community channel and the council also mailed newsletters. This made the study easily assessable for the general public to gain access to the plan. This was an attempt to engage all citizens in the process in hopes to gain perspective from the individuals that would be primarily involved in the economic plan and predominantly impacted by its changes.

The process was funded by Service Canada. Their funding provided was $80,000, which was used to hire a research analyst to conduct the labor market study and to pay for supplies and research costs. During the interview with members of the town council it was stated that one the first goals of the study was to hire an EDO. This was done by rearranging the responsibilities of the council, allowing for a current employee of the council to acquire that role. The council also proposed two initiatives to better the community economically: the subsequent cranberry farm proposal and the shrimp processing plant proposal. Both proposals however were rejected by the Provincial Government. Considering that the plan is still in its early stages of development the rejection of the proposals did not diminish the strength of the plan. The community still has high hopes for a prosperous future.

**Moving from planning to implementation**

The amount of implementation that has occurred from the socio-economic plan is limited. The plan is yet to be developed. To date a labor market study was conducted which illustrated where the need for employment is, and it also outlines actions that would benefit the community economically. The first action taken to move from planning to implementation was to move toward a joint council encompassing the neighboring towns from Trinity to Musgrave Harbour. This will significantly benefit the town because it will draw strengths from other regions, in terms of natural resources, social and cultural capital. It will also reduce the barriers regarding movement of residents within the region for shopping and employment. By merging the efforts of neighboring municipalities, all communities will benefit from each others’ economic gain. With the reduction of these barriers and the opening of a joint council, the different municipalities will have much more success in gaining attention from government and receiving funding for the planning process. The newly hired EDO, which was an accomplishment of the planning process, will take the lead role in developing the plan and in ensuring that the goals of the plan are met.

The town will be working to develop a community plan by March 31st 2010 in accordance with the Integrated Community Sustainability Planning (ICSP) initiative. The human resources that will contribute to the development and implementation of this
plan will be mainly the EDO. However for any implementation to occur, the community and its citizens will have to be actively involved. The individuals affected by the changes produced by the plan should be the main source of human resources. Their thoughts and opinions are the most valuable to this process because it is their lives that will be impacted by changes due to the economic initiatives established by the plan. It is expected that the both Federal and Provincial Governments will also have an active role in providing human resources to the plan, aiding in related proposals and implementation of plan goals. Financial resources will be provided through Provincial Government funding and Federal gas tax funding. According to Infrastructure Canada, this is an initiative to provide economic flexibility to communities regarding environmentally sustainable municipal infrastructure.  

Implementation of the plan is limited at this point as plan development is still underway, however it is assumed that the people and groups that will be involved implementation of the plan are: town staff and Economic Development Committee, community members, stakeholders and government agencies. All are presumed to have an active role in insure that the goals of the plan are met, and in restructuring the plan to accommodate changes in the community as they occur.

The planning process is still in its early stages, however all members involved in the planning process have strong hopes for its success. Although the study has yet to become a finalized plan many goals of the proposed recommendations have already been achieved, such as hiring an Economic Development Officer (EDO) and establishing signs within the community identifying streets, as well as signs outside the community promoting and advertising local businesses. The members are well organized and have made several accomplishments to date without having a structured plan. With active engagement from all members who are involved in the planning process and extensive funding, breaking down the barriers and defeating challenges that could accompany implementation will be less problematic.

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3 Infrastructure Canada, 2009
Outcomes to date from the planning process

The intended outcomes of the planning process are limited due to the plan not being finalized. The plan is currently “a plan to plan”; however outcomes have been achieved in the initial process. The establishment of town signs was also a large benefit to the community. For individuals not familiar with the community, these signs labeling streets are a great aid during travel. Another accomplishment was to place signs on the Trans Canada Highway; this was done to promote tourism within the community. The largest urban center close to New-Wes-Valley is Gander. Located on the Trans-Canada Highway many tourists bypass the town and go directly to Gander. With the addition of these signs many people are made aware of New-Wes-Valley and the tourist facilities it has to offer. Another accomplishment of the economic development initiative was to lobby the Department of Fisheries and Aquaculture to have a ministerial representative join the initiative and voice their opinions of the plan goals. Economic prospects have been identified in conjunction with the plan, one of which was licensing for a shrimp processing plant at Beothic Fish. This proposal was rejected by government in 2009 but is still being reviewed and will be proposed again in 2010.

The town has made small changes within and around the community to initiate the start of implementation. A main project that was completed within the region was the town’s deficit being paid off. The federal government supplies certain regions with “x” amount of dollars so that the region can decide what is most vital and needs to be addressed. In the case of New-Wes-Valley region, the council had decided to use the funding to pay off its deficit.

Even with the absence of a structured economic plan the community has achieved desired goals regarding the welfare of the municipality. This implementation is limited but the actions that have been conducted have positively influenced the community. This shows that the council is making an effort and taking the necessary steps to make this plan a living document.
Key factors that have contributed to implementation success

Implementation is the most important aspect of a development plan. This is where the actions towards a goal occur within the planning process. These are the steps that the communities are willing to take to achieve changes and provide a positive outlook for future generations. However, implementation in New-Wes-Valley is still minimal due to the absence of a structured economic development plan as a starting point. With the amount of extensive barriers and challenges, such as lack of funding and community interest shadowing implementation, there still has been some success. Although the Federal and Provincial Government do fund the region on an annual basis, it does not directly help towards implementation of the community plan. Therefore, with a lack of funding, implementation becomes quite difficult.

Also, there is a lack of consistent interest within various groups in the region. The individuals whom have been active with the economic development of the region from the beginning of the planning process have gained the most knowledge. However they often have conflicting ideas of what areas should be a main focus, such as tourism, natural resources or infrastructure. Without clear, agreed upon priorities in a plan implementation becomes a problem. Related to this is the difference of opinions in the region on the types of goals the council should aim to solve. This problem is very common within communities or regions because they are diverse and there is always someone that will disagree on certain issues. For example, different government levels and departments, such as the Federal and municipal, will have differences of opinions on which type of infrastructure should be developed. On a smaller scale, during public council meetings the local people may oppose certain issues put forth by the council, such as what should be done with the excess town budget. Conflicts within all areas have a drastic affect on the amount of implementation that will occur because of struggles over which goal becomes a high priority. One future problem that council is expecting to face during implementation is deciding which area is of most importance and will benefit the community most substantively. For other rural communities that have begun to implement their economic plans this was a major problem.

Another challenge that New-Wes-Valley is faced with is lack of interest in the planning process from residents. This is one of the main concerns regarding
implementation. Lack of interest also entails a lack of effort from the local people. Some volunteers have been exhausted due to the same individuals providing services and not seeing progress, thus leaving the socio-economic initiative in the end to find more valuable work that is being rewarded by progression. Through the interview process many of the respondents stated that a lack of human resources is a major concern within the planning process. A lack of educated authoritative individuals is available to provide the necessary steps for implementation.

With limited implementation having occurred, the focus on these problems to date with implementation and future assumptions of implementation failure are based on the information provided during interviews. Overall the outlook on the future of this plan is hopeful and positive. The thoughts of working with what the community has to offer in terms of both financial and human resources was a common theme presented by all informants. Success factors that the town has been focusing on are the strengths of the town and continuing with the optimistic and confident aspirations of the plan and the successes it will bring to the community economically. This was a shared view amongst the individuals who have contributed to the planning process.

**Removing challenges and barriers**

New-Wes-Valley’s population has been declining due to the recent economic hardships the region has been facing. Although there is some implementation occurring and an economic plan is in progress it is impossible to remove all the challenges and barriers that are restricting population growth and plan implementation. The planning process has been initiated to aid in eliminating the hardships from the region and to stimulate economic growth. There are many challenges and barriers that plan activists will face during its implementation, as discussed above. Regions that undertake a planning process can use a root cause analysis as a tool to address these challenges. A root cause analysis is basically a problem solving method that involves identifying main issues or concerns in a region and trying to find a solution that addresses the root cause of the problem so that the problem does not keep reoccurring. It predicts or forecasts the possibility of an event even before it actually occurs (Bellinger 2004).
Financial concerns are one of the major problems facing New-Wes-Valley in the planning and implementation process because it is often difficult to take action with no funding, especially when the town is collapsing. The lack of funding provided by the federal and the provincial governments has been a barrier to the implementation process. Realistically, New-Wes-Valley is unable to fund itself to restructure and diversify the economy. Therefore, funding support for this process is needed. The obvious solution to the financial crisis is having funding from both levels of senior governments, which will give the region a better economic outlook for the future so that it can develop solutions that address their root cause analysis.

Other solutions include identifying growth areas and vital sectors such as tourism, which could potentially be a year round rather than seasonal economic generator. Also, educating and training individuals who can be qualified for these positions is key because having positions available with no workers to fill them are useless tactics. Similar to other rural communities, the collapse of the economy means the ongoing outmigration of local people. Thus, changing the demographics by stimulating economic activity and offering training to fill labor gaps can help stop this process from reoccurring and save the population from further declining. Also, working with the educational systems to ensure that entrepreneurship training is increased and self-employment is promoted as a viable career option is suggested. Eliminating these barriers to economic growth and to planning through these steps would lift a huge burden off the region, allow for benefits and promote well-being amongst the communities of the region as a whole.

Another challenge that has to be overcome is that the plan has to be treated as an important part of the community and not just another task to be completed. To do this, there should be more active engagement of the public and more information should have been available. The committee needs to increase publicity about the goals of the plan and how it will benefit the residents. As well, the plan has not been followed up by the same individuals who have created the plan and it is important to have someone appointed early in the planning process to stick with the process until it is complete. There needs to be someone with continuous knowledge to make sure everything is completed. There needs to be individuals continuously submitting reports and following up the progress of the process.
Conclusion

The socio-economic planning process for New-Wes-Valley is still in the developing stages. However, the outlook of the plan is optimistic and the stakeholders, including town council and community members, are all hopeful that this document will aid in addressing the community economic crisis and stimulating economic growth. The planning process has been productive thus far and an Integrated Community Sustainability Plan will be developed and proposed by March 31st 2010. It is suspected that this plan will encompass much of the information proposed in the Labor Market Study and this document will be used to aid in the development of the town plan. The challenges and barriers that the community has faced, and are expecting to confront are lack of funding and interest as well as conflicting interests. These are challenges that every rural community faces. In the case of New-Wes-Valley they plan to overcome this by using the strengths of the town’s human resources, including the town’s Economic Development Officer, to approach these challenges. By handling the process with meticulousness and using the knowledge gained throughout the planning process, New-Wes-Valley community leaders and residents will minimize the barriers and challenges and make their plan a success.
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Studies/ Reports

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Images/ Figures

http://townofnewwesvalley.com/
