

**Canadian Regional
Development**
A Critical Review of Theory,
Practice, and Potentials



**Développement régionale
canadienne**
Un examen critique du théorie, de
pratique et des potentiels

Innovation and Knowledge Flows on the Northern Peninsula

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New Regionalism



- New Regionalism:
 - Hollowing out of the state (Harrison 2007)
 - Competitive advantage
 - Innovation, knowledge flows and learning
 - Focus on networks of trust and wider social processes
 - Importance of local level and proximity

Territorial Innovation Models (TIMS)



- Innovative Milieux
- Regional Innovation Systems
- Industrial Districts
- Clusters
- Synthesis of these in learning communities
(Moulaert and Mehmood 2010)

Critiques of TIMS



- Fuzzy concepts (Markusen 1999)
- Productivist and urban bias (Moulaert and Mehmood 2010)
- ‘Localist trap’ (Uyarra 2008)

TIMs and rural?



- Focus on agglomeration economies and knowledge spillovers
- Rural: Distance and density
- Focus on new to world vs new to region innovation
- Innovation associated with technology and knowledge infrastructure
- Need for better measurement of innovation in rural

Northern Peninsula Research



- Background research
- **22 interviews with local firms, elected officials, economic development organizations and other stakeholders**
- **Theme:**
 - **Innovation and Learning**



Innovation Research Themes



- Knowledge Infrastructure
- Knowledge Partnerships
- Resources for Learning
- Reflection and Knowledge Sharing
- Openness to Creativity
- Challenges for Innovation
- Examples of Innovative Initiatives

Northern Peninsula Regional Profile

	Northern Peninsula	Newfoundland and Labrador
Population (2006)	13,140	505,470
Population Change % (2001-2006)	-12.6%	-1.5%
Median Age (2006)	43	42
Gross Personal Income per Capita (2009)	\$23,700	\$27,700
Self-Reliance Ratio (2009)	66.8	79.6%

Indicators of Innovation Capacity

	Northern Peninsula
Access to post-secondary institutions	CNA campus in St. Anthony with some connections to Grenfell, MI and Harris Centre – interest in more research
Levels of post-secondary education	61.1% completed high school (9th out of 9 RS regions) and 7.8% completed a bachelor's degree or higher (8th out of 9 RS regions)
Training	Most organizations encourage or provide training for their staff (e.g. professional development seminars, institutional training, or on-site training)
Access to information technology and communications infrastructure	Many stated that technology infrastructure in the region was inadequate (e.g. broadband and cellphone coverage).

Northern Peninsula Innovation Policy Context

- Federal and provincial support for innovation


Programs:

- ACOA Innovation Fund; Agri-Innovation Program (Federal Agriculture and Agri-Canada); Industrial Research Assistance Program (National Research Council); SR&ED tax credit
- IBRD; Fisheries Technology and New Opportunities Program (Provincial DFA), tourism - market readiness subsidy, Tourism Atlantic funds

New Ideas




- “very few new ideas come from anybody here all the ideas come from either something that you read or someone that you meet but the people that you meet who are very business oriented and who travel a lot in the world or are well educated” R
- “we used to say the best thing for Newfoundland is put everybody aboard a boat or plane for a couple of years and bring them all back and see what happens” R

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- “we’ve been getting lots of ideas but being able to implement them, that’s just a different, well there’s capital, there’s support, research” R

Collaboration




- Generally perceived as good
- However “collaboration of facilitators and not doers”
- Right players not at the table together
 - Post-secondary, industry and government and NGOs
- Different in different sectors:
 - Fishery some but fierce competition for the resource
 - Very good collaboration in outfitting around marketing and sharing
 - Forestry strong collaboration

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- On collaboration: “you get out of it what you put into it. If you got time and energy to invest in it you generally get good results” R

Advantages of the region



- Resource assets: fish, culture, forests etc.
- People: commitment to place
- Support agencies rated highly by firms
- Right size operations for niche markets

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- “ACOA supported me and ... industry trade and rural development, they’re really good they still support me in marketing and the people they got working for them are really good because they’re on the local level and they understands what’s going on locally so that’s a big plus” R

Roles for support institutions




- Need a regional vision with support agencies working to implement
- Build entrepreneurialism
- Important role of research in new product development
- Government (3 levels), researchers, community supports and entrepreneurs all important in the innovation process
- Municipalities seen as weak and lacking resources but important

What is needed to foster innovation?



- Reach out to external knowledge support
- Define innovation as new to the region
- Improved regulatory environment
- Need political support to move projects ahead
- Stronger municipal government
- Better alignment of programs and research to community/business needs

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- “We need money, we need investment money, we need easier access to it, we need people to work with us on our ideas from start to finish and if something is different try not to can it, try to support different ideas”

Innovation Support Institutions



- NP Business Network, CME
- ACOA, IBRD, DFA, DFO
- St. Anthony Chamber of Commerce
- College of the North Atlantic
- Memorial University, Grenfell, Marine Institute

Examples of Innovation

FIRMS AND SOCIAL ENTERPRISES

- Holson
- Cold Storage
- Dark Tickle
- SABRI
- Canada Ice
- Tuckamore
- Norpen
- Northern Light Seafoods
- Nordic/IBRD

PROJECTS OR INITIATIVES

- Heritage Cluster
- Community Forest
- Partners meetings
- CNA Rural Campuses
- Immigration website
- NP Business Network

Learning and Knowledge Flows



- Most self describe as learning organizations
- However not much in training budgets except in government (centralized function)
- Often informal learning from experience
- Earlier studies have shown limited knowledge flows external to the region
- Reference to Gros Morne exposure to external ideas and people

Challenges to Innovation



- Competition and distance to markets/suppliers
- Lack of young people and entrepreneurs
- Dying communities
- Capital: lack certain forms (e.g. government money available but not working capital)
- El Trap
- Lack of strong local governance

Infrastructure



- Broadband and cell coverage
- Training and skills development
- Research into new products
- Building better points of intersection:
networks and social media/communications

TIMs and the NP



- Patchy evidence of learning and knowledge flows but some success
- Many challenges and infrastructure issues on the Northern Peninsula suggesting ongoing importance of provincial and federal support
- Resilient communities with strong sense of place

For More Information



- http://ruralresilience.ca/?page_id=44
- www.innovationnl.ca (coming soon)

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