



# Regional Economic Development Task Force **Final Report**



The RED Task Force was created to investigate and develop recommendations for the best ways to develop and support a coordinated planning approach to regional economic development here in Newfoundland and Labrador.

# Table of Contents

1.	Background	2
2.	Our Approach	3
2.1	Core Partners	4
2.2	Structure	4
2.3	Principles	5
2.4	Meeting schedule and topics covered	5
2.5	Next Steps	5
3	Findings	6
3.1	Functions	6
3.2	Supports/resources required	7
4	Recommendations	9
4.1	Support RED planning mandate for regional municipal governments	9
4.2	Develop a “planning and leadership” support program	10
4.3	Network Support	11
4.4	RED fund managed by RED Program partners	11
	Appendix	13

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# REGIONAL ECONOMIC DEVELOPMENT TASK FORCE FINAL REPORT

## 1 Background

Leading research on economic development says that engaging communities and stakeholders through a regional process is critical to success. An intentional regional approach to economic development planning and coordination has been missing in Newfoundland and Labrador since the dissolution of the Regional Economic Development (RED) Boards in 2012.

Leadership at Municipalities Newfoundland and Labrador (MNL) and the Newfoundland and Labrador Association of Community Business Development Corporations (NLACBDC) heard concerns increasingly expressed by members about service gaps and challenges around community and economic development efforts. In response to this and growing recognition that an explicitly regional approach to community and economic development is needed to address growing challenges faced by smaller municipalities across the province, MNL, NLACBDC and the Leslie Harris Centre of Regional Policy and Development at Memorial University discussed options for more effectively supporting Newfoundland and Labrador communities in their economic development efforts.

MNL, NLACBDC and the Harris Centre agreed they had no interest in creating new organizations. A more effective, feasible and sustainable approach would be to explore options for supporting and coordinating assets and functions that already exist and building greater capacities through a coordinated regional approach to economic development planning. We believe that how municipal governments, CBDCs and other partners within a region plan, decide and work together on issues of shared interest is critical to the short and long-term success of economic development efforts.

To accomplish this, these three pan-provincial organizations agreed to partner in the creation of a “Regional Economic Development Task Force” (RED-TF) focused on exploring options for supporting regional economic development planning in NL. The RED Task Force was created to investigate and develop recommendations for the best ways to develop and support a coordinated planning approach to regional economic development here in Newfoundland and Labrador.

## 2 Our Approach

In seeking to identify and develop its recommendations, the Taskforce gathered, reviewed and synthesized different types of information relevant to its purpose, including:

- Input from a wide range of key community and regional economic development actors and stakeholders on both the current challenges, past efforts and potential future opportunities for enhancing community and regional economic development in NL;
- Findings from past and current reviews of economic development strategies for NL and associated structures, capacities and resources necessary to support these; and
- Examples of leading practices and institutional arrangements for regional economic development from places with contexts comparable to NL.

Over the first phases, the Taskforce engaged in an on-going review and comparison of these sources of information, looking for potential “solutions” (i.e., new practices and structures) that appear to address and respond to identified challenges and needs. As the Task Force moved into its closing phases of selecting and developing its recommendations, it also considered:

- Opportunities for building upon and aligning existing economic development programs and activities in ways that enhance regional coordination and planning; and,
- What practical steps are needed in order to transition from the current situation to full implementation of the recommended approach(es).

The work of the Task Force as it identified, reviewed and selected its recommendations was guided by the following principles:

- **Permeability** - The Task Force will ensure input is not limited and will endeavour to provide multiple mechanisms for interested parties to provide their thoughts on our goals and work.
- Consideration of both formal and informal structures and capacities necessary for effective collaborative regional economic development
- **Longevity** – it can be developed and maintained within the limits of available or easily developed resources
- **Independence and flexibility** – it can be designed and implemented at the regional level to reflect and respond to the needs, priorities and capacities of the region

## **2.1 Core Partners**

### **Municipalities Newfoundland and Labrador**

Municipalities Newfoundland & Labrador (MNL) was formed in 1951 to represent the interests of the growing number of municipal councils in the province. At that time, there were approximately 50 incorporated municipalities in the province. Today there are 275 incorporated municipalities representing 89 percent of the provincial population. Over 97 percent of these councils are paying members of MNL and drive our considerable advocacy and policy efforts. MNL maintains a leadership role in economic development through our Urban Accord and by engaging our members, sharing information and providing economic development toolkits.

### **Newfoundland and Labrador Association of Community Business Development Corporations**

There are currently 15 Community Business Development Corporations (CBDCs) in the province that offer small business and entrepreneurship funding and advice. They cover all regions of the province. The NLACBDC represents all of the CBDCs in the province and has been a frequent partner for MNL mainly through the delivery of Symposium, Regional Meeting and Conference sessions.

### **The Harris Centre**

For the past 18 years, the Leslie Harris Centre of Regional Policy and Development has been acting as Memorial University's lead unit on public policy as it relates to Newfoundland and Labrador and serves as the catalyst for a range of regional economic development initiatives and research projects. The Harris Centre has a history of collaborating with MNL and CBDCs on projects associated with governance and rural and regional development. The Centre has significant capacity in labour market, demographic and economic data modelling and analysis through its RAnLab group (Regional Analytics Lab) and offers internationally-recognized capability in knowledge mobilization, facilitation and capacity building.

## **2.2 Structure**

### **2.2.1 Steering Committee**

The Steering Committee consisted of Craig Pollett (MNL), Roseanne Leonard (NL CBDC Association), and Dr. Rob Greenwood (Memorial University). The Steering Committee was responsible for planning the Taskforce meetings, doing analysis between Taskforce meetings, and coordinating expert and government engagement.

### **2.2.2 Taskforce**

The Taskforce was the primary body engaged in this effort. It was co-chaired by Craig Pollett (MNL) and Roseanne Leonard (NL CBDC Association) and included Dr. Robert Greenwood (Memorial University), Wanda Chislett (CBDC Trinity Conception), Mark Whiffen (CBDC Central), Mayor Harold Murphy (MNL), and Councillor Tina Neary (MNL). Support was provided to the Taskforce by Dr. Deatra Walsh (MNL) and Chris Paterson (Harris Centre.)

The Taskforce met five times over the course of six months

## **2.2.3 Advisory Committee**

The Advisory Committee consisted of a wider group of stakeholders selected by the Taskforce as a sounding board for their work. The full list is found in the Appendix. The Advisory Committee met once to review the findings of the Taskforce to date and to provide input on those findings as well as discuss potential recommendations. The Advisory Committee will be invited to a workshop on the Taskforce's final recommendations.

## **2.3 Principles**

The Taskforce decided early in their discussions to follow, as much as possible, three core principles.

The first was to avoid the urge to jump straight to creating new organizations to fill perceived capacity gaps relating to regional economic development. The second was to focus on options for coordination of existing assets to build regional capacity. The third was that how municipalities and CBDCs work together is as critical to successful regional economic development as what development goals a region might target.

## **2.4 Meeting Schedule and Topics Covered**

The Taskforce met five times over six months. In the first meeting Dr. Heather Hall provided Taskforce members with an overview of regional economic development in Canada. Rick Comerford provided an overview of the current state of regional economic development in Newfoundland and Labrador. The members then discussed what they saw as the major gaps in terms of regional economic development capacity in the province.

The second meeting saw Dr. Tom Cooper bring the Taskforce members through a planning exercise that focused the group on specific objectives and what unique benefits each organization could bring to achieving these objectives.

In the third meeting the Taskforce used a framework provided by Dr. Hall to assess what necessary functions already exist within the Newfoundland and Labrador context to sustain effective regional economic development.

In the fourth meeting the Taskforce heard from the Advisory Committee and then met separately to discuss the forms and processes that could be used to fulfil the functions identified in the third meeting.

In the fifth meeting the Taskforce met to review the final report and recommendations.

## **2.5 Next Steps**

This report of the Taskforce will be reviewed by the Boards of Directors of MNL and NLACBDC. It will then be used as the basis for a ground truthing workshop with members of both organizations and the Advisory Committee. Final recommendations will be published following the symposium.

## **3 Findings**

Generally, the Taskforce recognized a clear desire in communities and in organizations for leadership on providing a regional vision and supporting regional economic development work in the province. The Taskforce concluded that one of the significant gaps is a framework for supporting these organizations and communities. It was also recognized that programs and services provided by the federal and provincial governments are useful and appreciated, but clearer regional vision and regional collaboration is necessary to make the best use of these supports.

### **3.1 Functions**

Six specific functions were identified as necessary for effective regional economic development.

#### **1) Develop regional vision**

It may seem simplistic, but if rural development is going to really happen, communities need a regional vision. Economic development doesn't care about municipal or community boundaries. It happens in regions and people need to be able to see that in a vision for their region. Development professionals, CBDC volunteers, municipal councillors, they all need that horizon line to aim for. Of course, the vision needs to be a shared one. We need to develop strong, consistent leadership on the issue of building a regional vision. We can't rely on individuals to drive this in any one community.

#### **2) Develop regional plan**

A regional plan is the most obvious and tangible example of how a regional vision is made real. It's about identifying assets in the region. It's about identifying opportunities. And it's about developing the strategies that link regional assets and capacity to opportunities. We don't have these plans right now, so development just sort of happens without any real collective guidance from the region.

#### **3) Build capacity to collaborate**

Identify and build the capacity for working together effectively as a region and develop a stronger sense of intra-regional connection. Collaboration doesn't just happen spontaneously; it takes work and dedication. Regional planning doesn't just create plans, it creates allies. The process of planning, done well, brings people together for a common cause.

#### **4) Coordinate existing resources**

Pursue implementation of strategic priorities/projects. Identifying existing actors, assets and capacities (e.g., who is already performing some of these functions or has the capacity to do so). Coordinating activities and roles (including who takes the lead for different efforts). We don't need to create new organizations. We need to build new, or grow existing, connections between those existing actors, assets and capacities.

#### **5) Monitor, evaluate and report**

What gets measured, gets managed. With rural development activities so

fragmented and isolated right now, we don't do a good job of measuring our success – or lack of success. We don't do a good job of comparing how various approaches work or why they worked. Part of the collaboration that we need to support is the ability to measure how we're doing and act on that information to do better.

#### **6) Provide inter-regional/provincial communication and coordination**

Rural development happens within regions, and we've already talked about the importance of building strong relationships within those regions. But if we're going to really grow our rural economies, we need to build connections between those regions as well. Champions within each region need to be able to connect with their colleagues in other parts of the province for support and sharing lessons learned. We need to build a movement, not just write plans. We need the people involved in developing their community and their region to feel they are part of something bigger – a support system that has their back.

### **3.2 Supports/ resources required**

To sustain these functions, and therefore to achieve effective regional economic development, the following resources were identified by the Taskforce partially based on the framework provided by Dr. Hall.

#### **1) Staff**

One of the most common comments from Taskforce members, experts, and the Advisory Committee members alike was the lack of staff available to support the regional economic development efforts of communities and regional organizations. Specifically, the need for facilitation and coordination supports was identified. While several regional and provincial organizations engaged in economic development have staff resources, none have incremental staff dedicated to facilitating the kinds of activities required for effective regional economic development.

#### **2) Financial support and capacity**

Outside of the need for dedicated staff, it was noted that financial support is needed for the activities involved in regional economic development. Travel, meetings, facilitation tools and the costs of doing business cannot be wholly absorbed by existing organizations. However, it is also key for economic development actors to have their own internal ability to raise revenue. Complete dependence on outside funding is a frequent barrier to independent action by any community or regional organizations. Having some degree of financial independence is critical to being able to act on plans and initiatives when external funders may not be in complete alignment.

#### **3) Authority to act**

For effective regional economic development to happen, communities and regional organizations need to be able to act of their own accord on the plans they develop. As already noted, this ability is closely related to

financial independence. However, it is also crucial that organizations can act through their own governance mechanisms. They must have the authority to invest in staff, capital, other organizations, or projects without having to seek the permission of a higher authority.

#### **4) Capacity to lead**

The last resource is, quite simply, the ability to “get things done.” An organization must have a mandate for leadership. A broad mandate that allows it to act in different ways depending on what the situation demands. Plans are foundational and necessary for effective regional economic development, but the ability to lead, to pursue opportunities and act on the plan is equally necessary.

## **4 Recommendations**

Regional economic development is a deliberate, focused approach to creating sustainable communities. It requires planning, collaboration, and capacity. The Taskforce has been clear from the beginning that business growth or economic development that happens to occur in a rural community is not, of itself, regional economic development. RED requires intention. It requires a commitment to a process that enables regions to develop at their own pace, based on their unique assets, and according to their own plan.

The Taskforce believes most of the resources required for successful RED exist in some form throughout the province in existing organizations and processes. The challenge remaining is to coordinate those resources in the most effective way possible. To encourage people and organizations to work with one another in a coordinated, collaborative approach without creating new silos or organizations. To create a provincial support network that can assist regional networks in their critical work.

The need for on-the-ground support for driving ideas and projects is clear. Institutions engaged in RED need to work together more effectively to ensure these support resources are available and working collaboratively. Community leaders, entrepreneurs and community development organizations have the passion and the commitment. They need the administrative and technical support to turn that passion and commitment into action.

### **The Taskforce submits the following recommendations to the MNL and NLACBDC Boards of Directors:**

#### **4.1 Support RED planning mandate for regional municipal governments**

The Joint Working Group on Regionalization has recommended to the provincial government that a system of regional governments be established in Newfoundland and Labrador. One of Joint Working Group recommendations is that regional governments be given responsibility for creating integrated regional plans, including economic development.

The RED Taskforce recommends support for this approach. Integrated planning is a key function necessary for effective regional economic development as noted previously. It is critical that economic development activities within a region are connected and coordinated to ensure best use of resources and best opportunities for success. Regional governments, properly constituted, will have the necessary resources outlined in this report to take on this coordinating role.

#### **4.2 Develop a “planning and leadership” support program**

The RED Taskforce recommends that MNL, NLACBDC and the Harris Centre collaborate on the development and delivery of a support program for organizations engaged in regional economic development. The program should be comprised of four key elements.

#### **4.2.1**

#### **Pan-provincial network development and coordination**

The first element is the development and coordination of a pan-provincial network of organizations interested in this more integrated, deliberate approach to regional economic development. The purpose of this network will be to share best practices, resources, support for regional efforts. One of the clear messages from the Advisory Committee was that there are sufficient organizations engaged in economic development today in the province. What is required is a more effective way for these organizations to share information and to work with one another. And an opportunity to come together on a regular basis to do so. The Taskforce partners will take the lead on creating these opportunities.

#### **4.2.2**

#### **Community and Regional Collaboration**

The second element draws on the provincial network to encourage and support collaboration at the community and regional level. Initial efforts would be with municipalities and CBDCs. Our organizations will reach out to our collective memberships to find those who are interested in this more integrated approach and determine the kinds of support they need to act on that interest. However, the support should also be available to community, regional and sector NGOs that are working with municipalities or CBDCs. The core partners will work with regional participants to identify potential resources and collaborators through the provincial network.

We will treat this as a pilot process, starting small and looking for a diversity of types, geographies, and organizations. It will also be important to let these organizations decide how involved they want to be rather than prescribing a role or too many rules. We are promoting an approach to regional economic development, not doing economic development. Ultimately, the goal is to get diverse organizations working together on the delivery of projects or services that further development in the region.

#### **4.2.3**

#### **Online "home"**

The third element is a managed communications vehicle, developed and run by the Core Partners. Information on regional economic development is plentiful. Another passive clearing-house of ideas and case studies is not what we need. We need an active means of getting inspiring discussions started between people and organizations interested in an integrated regional economic development approach.

This could be something as simple as a regular email to subscribers with an associated archive on the partner websites. However, as the work evolves, members should be engaged in a conversation about what kind of online support they need and want.

This report has referred several times to the idea that the goal is a truly integrated and regional approach to economic development. It has been a decade since regional economic development boards were eliminated so many people in the municipal sector and involved in economic development are not familiar with an intentional regional approach to economic development.

To raise awareness, bring a focus to the purpose of the provincial network,

## **4.2.4 Training program**

and support the development of community and regional networks, the core partners propose to develop a “How-to Guide” for this approach to RED that supports participants (professional and volunteers). This is not envisioned as professional development. Rather, this is an orientation to integrated approaches to regional economic development. The program will be delivered online as well as at various in-person events hosted by the core partners.

## **4.3 Network Support**

The “care and feeding” of these provincial and regional networks will be essential to their longevity and effectiveness. This integrated approach to regional economic development needs an active campaign to keep the attention and interest of practitioners and volunteers. To that end, the core partners commit to undertaking the following:

### **4.3.1 Annual conference**

People engaged in this effort will need an annual conference to share ideas, success stories and challenges, undertake training and learn about new approaches from their colleagues and others. This conference can either be a stand-alone event or connected to another provincial event hosted by one of the core partners.

### **4.3.2 Regular webinars and regional workshops**

The core partners commit to hosting ongoing webinars and regional sessions covering emerging topics and success stories.

### **4.3.3 Professional development in partnership with EDANL**

The core partners commit to work with the Economic Developers Association of Newfoundland and Labrador (EDANL) on delivering necessary professional development to practitioners that want to learn more about regional economic development as an approach.

### **4.3.4 “Branded” sessions**

The core partners commit to holding RED “branded” training and information sessions at their events as part of the effort to focus attention on the approach as a key element of broader economic development goals.

## **4.4 RED fund managed by RED Program partners**

One of the most commonly raised concerns through the Taskforce process – from Taskforce members themselves and from the Advisory Committee – was the lack of funding available for day-to-day operational support needed to engage community and regional groups in integrated regional economic development. While project funding exists, there is little to no core funding available. While the Taskforce agrees that the creation of new organizations is not necessarily the solution we need, more flexible, operating support for existing organizations certainly is a solution we need.

We have seen the benefits of this kind of flexible, nimble funding in other parts of the country. Nova Scotia has a community development fund managed by CBDCs. FCM has been endowed with flexible funding by the federal government to encourage innovative, green infrastructure investment.

The core partners believe a similar approach would work in Newfoundland and Labrador. We are proposing that the provincial and federal governments endow MNL and the NLCBDCA with an annual envelope of money to seed the “doing” of regional economic development in the province. This funding should be flexible and used for administrative or professional assistance to encourage research or pilot new, collaborative approaches.

Funding for this purpose exists in almost every province outside Newfoundland and Labrador. The need is great in this province. Organizations engaged in RED are starved for the flexible operating funds that will allow them to leverage other resources.

<b>RED Task Force Advisory Committee Members</b>	<b>Name</b>	<b>Organization</b>	<b>Provincial Region</b>
	Stan Singh	Excite Corp	Central
	Sheila Downer	MUN	Labrador
	Kieran Hanley	EcoNext (NEIA)	Eastern
	Susan Hollett	Consultant (Volunteer)	Eastern
	Mike Long	CNA	Western
	Jennifer Bessell	NLOWE	Eastern
	Sheldon Payne	Consultant	Eastern
	Jennifer Penney	Town of Paradise, EDANL	Eastern
	John Davis	Qalipu Development Corp.	Western
	Kristy Sheppard	Nunatsiavut	Labrador
	Kerry Murray	NL Federation of Labour	Eastern
	Rhonda Tulk Lane	Music NL	Eastern
	Paul Preston	TechNL	Eastern
	Kelly Vodden	MUN	Western
	Mark Lane	NAIA	Eastern
	Laurabel Mba	CMHA	Eastern
	Chris Newhook	Port of Argentia	Eastern
	Colleen Kennedy	Gros Morne Coop	Western

The need is great in this province. Organizations engaged in RED are starved for the flexible operating funds that will allow them to leverage other resources.





*Our people • Our place • Our potential*

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