



# The State of Regional Development in Canada: *What the Hell is Going On?*

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# **ACOA cuts regional development funding**

**Agencies 'just fall over one another,'  
says Canadian Taxpayers Federation**

**CBC News - May 22<sup>nd</sup>, 2012**

ACOA Minister Bernard Valcourt said that **businesses can access ACOA funding directly, without needing to contact local agencies.** "So this is a **layer of intervention that I believe adds no value to the end product,** which is job creation and wealth creation, which are the objectives of those programs."

# REDBs in NL

- **Regional economic development boards created in 1995**
  - The Task Force on Community Economic Development, *Community Matters: The New Regional Economic Development*
- **19 REDBs across the province**
- **Operating budget**
  - 75 federal / 25 provincial



# Newfoundland & Labrador



## **You don't know what you got 'till ...**

**C. Hunt- *Coaster* - December 13<sup>th</sup>, 2012**

**Everything seemed to be going well, and it was, until May 22, 2012** when RED Board offices in Atlantic Canada were informed that the federal government was ending its core funding under the support model for the program that would take effect in May 2013.

Shortly after the federal announcement, **the provincial government said it would not be backfilling that 75 percent** and would be looking at ways to reinvest its annual share of \$1.2 million in the program.



# RDAAs in Nova Scotia

- **12 Regional Development Authorities created in 1994**
- **6 Regional Enterprise Networks**
  - *Renewing Regional Economic Development in Nova Scotia (2012)*
  - “Creating winning conditions for regional economic development”



# Nova Scotia

## **Strait development authority to close in July**

**CP - *Cape Breton Post* - May 1<sup>st</sup>, 2013**

A regional development agency in Cape Breton is **winding down operations as the federal portion of its funding dries up.**

Blaine Gillis, CEO of the Strait-Highlands Regional Development Agency, says the organization will **close its doors on July 19**

# **NS: No rush for regional enterprise networks**

**T. Comeau - *Daily Business Buzz* - May 13<sup>th</sup>, 2013**

One area of difficulty is some municipal units feel the **geographic size of the REN** they're supposed to belong to is **too large**, or **there isn't enough shared economic development interest**.



# PEI



## **Resources West can't exist without ACOA funding, board decides**

**E. McCarthy - *The Guardian* - October 5<sup>th</sup>, 2012**

**"The board has made the decision, basically that, without any assets and without any core funding, we simply can't exist," Anderson reported. "We don't have an opportunity at this point in time to be able to generate revenue to sustain operations."**





# RDCs in Manitoba

- **Seven Regional Development Corporations created in the 1960s**
- **Funded by municipalities and the province**
- **Writing on the wall?**
  - 2009 - *Manitoba Connects: Building A New Rural Manitoba Economic Development Strategy*



# Manitoba

## **Province pulls plug on funds for RDCs**

**L. Stevenson- *Manitoba Cooperator* - May 30<sup>th</sup>, 2012**

The province has **dropped funding for seven regional development corporations serving rural and northern Manitoba**, leaving the future of these entities uncertain.

**“There was no indication that they would be cut. There was no discussion. We just simply got a letter saying that’s it,”**



# Saskatchewan

## Concerns for the future of rural enterprise networks

**A. Wills - *Newstalk 980* - March 28<sup>th</sup>, 2012**

As part of the provincial budget, **enterprise regions will no longer receive funding**, which means it's now up for individual communities to decide if the program should continue.

"It's very sad to me that at this time, **no one has a regional focus to economic development and that communities are left to do it on their own**," said Kim Wondrasek, CEO of the East Enterprise Region.



# FedDev Ontario



## **New Regional Development Agency for Southern Ontario**

**Government of Canada  
Backgrounder - August 13<sup>th</sup>, 2009**

Budget 2009 provided \$1 billion over five years for a new economic development agency for southern Ontario.

## **Economic Action Plan 2013 Continues Focus on Jobs, Growth and Long Term Prosperity**

**Government of Canada News  
Release - March 22<sup>nd</sup>, 2013**

Economic Action Plan 2013 provides \$920 million for FedDev Ontario over five years



# What the hell is going on?

- **Fundamental shift in regional development**
  - Jobs versus community development
  - Fewer but larger projects
  - Rewarding urban superstars rather than helping to build capacity in smaller rural communities
- **Retreat from Rural**
- **“Dismantling rural institutions” and “rural Canada as collateral damage” (Bill Reimer 2013)**



# REDOs: Why should we care?

- **‘corporate welfare’ and ‘bureaucratic entrepreneurship’**
- **‘Matchmakers’ and a rural ‘lifeline’**

## **We're not gonna take it**

**R, Norman - *Norwester* - May 24<sup>th</sup>, 2012**

Businesses and municipalities **relied** on the Emerald Zone Corporation and their counterparts across the province to research, work towards, lobby for and advise on a whole wealth of issues relating to the economy.

**What rubs salt in the wound** most, though, is that the decision to cut the boards was a **cost-saving measure above everything else.**

I know, the Federal Government says it was an effort to prevent duplication – **but to be frank, you don't cut a 10-year program to prevent duplication.**



# Where does that leave us?

- **Giant step down the wrong path?**
- **Stuck in a “staples trap”?**
- **Empowered for change?**





**‘Change is  
the only  
constant’**

– Director of FedNor, 2011



**Thoughts? Questions?  
Stories? Comments?**

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