

Selectivity of MBA Admissions Criteria and Graduate Employment Success
**An Environmental Scan on Exploring New Rural Economic Development
Frameworks: Defining the Success Factors.**

Toby Davis

A research project submitted in partial fulfillment of the requirements for the
degree of Master of Business Administration

Saint Mary's University

Copyright Toby Davis 2015

Written for EMBA 6634 and EMBA 6646 under the direction of
Dr. Wendy R. Carroll

Approved: Dr. Wendy Carroll
Faculty Supervisor

Approved: Gordon Fullerton
Second Reader

Date: April 14, 2015

Acknowledgements

There have been a number of important people who deserve recognition during the completion of this project. First is Dr. Wendy Carroll for being my advisor. She provided direction, support and patience while I attempted to identify the main topic of this research paper. She was dedicated to ensuring that my MRP remained top of mind throughout the year leading up to completion of the project.

The second person whom I am grateful for is Nicole Carter from the SMU Library. Nicole worked tirelessly on troubleshooting Ref Works on my local computer as well as assisting me with honing my skills on navigating the SMU Library website. Throughout our time working together she was calming, encouraging, resourceful, and just a joy to work with. Regardless of the situation, Nicole went above and beyond to assist me.

Aside from my family who already know how much I appreciated them, I would like to acknowledge Shiju Mathew a fellow EMBA classmate. I likely wouldn't be writing this MRP if it wasn't for him. He was the one person who I leaned on immensely during my time in the program. We studied, we stressed, we laughed and we celebrated biweekly for 18 months. Over the period of the program he became more than a classmate. He became a lifelong friend and confidant.

Abstract

An Environmental Scan on Exploring New Rural Economic Development Frameworks: Defining the Success Factors.

By: Toby Davis

There is no single recipe for economic prosperity. This is true for all rural areas, whether new economy winners or not. Research relevant to rural development shows that many industrialized countries are effective in adapting to their current economic distress while others are not. This paper's purpose is to examine new rural economic development approaches and initiatives through an environmental scan of Canada and the United States. The study identifies factors contributing to the success of new rural development initiatives as well as barriers, issues, and challenges that rural communities face and how they may overcome them. The scan revealed that rural communities, facing a similar economic decline as Nova Scotia, have found effective approaches to not only handle the poor economic condition but in fact prosper in spite. The findings from this study suggest that the prospering rural communities, despite being unique in many variables, all share at a minimum at least four commonalities, an increase in innovation, investment in people, products and places, perseverance, and connections amongst people, institutions and places.

Executive Summary

Rural economic development has taken center stage as each region within the province seeks to leverage the full potential of its disparate regions in exploring new opportunities and adapting to the challenges the global economy presents.

A literature review of rural economic development methods was conducted to identify new non-traditional approaches that have proven effective in other rural communities in North America. Similarities in development techniques were found amongst rural communities that faced comparable negative economic pressures related to out migration of youth, unemployment, aging population, unskilled workers, and lack of regional government assistance.

In an era of global competition, old rural economic approaches no longer yield sustainable results. Over the last couple of decades, many new and reformulated ideas have emerged that claim to represent a paradigm shift in economic development.

The literature shows that many industrialized countries are effective in adapting to their current economic distress by encouraging innovative rural initiatives while other continue to struggle to take action. For any rural area to compete in the global economy, Brown-Graham and Lambe postulate that its development methods must explicitly address at the very least each of the four economic development pillars: innovation, investments, connections, and preservation.

Several points emerged from this analysis; specifically a community's economic prospects depend on a flexible, well-trained workforce, access to technology and capital, cultural and natural amenities, and a strong civic infrastructure, including relationships that foster problem solving and collective action within the community and greater region. Federal and provincial governments can help build these fundamental pillars of development, but it is local creativity that will determine whether innovation, investment, preservation, and connections guide development

toward new industries and markets, generate high-value, higher-paying jobs, and fuel more widely shared wealth and economic prosperity.

Table of Contents

Abstract	ii
Executive Summary	iii
Chapter 1: Introduction	1
Purpose and Scope of Research	1
Research Approach.....	2
Chapter 2: Literature Review	3
Definition of a Rural Region	4
Rural Economic Development vs Community Economic Development	5
Traditional approaches to rural economic development (Top down Approach)	6
Bottom- Up Rural Economic Development.....	7
Asset – Based Approach Economic Development	8
Regional Approach to Economic Development.....	8
Clusters	9
High Growth Entrepreneurs.....	12
Creative & Cultural Economy	14
Summary	15
Chapter 3: Methodology.....	16
Data Collection Procedures.....	16
Data Analysis Procedures	17
Chapter 4: Findings	18
Innovation	20
Investment	22
Connection (People, Institutions, and Places)	23
Preservation	25
Summary	25
Chapter 5: Discussion and Conclusion	27
Summary of Study Findings	27
Government	27
Evaluation	28
Research Implications	29
Limitations and Future Research	30

Future Research 30

Conclusion 31

References..... 33

Appendix 1: Provincial, Sectorial and Federal Funding Organizations and Programs 36

Chapter 1: Introduction

In the volatility of today's economy, rural communities across Canada are frantically searching for new innovative and sustainable economic development strategies that create new business opportunities, increase employment, deliver population growth and provide community wealth. Although nearly every town and village, is hitching its future to the notion that it can compete in the new global economy few are clear on the pathway to that success (Brown-Graham and Lambe, 2008).

Over the past 20 years, Nova Scotia's economic growth has been lower than any other province in Canada. Nova Scotia is a small place, with less than a million people and a day's drive from one end of the province to the other. Rural Nova Scotia makes up 43% of the region, which is nearly half of the population of NS (StatsCan, 2011). As a result, rural economic development is essential in contributing to the overall prosperity of Nova Scotia as province.

As the Canadian economy went global, competition intensified, and technology took off, however Nova Scotia didn't keep up. The manufacturing base and resource industries have undergone significant decline, and depopulation continues and now poses an even greater challenge for the future. In addition, Nova Scotia suffers from low productivity rates, comparatively limited business investments in capital equipment, declining export performance, and extreme regional variations in economic development across the province that produce high unemployment rates in some areas and skilled-worker shortages in others (Ivany, 2014).

Purpose and Scope of Research

This study seeks to provide a better understanding of what specific rural development approaches are available and working, by other similarly impoverished rural communities which

have contributed to the renewal and transformative change necessary in rural communities. Although there are a number of economic drivers (environmental, social, and governmental) that could be explored, focusing on innovation, investment, community, and preservice is a critical starting point.

This paper will not rehash the past events that have brought us to where we are today, but instead, will look ahead and apply new and flexible rural development approaches that leverage the forces of globalization for the benefit of Nova Scotia as a whole.

Research Approach

While current academic research on rural economic development is exhaustive, a North American environmental scan was undertaken with the intent to examine non-traditional approaches to rural economic development based initiatives that focus on encouraging and enhancing innovation, collaboration, and capital investment for the benefit of rural community prosperity.

Chapter 2: Literature Review

Over the past 20 years, Nova Scotia's economic growth has been lower than any other province in Canada. As the economy went global, competition intensified, technology took off Nova Scotia didn't keep up (Economic and Rural Development and Tourism, 2012). The manufacturing base and resource industries have undergone significant decline, and depopulation poses even greater challenges for the future. Moreover, Nova Scotia suffers from low productivity rates, comparatively limited business investments in capital equipment, declining export performance, and extreme regional variations in economic development across the province that produce high unemployment rates in some areas and skilled-worker shortages in others. The province also faces a major demographic challenge with the oldest population in the country, almost 20% of Nova Scotians are 65 or over, and the prospect of a sharp decline in the workforce over the next 25 years (Traves, 2014). Furthermore, Nova Scotia has an unfortunate history of good money following bad in successive bailouts of failed companies, manufacturing and paper mills, in the amount of \$90 million between 2009 -2013 (The Globe and Mail, 2013).

Nova Scotia rural communities make up 43% of region; this is nearly half the population of Nova Scotia (Statcan.gc.ca, 2011) which is more than double the Canadian average (O'Connor, 2014). The Halifax region accounts for the remaining portion of the province's population and employment and as a result that region receives much more than half of economic development assistance (Traves, 2014). This disproportionately weighted economic assistance is not helping with the moral or wealth of its rural regions. In the case of the Early Stage Commercialization Fund for example which focuses on research in universities, this is entirely appropriate. However, it should be investigated how economic development support could be

disbursed with greater geographic coverage without detracting from the support for Halifax-based businesses (Traves, 2014).

Central to the discussion on rural economic development is the definition of a rural region, economic development and community development. Once understood closer examination of demographics, socio-economic, and industrial environment of the region is warranted. Other factors explored should include; the proximity of rural communities to urban centers, and the communities assets. Readings relevant to this review include literature on, defining a rural region, the delineation of rural economic development as compared to community economic development, what traditional economic development methods are (top down approach), and what are some of the latest and more recent non-traditional or innovative rural approaches (bottom up approach) being applied such as an asset-based approach, clustering, high growth entrepreneurs, and the creative and cultural economy.

Below is a discussion on the different types of rural economic development methods with the supporting research.

Definition of a Rural Region

Approximately 6.8 million Canadians, or 20% of Canada's population, are considered to be living in rural areas (www.avdha.nshealth.ca, 2012). A rural area is defined as having a population of less than 10,000 people and outside of the commuting zone of fifty kilometers of a larger urban centre. For Nova Scotians, this means anyone living outside of the commuting distance of the Halifax Regional Municipality, Cape Breton Regional Municipality and Truro. Amherst with a population of 9717 and New Glasgow with a population of 9562 come in just under the 10,000 cut off definition for rural areas. This leaves the geographic majority of Nova

Scotia (and over 400,000 citizens) in the position of being considered, by accepted definitions, rural (www.avdha.nshealth.ca, 2012).

Rural Economic Development vs Community Economic Development

A rural region is defined as a territorial unit with one or more small or medium sized cities surrounded by large areas of open space, with a regional economy comprising of agricultural, industrial and service activities, and a relatively low population density as outlined above. Usually, the size of a rural region reflects that of a labour market area. Despite this definition, providing an overview of rural economics is not an easy task because it is not an independent discipline. Instead it combines territorial dynamics, population dynamics and global dynamics, collectively, arriving from the perspective of rural restructuring (Terulin, 2003).

Community development is often confused with economic development. Most people view community development as a set of activities that must precede economic development. Communities need to provide a good social and physical infrastructure, including housing and schools, in order to generate jobs and income. Many community development activities, however, are more directly related to economic development, such as job training and business management. The concept of community development, then, is broader than economic development and may include many activities that are economic in nature (Robinson & Green, n.d.).

The concept of economic development can be seen as a rise in output (GDP), a rise in GDP per capita or a rise in output per worker. In a broader concept of economic development, social cultural and political dimensions are added to the economic dimension, in which the socio-cultural dimension reflects cultural needs and community identity, and the political dimension

refers to political decision making and the involvement of groups of individuals in the policy process (Terulin, 2003).

Traditional approaches to rural economic development (Top down Approach)

Since the late '80s, the top-down economic development, a government-led approach has been the preferred method of regional assistance. Today in Nova Scotia government is still the largest component of the provincial economy, but a smaller sector than a decade ago and no longer a major source of new growth in employment and wealth creation. Unfortunately, this method of a government-led economy did not fully stabilize the population base. This is just one of the issues still facing Nova Scotian's.

In the past, much of rural economic development relied on exploiting natural resources or recruiting industry, often marketing cheap land and labor as community assets. In an era of global competition, those old approaches no longer yield sustainable results (Brown-Graham and Lambe, 2008). It was also believed that education, expansion, innovation, and globalization of primary industries were the cornerstones of injecting the necessary elements into the economy to enable it to become more sustainable.

More recent traditional economic development initiatives emphasize recruiting branch plants of major corporations by offering tax and financial incentives. The logic underlying this approach is that companies will choose locations where operating costs are lower and profits can be maximized. Industrial recruitment can create substantial employment and tax base for a community and has proven effective for many jurisdictions. However, the track record in small towns and rural communities is patchy at best (Morgan, & Lambe, 2009). Much of the new research looks to these same sectors but through a more creative, asset based innovative lens.

Generally, the alternatives to industrial recruitment promote indigenous or “home-grown” sources of development rather than focusing primarily on attracting external investment. The emphasis is on growing from within, yet the new approaches recognize that securing private investment from elsewhere is more likely with a strong foundation of local assets to build upon. The alternative approaches often require communities to institute new organizational structures, devise creative financing mechanisms, and work more collaboratively with other entities. The new approaches include: economic gardening, place-based development, creativity and talent cultivation, and innovative industrial development (Ivany, 2014).

Bottom- Up Rural Economic Development

In 1998, the Coastal Communities Network held an important conference with 170 community leaders and community economic development (CED) activists from around Nova Scotia. The central theme was a bottom up approach to economic development. This type of development sees rural people themselves leading the charge to create better futures through organization, creativity, and through a cooperative effort. This model allows for multiple stakeholders to agree and act on a consensus-based planning, implementation, and evaluation. However, despite these types of organizations being able to operate, they do so under considerable constraints (DeWeese-Boyd, 2006).

In any bottom-up (ground up economic) development neither government nor big business are likely to offer lasting solutions or solve economic challenges facing rural communities. This was proven by seeing no notable positive outcomes from the meeting held in '98.

Asset – Based Approach Economic Development

Asset-based economic development, otherwise known as place-based or system based is a bottom-up approach to economic development that builds on existing local resources to strengthen local and regional economies. Asset-based economic development focuses on a community's natural environmental, sociocultural, and economic advantages and how these can be leveraged into sustained economic growth and productivity. It focuses on building capacity in communities and strengthening connections within regions (Icma.org, 2012).

Asset-based economic development differs from more traditional needs-based economic development, which is focused on identifying gaps and deficiencies in the local economy and attracting new investment or industries to fill those gaps (Icma.org, 2012).

There are many different types of assets that communities have. These include natural amenities, cultural and historic resources, and human capital. They include current industries, as well as the potential for new and emerging industries—such as renewable energy. Assets can include the presence of an institution, such as a college or university, or a hospital or medical center. For some communities, their resource base will remain a key asset and central to rural economic development. It is important for communities to identify and evaluate assets, and to see how these assets complement other economic development policies or programs underway (Icma.org, 2012).

Regional Approach to Economic Development

Rob Greenwood the executive director of the Harris Centre of Regional Policy and Development at Memorial University in Newfoundland gets paid to think about the future of small towns in Canada, among other things, and says that the serial dissolution of Nova Scotia

communities isn't a disaster but a step forward in the province's financial struggle to stay afloat. Greenwood says,

"If you look at an individual dot on a municipal map, and you look at the labour force and the services available in that town — it is going to look pretty grim" (O'Connor, 2014).

But, he adds, "if you forsake town status and begin functioning as a greater region, together with the former town next door and the former town next to that, while getting rid of bureaucratic overlap and waste — even when that waste, in practice, is a nice perk such as the one in Bridgetown where the town shovels the sidewalks — you grow your tax base, your labour pool and your brain capital" (O'Connor, 2014).

Dr. Greenwood further points to Norway as an example of a country where villages and hamlets and smaller burghs already function as regional entities. "A portion of residents' income tax is paid directly to a regional government, meaning hard-earned dollars essentially stay at home to be reinvested, rather than being shipped off to faraway provincial capitals where, in a sight familiar to Canadian taxpayers, one might find mayors hanging around the legislature, begging for spare change" (O'Connor, 2014).

"One of the buzzwords today is to think global but act local, but we don't have the governance model to do that effectively in Canada," prof. Greenwood says. "If there is a constitutional crisis it has nothing to do with Quebec, in my opinion, but with the lack of resources and fiscal power at the sub-provincial level" (O'Connor, 2014).

Clusters

Michael Porter, the economist who invented the term 'economic clusters', prepared a review of U.S. rural development strategies. He found that one of the fundamental limitations of

the prevalent discourse of innovation is the tendency to ignore or overlook its applicability to or relevance for rural regions. Several challenges confront rural development in knowledge-driven economies. The most significant of these challenges are institutional and demographic, and they generally include weak political clout, fragile technological infrastructure and demographic decline. In fact, these factors are interrelated. For instance, rural economies tend to be lacking in “community capital” such as the physical, financial, human, cultural and social assets for effective participation in the new economy (A Strategic Plan for Economic Development in West Prince County, PEI, 2006).

Clusters of existing or emerging industry—or geographic concentrations of interconnected companies and related supporting institutions—can result in a competitive advantage for a region as the clustering of industries can reduce costs for firms for many reasons, including workforce availability and a specialized infrastructure that develops to meet the needs of the industry cluster. Companies within an industry cluster both compete with one another and collaborate, fostering innovation. Clustering of industry also leads the development of supporting associations and institutions, such as trade associations and job training programs at local universities or community colleges (lcma.org, 2012).

“Cluster is a broad concept rather than a precise term. A cluster consists of firms and related economic actors and institutions that draw productive advantage from their mutual proximity and connections. Over the last 2-3 decades, clusters approach has drawn substantial interest from policy makers, legislatures, business leaders, academics, economic development practitioners and development agencies” (Hall & Donald, 2009).

The cluster approach is not simply about strengthening or developing individual companies or organizations within a particular industry – it is about building that industry as a

whole so that it is stronger, fitter and ready to take advantage of what the future brings. By developing an agreed strategy for development, the whole sector will be better placed to identify and take advantage of the opportunities that co-operation can bring. Clustering provides firms with access to more suppliers and specialized support services, experienced and skilled labour pools and the inevitable knowledge transfer that occurs where people meet and talk about business (Hall & Donald, 2009).

Common needs and interests, interdependent and overlapping, talent and creativity, and innovation are the necessary ingredients for developing a cluster. A variety of Cluster models have been adopted by various countries according to their requirements. In Canada, the National Research Council (NRC) has focused on building science and technology based innovation in areas of local and regional strength to foster economic growth and improve quality of life. Cluster formation has a significant impact on forestry, tourism, health, materials and metals industry and arts and culture activities in Canada.

Cluster development is also revolutionizing business, prompting economic development and increasing productivity across the globe. Cluster models have been implemented successfully in USA, Brazil, Italy, Japan, France and Finland (Hall & Donald, 2009).

Clusters are based on unique strengths, and unique products and services. In the past, the term “rural” was synonymous with agricultural clusters. Now, emerging rural clusters include tourism, information and communication technology, manufacturing, and renewable energy production. In rural areas, the economy based on cluster structures is becoming a meaningful development trend. Clusters are effectively working in the agriculture sectors of Poland, USA, The Netherlands, Sweden and Argentina (Hall & Donald, 2009).

Rural clusters are challenged with competition from less advanced regions, global supply chains, energy costs and environmental concerns, changes in population composition, expanding digital communications networks, new products and emerging markets (Hall & Donald, 2009).

There is no overriding cluster theory per se and clusters are generally viewed as an economic development process rather than a definite development theory. Approaches towards developing clusters vary significantly across different countries with some adopting a holistic cluster-specific approach while others adopt a less far-reaching cluster-informed approach. Cluster-based strategies have proven effective in improving the clusters' ability to compete and, in many instances, have influenced regional and local growth patterns (Hall & Donald, 2009).

In short, "the cluster model has become an important tool of many economic development initiatives across the globe" (Irshad, 2009).

High Growth Entrepreneurs

Entrepreneurs add great value to local economies. This conclusion is widely evident in the number of communities that have initiated entrepreneurial development strategies over the last few decades (Henderson, 2002). To be sure, less than half of all new firms survive the first few years of operation, and far fewer become high-growth businesses. At the community level, entrepreneurs create new jobs, increase local incomes and wealth, and connect the community to the larger, global economy. But these benefits vary substantially across different types of entrepreneurs. Some entrepreneurs start firms to help them capture a certain quality of life – *LifeStyle* Entrepreneurs (Henderson, 2002). Distinct from lifestyle entrepreneurs, high-growth entrepreneurs are typically motivated to start and develop larger, highly visible, and more valuable firms. These entrepreneurs commonly focus on obtaining the resources necessary to fuel growth. Many seek to take the business public after obtaining some degree of success. The presence of a

significant innovation that has dramatically changed the competitive climate of the market characterizes many high-growth entrepreneurial firms (Henderson, 2002).

In the minds of many community leaders, high-growth entrepreneurs provide the biggest economic benefit to their communities. In addition to creating more jobs, more income, more wealth, and a larger tax base for their communities, high-growth entrepreneurial companies often invest in their communities through schools, community service, and philanthropy (Henderson, 2002).

Today, many state (provincial) and local governments recognize the value of innovative entrepreneurs and are shifting their focus from recruiting firms from other places to growing their own. Unlike manufacturing recruitment strategies, which typically lure existing businesses to a community, entrepreneurship leads to new firm formations that create jobs (Henderson, 2002).

Rural entrepreneurship varies according to two general factors: industry and geography. Because some industries are more conducive to entrepreneurship, growth varies according to the industry mix of the local economy. Moreover, rural communities better suited to overcome the geographic limitations of small size and remoteness enjoy higher levels of entrepreneur growth (Henderson, 2002).

Both rural and metro entrepreneurs concentrate in three industries: services, retail trade, and construction. Unlike metro entrepreneurs, rural entrepreneurs also operate in the nonfarm agricultural and natural resource industries (agriculture, forestry, and fishing). Communities that are both small and remote make it hard for rural entrepreneurs to build economies of scale (Henderson, 2002).

The local demand for products is limited and resource acquisition is difficult. Rural communities that serve as regional economic centers have larger and more diverse economies to combat the problem of being small. Other rural communities that are close to metro areas have better access to services and larger markets (Henderson, 2002).

Creative & Cultural Economy

The Creative Economy is one of the most rapidly growing sectors of the world economy, not just in terms of income generation but also for job creation and export earnings (Unesco.org, 2013). The creative economy is revitalising manufacturing, services, retailing and entertainment industries. It is changing where people want to live, work and learn – where they think, invent and produce.

The evolution of the global economy began with the industrial economy where industrial production was the driving force throughout much of the 20th century. Subsequent to the industrial economy came the birth of the information economy which was then followed and later reshaped by the knowledge economy. Now the lead is shifting to the creative economy. Just as there were creative industries in the industrial era, so too will there be industrial production in the creative era; but the relative importance of the two sectors is being reversed (Action Canada, 2012).

Kenneth Coates, a public professor at the University of Sackatchewan, who also holds the Canada Research Chair in Regional Innovation proposes that “the best solution to rural economic development problems would be for local communities to forget about attracting industry, and focus on retaining people, especially creative, entrepreneurial types who don’t need to go to the big cities to start companies. Local leaders must talk up their communities and encourage people to stay for life, citing the lower cost of living in smaller centres and the stable,

reliable workforce”. He says new technology trends could create a revolution in rural and small city entrepreneurship – but this won’t come easy. He believes that there are powerful economic forces compressing economic growth into leading megacities around the globe. He suggests that business and political leaders in Canada’s smaller communities will have to fight hard for their communities to prosper” (Spence, 2015).

Summary

In an era of global competition, old rural economic approaches no longer yield sustainable results. Over the last couple decades, many new and reformulated ideas have emerged that claim to represent a paradigm shift in economic development. The wave metaphor has been used to describe the evolution of economic development from a primary emphasis on industrial recruitment (e.g. “smokestack chasing”) in the first wave to so called “second-wave” business retention and entrepreneurship strategies, and most recently to “third-wave” principles that require new governance and implementation techniques. Taken together, these ideas call for innovations not only in what is done but also in how strategies and tools are implemented.

Generally, the alternatives to industrial recruitment promote indigenous or “home-grown” sources of development rather than focusing primarily on attracting external investment. The emphasis is on growing from within, yet the new approaches recognize that securing private investment from elsewhere is more likely with a strong foundation of local assets to build upon.

The literature shows that many industrialized countries are effective in adapting to their current economic distress by encouraging innovative rural initiatives while other continue to struggle to take action. For any rural area to compete in the global economy, Brown-Graham and Lambe postulate that its development methods must explicitly address at the very least each of the four economic development pillars: innovation, investments, connections, and preservation.

Chapter 3: Methodology

Rather than conduct interviews, perform surveys, or conduct any secondary research, the decision was made to do an environmental scan. Regardless of the rural economic development approach taken an environmental scan is useful for economic developers to analyze the external impacting variables specific within the rural community. It will aid in gathering information about social, economic, political, and environmental assets of a community. Other factors that need to be considered when environmental scanning are events, trends, issues and expectations of the different interest groups (Wikipedia, 2015).

This chapter explains the use of the environmental scan in the context of this study and includes details on the research approach and design, economic methods included and procedure used. The environmental scan involved three steps: (1) a search of the literature both peer-reviewed and local context for environmental scanning, prosperous rural economic development initiatives; (2) a critical analysis and assembly of successful rural approaches and (3) a summary of the data analysis.

Data Collection Procedures

Through the use of different search criteria, such as rural economic development strategies, rural economic success stories, rural economic development plans, rural economic ideas, and rural economic development initiatives, on various academic databases, journals, and the Internet (google scholar), results were conclusive where by industries such as agriculture, forestry, fisheries, tourism were and still are the focus sectors of economic development as these are the primary assets most rural communities.

This study aims to identify and analyze trends of new rural economic approaches, detect the strengths and weaknesses, and classify the commonalities amongst successful rural programs in order to detect if current rural programs initiatives will provide the economic spin off that it was intended to.

Data Analysis Procedures

This data collection framework was formed using variables consistent across all similar rural programs, in other rural communities in North America, upon availability. The selected variables were chosen due to the commonalities and impact on the sustainability and success of the initiative. These variables were chosen so that the One Nova Scotia Coalition initiative could be examined more objectively in comparison to other programs on a North American context. A synthesis of all the information obtained out of the key provinces has been compiled. The commonalities and differences between the programs were identified, compared and documented.

Chapter 4: Findings

The purpose of this study was to more objectively examine comparatively the different approaches of rural economic development methods and their effectiveness on revitalizing rural communities through an environmental scan. Aside from the four prominent tenants found (innovation, investment, connections and preservation), findings from five other prosperous rural communities exposed additional interrelationships in other factors that contributed to the prosperity can be seen in the table below.

A commitment to infrastructure spending
Effective government policies
Community engagement and ownership
Proactive forward thinking leadership
Access to capital
Implementation of measurable actionable outcomes

The environmental scan initially encompassed the traditional and new non-traditional approaches to rural economic development that focused specifically on the challenges facing rural regions. Understanding the methods and factors that positively contributed to the economic upturn in other rural economies is significant for evidence based management of these programs and in turn, could hold a potential solution for rural Nova Scotian's moving forward.

There were several major findings as a result of this research. The most distressing was the disparity of the rural regions and the people who are affected. "Those most vulnerable in rural

regions are women, youth, unattached seniors, First Nations and Aboriginal communities, and new immigrants (www.avdha.nshealth.ca, 2012).

Also notable is that targeted, nationally-derived sectoral (e.g., agricultural) policies and subsidies are increasingly rejected, and there has been a gradual convergence of top-down and bottom-up development strategies, otherwise known as rural community economic development. This offers a more inclusive, place-based, partnership-driven, community-led, and investment-oriented approach to rural development. This shift can be seen across OECD countries and has been extolled by the organization as a new paradigm for rural development. As such, “rural development is conceptualized as a process that emanates from the local level, involving a variety of stakeholders in decision making, such that policy development is viewed as more participatory, reflective of and responsive to community needs” (Krawchenko, 2014).

While community-driven development is an oft-stated objective of upper order governments, municipalities have not been empowered to act meaningfully as a partner in this regard. Limited funding, size and legislative constraints on their roles and responsibilities encumber them. As a result, rural municipalities have a limited capacity to act and as a consequence, community economic development practices suffer from a lack of spatial planning. If locally driven community economic development is to truly succeed, these disconnects need to be remedied. Doing so will require legislative, cultural and organizational changes (Krawchenko, 2014).

One indisputable finding was that no one single prescription was available in rejuvenating rural communities. Rural regions are not homogeneous; they vary with regard to available resources, infrastructure, geography, population density, business sectors, and the region’s ability to collaborate. If development is going to entail community-driven, bottom-up approaches, then

an understanding of the landscape and how it works; understanding community capacity is critical. Rural developers need to be mindful of all of these elements as context is critical in rural development opportunities. Despite the complexity and diversity of each specific rural region commonalities were found.

Commonalities found include a chosen tailored actionable and measurable approach that addressed specific economic aspects such as environmental, social, and governmental policies. Furthermore, it was found that irrespective of the rural community's complexity and multi-faceted characteristics essentially success and revitalization was seen when four fundamental tenants (innovation, investment, connections and preservation) were present in each of the compared rural communities' approaches.

Innovation

Innovation calls for not only in what is done with regards to rural initiatives but also in how strategies and tools are implemented to produce innovative results. Rural regions' primary sectors (agriculture, forestry, mining and fisheries) provide the foundations for economic activity (www.oecd.org, 2012). But they play also play a larger economic role than this and their economies are far more complex. Rural areas also contribute to the quality of life of society as a whole, because they contain important public or quasi-public goods, such as clean environments, attractive landscapes and cultural heritage (www.oecd.org, 2012). "It is not a question of whether to depend on these industries but rather, whether to pursue them in new innovative ways to add significant value to the regions products and reach higher value markets" (Ivany, 2014). To accommodate the changing circumstances of rural dwellers, firms and places, the approach to rural development can be best described as "modernising" and "adapting" (www.oecd.org, 2012).

When working with rural regions and sparsely populated areas there is a need to take

into account the existing industrial specialization, institutional architecture and patterns of innovation (Skogseid & Strand, n.d.). The regional specificity needs to be looked upon as a resource and not as a “handicap” or development. When the regional specificity is put in the centre, a different process comes into place; one that is not possible to plan in a top down manner, but which needs to be developed organically based on the local resources available (Skogseid & Strand, n.d.).

What is clear, however, is that technology is creating both threats and opportunities for rural economies. On the one hand, rural communities that fail to keep up with the pace of economic and technological change are likely to face ever growing challenges in the years ahead. At the same time, those communities which embrace technological change and establish good basic infrastructure stand to reap significant rewards.

One of the fundamental limitations of the prevalent discourse of innovation, however, is the tendency to ignore or overlook its applicability to or relevance for rural regions. Several challenges confront rural development in knowledge-driven economies. The most significant of these challenges are institutional and demographic, and they generally include weak political clout, fragile technological infrastructure and demographic decline. In fact, these factors are interrelated. For instance, rural economies tend to be lacking in “community capital” such as the physical, financial, human, cultural and social assets for effective participation in the new economy (Mackenzie et al., 2007).

Ken Coates, public professor at the University of Saskatchewan, claims that small towns can harness new technologies like 3D printing in order to compete and provide high value-added products for example. Other commentators have recently begun to highlight the new trend of *rural onshoring*, particularly in the information technology field. “As small towns and rural

communities boast competitive prices compared to larger urban centres, “rural sourcing” can provide significant cost savings to companies” (Clarke, 2014). Finally, technology can increasingly help small firms in rural areas reach more customers and bigger markets.

Investment

In today’s highly competitive global economy, rural communities will achieve more when they pool resources, identify common assets, and work together to develop the regional economy (Brown-Graham and Lambe, 2008).

New ideas alone do not determine a community’s economic success. Innovations must be put to use, and this step almost always requires capital. For a community to be competitive in the new economy, it needs capital to support innovators, to invest in the community’s infrastructure, including roads, water, sewer, and telecommunications, but also educational institutions (Brown-Graham and Lambe, 2008).

Two basic approaches communities can take to increase access to capital: encourage the existing private market to make financial capital available and create alternatives to the private market. Other traditional sources of capital such a venture capital and angel investing are often rare in rural areas.

Generally, “home-grown” development focuses primarily on attracting internal investment. The emphasis of growing from within uses local solutions to solve local problems. Yet the new approaches recognize that securing private investment from elsewhere, which is still desirable, is more likely with a strong foundation of local assets to build upon. The alternative approaches often require communities to institute new organizational structures, devise creative financing mechanisms, and work more collaboratively with other entities (Lambe, 2008).

Part of the wider based environmental scan found that after looking at 99 rural Iowa communities, researchers found “that social infrastructure (i.e. community organizations, businesses that support community projects, strong community fund-raising capacity, linkages to other communities and government levels) translates to higher levels of self-development (i.e. entrepreneurship and local resource development). In fact, social infrastructure was found to be more important than the largest of the “traditional factors” influencing growth (population size). Moreover, it was stated that “improving social capacity will benefit self-development undertakings more so than industrial recruitment efforts” (Municipal Economic Development Readiness Initiative Best Practices in Rural & Small Town Economic Development, 2004).

Connection (People, Institutions, and Places)

Despite having the necessary resources, ideas, innovation and tools, none of this is achievable or sustainable without the basic changes in the communities shared attitudes and understandings. “Without a stronger consensus across the population and among business, government and community leaders on the gravity of the circumstances and the necessity for economic renewal will there be little prospect of real improvement in the outlook” (Ivany, 2014).

In an innovation ecosystem individuals, companies, universities and organizations must both co-operate and compete, and how they do that will influence their capacity to develop efficient responses to challenges. It requires a flexible dynamic based on mutual trust and a sufficient action space to find practical solutions together. Innes and Booher (2010) say “In collaborative practice... problems are treated as puzzles as participants work jointly to put pieces together to create a shared picture of the future and a strategy for getting there. This open ended approach is at odds with both bureaucratic norms and the ideal of finding the right policy”. At the same time, challenges must be countered, proactively, through strategies and tasks that broadly

involve the community and which are adapted to suit the actual situation, challenges and local needs (Skogseid & Strand, n.d.).

Economic development recognizes the social and physical components in economic relationships. Such social connections (or social capital)— curiously missing from many economic development strategies— refer to relations among individuals, organizations, communities, and other social units that result in tangible economic benefits. People in communities endowed with a rich stock of social networks are in a stronger position to “develop the capacity to address the problems of poverty, to rebuild their communities, and to achieve a measure of control over their lives” (Brown-Graham and Lambe, 2008).

The research also identified that the barriers to regional rural action often relate to the lack of clear, recognized leadership, either from an agency or from elsewhere in the community; the lack of connections between existing community leadership and the economic development community; and a lack of understanding related to sector-specific development challenges. Conversely, regional action can be enhanced by the effective use of cross-sectoral networks that enable individual actors to leverage the knowledge and resources of other actors in the network.

Few small places now have the capability to remain viable as autonomous communities. Some communities do not believe they can influence their own destiny and improve their situation. They have a fatalistic attitude and feel they are victims of circumstances beyond their control – a closed factory, a downsized military base, or the motives of neighboring communities. However, if long-standing suspicions about the motives of nearby communities can be overcome, there is some potential for collaboration to be a way to increase the chances of survival. Without collaboration the two most likely options are cannibalization, where one community absorbs the main economic activities in the region and the others wither away; and forced amalgamation,

where provincial or municipal governments reorganize local governments with the objective of aggregating demand for public services. Neither of these options is attractive to most small communities (Simms, Fisher & Ward, 2014).

Networks offer multiple benefits to communities. They provide connections to new ideas, they complement existing resources, and they stimulate entrepreneurial and innovative activity. Of over 20 rural communities examined the ones that were thriving exemplified the prominence of deep connections.

Preservation

Regardless of the chosen method there are apparent themes that resonate in all methods of community development; Government Policy that is specific to rural areas and that is different than urban development policy, as the two are very different. Have government work closely with the people while providing a number of small coordinated policy instruments that allow communities and regions to implement their own strategy. Encourage collaboration among nearby communities, as together we are one. Provide a more stable policy environment that encourages longer term strategic responses instead of the piecemeal approach. The success of the new policy implementation should be evaluated and determined at a local level, meaning does the rural area feel as it has been successful. Finally, ensure all actionable items are measurable.

Summary

Several points emerged from this analysis; specifically a community's economic prospects depend on a flexible, well-trained workforce, access to technology and capital, cultural and natural amenities, and a strong civic infrastructure, including relationships that foster problem solving and collective action within the community and greater region. Federal and provincial

governments can help build these fundamental pillars of development, but it is local creativity that will determine whether innovation, investment, preservation, and connections guide development toward new industries and markets, generate high-value, higher-paying jobs, and fuel more widely shared wealth and economic prosperity.

As local governments consider their community's unique circumstances amid the global forces and trends, they would do well to be guided by these tenets (Brown-Graham and Lambe, 2008).

Chapter 5: Discussion and Conclusion

The purpose of this study was to comparatively examine rural economic development methods and approaches that are contributing to the economic prosperity of rural regions across North America. In doing so, I was interested in further inspecting the approaches similar in methodology, to explore and find parallels with new approaches in rural development that are working in other countryside communities in North America faced with the similar impoverished economic conditions.

Summary of Study Findings

Economic development practitioners and theorists recognize that community-based strategies offer the best opportunity for rural economic development. But, rural communities also need assistance in identifying and implementing their strategies (Simms, Fisher & Ward, 2014). Few local leaders in rural areas have formal training in economic analysis, which means simply providing them with data is unlikely to be useful. One of the fundamental problems in rural development is the difficulty of local leader's ability to understand the scope and nature of their environment, which is a necessary first step in developing locally community-based development strategies (Simms, Fisher & Ward, 2014).

Government

It is evident that government funding and policy still play a vital component of rural development when aligned with business activities such as programs with education, and training and research. Less with regards to the amount of money spent but instead in how it is spent. This should be discussed between rural economic community groups, educational institutions and

private industry based on an environmental scan of the sociocultural, economic, competitive, educational and technological landscape unique to one's community.

An environmental scan found that there were over 10 sectoral, 20 plus provincial and six federal organizations and programs assisting rural economic development in Nova Scotia. The list of available organizations and funding programs is attached in the Appendix 1. These organizations offer programs that provide access to funding which is intended to encourage innovation, employment, entrepreneurship, export, tourism, agriculture and the expansion of private industry. Having said that though governments can't lead where people don't want to go, and capital programs cannot make business grow and innovate if their owners, managers, and employees are not committed to the outcomes (Ivany, 2014).

The key lesson that Ray Ivany found was that communities, businesses and other local interest groups will respond to the challenge of change and development in situations where there is strong leadership, a clear vision and effective planning that links collaborative actions to larger goals for mutual benefit. He concludes that "success-oriented business and community leaders seek out new ways to collaborate to develop value chains, pool capital and skills, and to support innovation and market expansion" (Ivany, 2014). Further to his point research indicates that a prerequisite for clear leadership is a mandatory. Clear leadership will drive the action plan not only in the short term when there appears to be little or no immediate gratification, but also over the long term where it is required. "People are what create the ideas, but it is also people who drive the action into making ideas a reality" (Ivany, 2014).

Evaluation

Economic development practitioners and theorists recognize that community-based strategies offer the best opportunity for rural economic development. But, rural communities also

need assistance in identifying and implementing their strategies (Simms, Fisher & Ward, 2014). Few local leaders in rural areas have formal training in economic analysis, which means simply providing them with data is unlikely to be useful. One of the fundamental problems in rural development is the difficulty of local leader's ability to understand the scope and nature of their environment, which is a necessary first step in developing locally-based development strategies (Simms, Fisher & Ward, 2014).

The best strategies for creating rural prosperity share in common approaches that empower the community through innovation, investment, collaboration and connection (people, institutions, and places). The result is the creation of wealth, employment, an educated work force, an increase in tax revenue and the revitalization of the community. However these gains and impacts are not immediate and are seen as small in relation to the bigger economic picture. From this research progress was noted, but wasn't necessarily dramatic.

Out of the 10 to 20 rural communities identified for comparison in the study, all spoke about the key factors used to revitalize the community but the results were rarely measured in economic terms, increase in employment, increase in consumer spending, increase in tax revenue, etc. The lack of economic quantitative data available was of concern. Evaluation over the short term and long term should be essential in order to ascertain the proper utilization and allocation of resources. If key stakeholders and community members are not informed properly of the success of the development programs then there is a potential for lack of support, regardless of which entity (government or private industry) is providing support.

Research Implications

This research is important from many perspectives. Government, economic development officers and communities can explore the methods that have proven effective and those that

haven't. This paper analyzed and assembled the implications and impacts of the differing types of rural economic development methods and compiled the essential characteristics of successful rural community economic development initiatives.

The research findings also indicate that the evaluation of successful economic development traits must be done properly to show validity of the methods chosen. However due to the enormous variables found in each rural community measuring success has yet to be determined, unless of course it was set forth in the case study.

Limitations and Future Research

While there are strengths to this research, there are a number of limitations that should be taken into consideration when interpreting the results of this study. The scope and structure of the scan using public domain sources limits the scan potential in that there may be more programs across North America with information not available through the public domain and therefore not included in the analysis. Also, due to the length of time it takes to turn economic pressures around this poses a problem of insufficient data from which concrete and long-term conclusions can be drawn.

Future Research

Based on the findings and the limitations of this research, it is suggested that an opportunity for future research include long term analysis of economic policies, strategies, methodologies and their measurable sustainable long term outcomes. Due to the ever changing economic environment, the dwindling of government support, the uprising of community economic development organizations, measuring and revisiting to determine the sustainability and longevity of these programs is warranted.

Conclusion

“Despite having the necessary resources, ideas, innovation and tools, none of this is achievable or sustainable without the basic changes in our shared attitudes and understandings”, states Ivany (Ivany, 2014). Without a stronger consensus across the population and among business, government and community leaders on the gravity of our circumstances and the necessity for economic renewal, there is little prospect of real improvement in the outlook (Ivany, 2014).

“Nova Scotia has the assets and opportunities with which to build a stronger, more dynamic economy to support higher living standards and population renewal. But governments cannot lead where the people do not want to go, and cannot make businesses grow and innovate if their owners, managers and employees are not committed to these outcomes” (Ivany, 2014).

Regardless of the rural development strategy chosen the impact of economic development is never immediate. It takes years to see whether the methods, strategies and outcomes are effective and sustaining. Key metrics should be measured over the long run and then revisited over a lengthy period of time to see if the communities were able to sustain the revitalization that it was intended to maintain. Due to the sheer number of community economic development groups across the province measuring the totality of their efforts may prove futile as a result of each group developing uncoordinated strategies. Basically they are all building and rolling out these programs in a vacuum. For example, the right hand doesn't know what the left hand is doing.

Despite the push towards OneNS Coalition efforts, together with government and community economic development group efforts across the province success will only be visible and measurable after a number of years. New Brunswick rolled out a similar ten year economic

development plan that would supersede the change in governments however the research confirms that this too was unsuccessful.

If past performance is any indication of future results then research would demonstrate that during this extended period of decline in Nova Scotia communities will continue to cling to their existing ideologies, economic development programs will continue to be rolled out in one form or another, and academics, leaders and politicians will continue to repurpose past efforts and reports in an attempt to rebuild a brighter future. For now however, Nova Scotian's will have to wait and see if the economic development initiatives implemented today have the desired results of tomorrow to mitigate further negative economic conditions of the province.

References

Action Canada. (2012). *Creativity Unleashed: Taking Innovation out of the Laboratory and into the Labour Force - Action Canada*. Retrieved from <http://www.actioncanada.ca/project/creativity-unleashed-taking-innovation-laboratory-labour-force/>

Bousquet, T. (2013). *The politics of BULLSHIT*. [online] The Coast Halifax. Available at: <http://www.thecoast.ca/halifax/the-politics-of-bullshit/Content?oid=4091547>

Brown-Graham, A. and Lambe, W. (2008). "Measures and methods: four tenets for rural economic development in the new economy"(2008). The Carsey School of Public Policy at the Scholars' Repository. Paper 46. [online] Scholars.unh.edu. Available at: http://scholars.unh.edu/carsey/46/?utm_source=scholars.unh.edu%2Fcarsey%2F46&utm_medium=PDF&utm_campaign=PDFCoverPages

Clarke, W. (2014). *Small Towns, Rural Communities, and the Global Economy: Building Connections*. Deep Centre. Retrieved from <http://deepcentre.com/blog/small-towns-rural-communities-and-the-global-economy-building-connections>

DeWeese-Boyd, M. (2006). *Community versus development? Land use and development policy in Vermont as a tool toward community viability*. *Community Development Journal* 41(3): 334–51.

Hall, H., & Donald, B. (2009). *Innovation and Creativity on the Periphery: Challenges and Opportunities in Northern Ontario* (1st ed.). Toronto: Martin Prosperity Institute.

Henderson, J. (2002). Building the rural economy with high-growth entrepreneurs. *Economic Review-Federal Reserve Bank of Kansas City*, 87(3), 45-75. Retrieved from <http://www.kc.frb.org/Publicat/econrev/Pdf/3q02hend.pdf>

Icma.org. (2012). *Asset-Based Economic Development and Building Sustainable Rural Communities* | *icma.org*. Retrieved, from http://icma.org/en/results/sustainable_communities/resources/blogpost/901/AssetBased_Economic_Development_and_Building_Sustainable_Rural_Communities

Irshad, H. (2009). *Clusters – A key to Rural Prosperity*. *Alberta Agriculture and Rural Development*. Retrieved from [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/csi12897/\\$FILE/Clusters-%20A-key-to-Rural-Prosperity.pdf](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/csi12897/$FILE/Clusters-%20A-key-to-Rural-Prosperity.pdf)

Irwin, Elena, *A Century of Research on Rural Development and Regional Issues* *American Journal of Agricultural Economics*, 2010, 0002-9092, 92(2):522 Oxford University Press

Ivany, R. (2014). *Now or Never An Urgent Call to Nova Scotians*. (2015). 1st ed. [ebook] Nova Scotia Coalition on Building Our New Economy. Available at: <http://www.onens.ca>

Krawchenko, T. (2014). *Bringing municipalities into rural community and economic development: Cases from Atlantic Canada*. *The Journal of Rural and Community Development*, 9(3), 78-96.

Lambe, W. (2008). *Small Towns Big Ideas: Case Studies in Small Town Community Economic Development*. [online] Community-Wealth.org. Available at: <http://community-wealth.org/content/small-towns-big-ideas-case-studies-small-town-community-economic-development>

- Morgan, J., Lambe, W. and Freyer, A. (2009). *Homegrown Responses to Economic Uncertainty in Rural America*. [online] *The Rural Sociological Society*. Available at: <http://www.ruralsociology.org/wp-content/uploads/2012/03/rural-realities-3-2.pdf>
- Morgan, Ph.D., J., & Lambe, W. (2009). Find a Way or Make One. *The IECD Economic Development Journal*, 8(3), 1-10. Retrieved from http://www.nclm.org/sitecollectiondocuments/resource/iedc_edj_morgan%20Lambe.pdf
- Municipal Economic Development Readiness Initiative Best Practices in Rural & Small Town Economic Development*. (2004) (1st ed.). Huron County Canada. Retrieved from http://www.smallbusinesshuron.ca/publications/edri/best_practices_report_final.PDF
- N.d., Economic and Rural Development and Tourism, (2012). *Renewing Regional Economic Development in Nova Scotia*. [online] Available at: <http://0-fs01.cito.gov.ns.ca.legcat.gov.ns.ca/deposit/b10654707.pdf>
- N.d., *A Strategic Plan for Economic Development in West Prince County, PEI*. (2006) (1st ed., pp. 3, 22, 27, 38,). West Prince.
- O'Connor, J. (2014). *Nova Scotia's future looks grim as its economy stagnates, but for optimistic residents it remains the 'time of our lives'*. *National Post*. Retrieved from <http://news.nationalpost.com/2014/04/04/nova-scotias-future-looks-grim-as-its-economy-slowly-dies-but-for-optimistic-residents-it-remains-the-time-of-our-lives/>
- Robinson, J., & Green, G. *Developing Communities, Chapter 1*. *www.sagepub.com*. Retrieved from http://www.sagepub.com/upm-data/33386_Chapter1.pdf
- Savoie, D. (2010). *Invest More, Innovate More, Trade More, Learn More: The Way Ahead for Nova Scotia*. [online] *www.gov.ns.ca/premier*. Available at: <http://www.novascotia.ca/premier/publications/savoie-report.pdf>
- Simms, A., Fisher, D., & Ward, J. (2014). The Rural Economic Capacity Index (RECI): A Benchmarking Tool to Support Community-Based Economic Development. *Economic Development Quarterly* 2014, 28(4), 351-363. doi:10.1177/0891242413512672
- Skogseid, D., & Strand, D. *Rural innovation ecosystems – a challenge but possible Introduction*. *Scholar.googleusercontent.com*. Retrieved from http://scholar.googleusercontent.com/scholar?q=cache:nHiV4zx3UWMJ:scholar.google.com/&hl=en&as_dt=0,5
- Spence, R. (2015). *How to keep small towns from disappearing*. *Financial Post*. Retrieved from <http://business.financialpost.com/2013/04/15/wooing-entrepreneurs-may-save-our-small-towns-from-disappearing/>
- Statcan.gc.ca, (2011). *Population, urban and rural, by province and territory (Nova Scotia)*. [online] Available at: <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/demo62d-eng.htm>
- Terluin, I. J. (2003). Differences in economic development in rural regions of advanced countries: an overview and critical analysis of theories. *Journal of rural studies*, 19(3), 327-344.

The Globe and Mail, (2013). *Nova Scotia's dual economy emerges as top election issue*. [online] Available at: <http://www.theglobeandmail.com/news/politics/nova-scotias-top-election-issue-is-economic-divide-between-urban-rural-areas/article14713676/>

Traves, D. (2014). *Review of Economic Development Assistance Tools: Assessment of Current Practices and Future Potential for Nova Scotia*. [online] Novascotia.ca. Available at: http://novascotia.ca/econ/docs/Review_of_Economic_Development_Assistance_Tools_20140319.pdf#zoom=75

Unesco.org,. (2013). *Creative Economy Report 2013 Special Edition | United Nations Educational, Scientific and Cultural Organization*. Retrieved from <http://www.unesco.org/new/en/culture/themes/creativity/creative-economy-report-2013-special-edition/>

www.avdha.nshealth.ca,. (2012). *Differences in the experience of poverty in rural settings in Nova Scotia*. Retrieved from http://www.avdha.nshealth.ca/sites/default/files/rural_poverty_in_ns.pdf

www.oecd.org, (2012). *Innovation and Modernizing the Rural Economy*. [online] Available at: <http://www.oecd.org/rural/krasnoyarsk/Innovation-Modernising-Rural-Economy.pdf>

www2.gov.bc.ca,. (2015). *What is Economic Development? - The Basics*. Retrieved from <http://www2.gov.bc.ca/gov/topic.page?id=3795D60514614763A41FFB9CFD3910A6>

Appendix 1: Provincial, Sectoral and Federal Funding Organizations and Programs

	Provincial Funding Programs	Description
1	NSBI Financing	<p><u>Debt Financing</u></p> <p>NSBI can provide loans with repayment periods designed to meet your needs.</p> <ol style="list-style-type: none"> 1. Loans <ul style="list-style-type: none"> • Purchase of land and improvements to land; • Purchase or construction of buildings and other structures, expansions or renovations to existing buildings and other structures where these structures are used in businesses; • Construction or purchase of equipment, furnishings, and other fixed assets; • Provision of working capital-based financing in certain limited and well-defined circumstances. 2. Guarantees <ul style="list-style-type: none"> • Term Loans • Bond Requirements • Performance Contracts • Operating Lines of Credit 3. Payroll Rebates <p>The payroll rebate supports companies improving their competitiveness in export markets through innovation, productivity improvements or investments in product development, as well as companies locating or expanding in the province.</p> <p>The payroll rebate is a return on a company's gross payroll taxes. The rebate amount depends on the economic benefit generated to the Province and is generally paid out annually over a term not exceeding five years.</p> <p>To receive the rebate, you must create a targeted number of jobs, at a minimum determined salary, within a set time frame, and must also demonstrate it is meeting set targets associated with the coinciding project, including expenditure targets. Payroll rebates are both project and performance-based, and promote employment creation in the province.</p>
2	The Export Prospector Program (EPP)	<p>The Export Prospector Program (EPP) is designed to help companies discover new business opportunities and find qualified leads in markets outside of Nova Scotia. Companies can use the program in the following two formats:</p> <p>Customized Trade Mission: Choose the market and travel dates that meet your schedule;</p> <p>Trade Show Assistance: Provides support for floor space and</p>

		consulting services at a wholesale trade show of your choice. The export prospector program is a simple, cost-effective way for you to position yourself in the foreign market, or trade show, of your choice at a time that is right for you.
3	Service Export Program (SEP)	If you're a Nova Scotia service company attending in-market meetings with clients, prospects or investors, or if you need to cover the cost of their travel to visit your operation in Nova Scotia, you may be eligible for funding through the Service Export Program. Business deals must be in the later stages of the sales cycle. Typical activities that qualify for funding include: In-market meetings; Translation or interpreter fees; In-bound visits by potential clients.
4	GAP (Go-Ahead Program)	If you've participated in a provincial government or export agency trade initiative over the past year and have identified this market as having great potential for your company, GAP may help cover up to 50% of the costs of follow-up market visits. You can access funding to assist with travel back to market - or to bring potential clients to meet with you here in Nova Scotia. These costs may include: Airfare; In-market ground transportation; Accommodations; Translation or interpretation fees By supporting your continued pursuit of export opportunities, GAP can help you realize your export and revenue growth potential.
5	ExportAbility	Available for both active exporters and those seeking to become export-ready, ExportAbility can help cover up to 75% of the costs of course or workshop fees, course materials and exam fees for export related training.
6	The Global Business Accelerator Program (GBAP)	The Global Business Accelerator Program (GBAP) helps Nova Scotia businesses work with business accelerators that provide the international business development skills, experience, and knowledge to advance the business's international growth plan. GBAP contributes up to 80% towards the cost associated with hiring a business accelerator to provide expert advice to help Nova Scotia businesses overcome a knowledge barrier to international growth. The maximum contribution under the GBAP is \$35,000 in any provincial fiscal year. The GBAP is funded by the Nova Scotia Department of Economic and Rural Development and Tourism and administered by Nova Scotia Business Inc. Program Objectives GBAP helps Nova Scotia businesses expand their ability to compete in the global marketplace. Businesses primarily involved in wholesale, retail, accommodations, and food services are NOT eligible. If the business gets non-repayable funding from another government source, either federal or provincial, GBAP funding will

		be reduced by that amount.
7	Acadia Centre for Small Business And Entrepreneurship (ACSBE) http://acsbe.acadiu.ca/	ACSBE offers business support, resources and tools on its site, including information on research and development, finance and accounting and funding. This site also provides small business development services on business counseling, strategic planning and mentoring. On the site, you can receive information on upcoming workshops and seminars offered by Acadia University.
8	Business Energy Rebates Efficiency Nova Scotia Corporation http://www.energycyns.ca/for_businesses/energy_savings_programs/business_energy_rebates/	The Business Energy Rebates program allows companies to find cost-effective ways to reduce electricity use at your business and save you money. Financial rebates are available for eligible products in the following categories: lighting, motors & variable speed drives, refrigeration, compressed air equipment and commercial Central Heating & Cooling (HVAC) products.
9	Centre for Entrepreneurship Education and Development (CEED) http://www.ceed.ca	CEED Centre for Entrepreneurship Education & Development is a non-profit organization devoted to helping people discover and use entrepreneurship as a tool to become self-reliant. CEED offers small business and professional development workshops, small business resources including one-on-one counseling and start-up financing, networking opportunities and social entrepreneurship activities. The site also has an events calendar with upcoming small business-related events.
10	CME LEAF: Lean and Energy Efficient http://www.cme-leaf.ca	The LEAF Program is an initiative to support and encourage industry in Nova Scotia to improve efficiency and competitiveness. The program is available to small and medium-sized companies (SMEs) to offset the cost of hiring a qualified consultant to identify efficiency improvements and cost saving opportunities. The program includes three types of assessments, each of which focuses on a particular aspect of the business.
11	Community Business Development Corporations http://www.cbdc.ca	This site provides information on the Atlantic Association of Community Business Development Corporations (CBDCs), a network of autonomous, not-for-profit organizations that work with all levels of government and the private sector to meet the needs of small business. In rural Atlantic Canada there are 41 Corporations dedicated to the development of small business and job creation through business financing, counselling and advisory services.
12	Department of Economic and Rural Development and Tourism http://www.gov.ns.ca/econ	The site for the Department of Economic and Rural Development and Tourism provides a variety of financial assistance information through its government programs. The Nova Scotia Business Idea Explorer program is a valuable business resource for entrepreneurs with start-up basics, and market information. This program offers helpful advice on fifty different kinds of businesses. In partnership with Credit Unions throughout the province, the Small Business Financing program offers loans up to \$150,000 to small businesses. The province guarantees up to 75 per cent of the loan, with the Credit Unions responsible for the remaining 25

		<p>per cent.</p> <p>PIP Productivity Investment Program The Productivity Investment Program is a joint initiative with the Departments of Economic and Rural Development and Tourism, Labour and Advanced Education, and Nova Scotia Business Inc., the province's business development agency.</p> <p>The focus on productivity and innovation is exemplified in the Productivity Investment Program. This program is designed to encourage businesses to become more productive, innovative and globally competitive, and it includes two incentives: the Capital Investment Incentive and the Workplace Innovation and Productivity Skills Incentive.</p> <p>Capital Investment Incentive (CII) The Capital Investment Incentive contributes 20%, up to a maximum of \$1 million, toward the cost of technologically-advanced machinery, clean technology, equipment, software and hardware with preference given to exporters in qualified industries. Acquisitions less than \$25,000 will not be considered.</p> <p>Workplace Innovation and Productivity Skills Incentive (WIPSI) The Workplace Innovation and Productivity Skills Incentive provides funding to companies to encourage investment in skills development and certification.</p> <ul style="list-style-type: none"> • It is also designed to help companies adapt to the introduction of new technology and innovative processes, improve productivity, and strengthen international competitiveness. • A company may apply for support toward the cost of the following activities: purchase of training from a formal training institution or qualified external or internal training provider; registration, tuition or course fees; international training; management skills development; skills development training leading to certification; training that supports workplace diversity; and other skills development and training based on a valid business case. • There are different cost-sharing requirements depending upon the size of the business and level of incentive sought. • The minimum training incentive for businesses under WIPSI is \$5,000. • Small businesses under 50 employees seeking a training incentive between \$5,000 and \$10,000 are not required to contribute cash but an in-kind contribution is required (e.g., employee wages during the training period). • Small businesses seeking incentives in excess of \$10,000 are required to share costs.
--	--	--

		<ul style="list-style-type: none"> For larger businesses with 50 or more employees and industry associations, applicants may apply for support up to a maximum of 50% of eligible costs. Additional criteria may apply depending upon the level of incentive being sought.
13	First Angel Network http://www.firstangelnetwork.ca	<p>The First Angel Network Association (FAN) is a not-for-profit organization to bridge the gap between entrepreneurs and capital in Atlantic Canada through communication, education and networking. FAN is a member-based organization that offers a forum for Angel investors to increase their exposure to quality, pre-screened investment opportunities and expand their network of like-minded investors. Its goal is to sponsor the best companies that the Atlantic region has to offer. Although many may apply, only qualified companies that fit the First Angel Network investment criteria are presented to members.</p>
14	Innovacorp http://www.innovacorp.ns.ca/	<p>Innovacorp helps early stage Nova Scotia companies commercialize their technologies and succeed in the global marketplace.</p>
15	Small Business Loan Guarantee Program www.novascotia.coop/small-business-loan-guarantee-program/	<p>The Small Business Loan Guarantee Program is a joint initiative of the Nova Scotia Co-operative Council, Atlantic Central, local participating credit unions, and the Province of Nova Scotia to deliver better financial assistance for the start-up and expansion of small businesses.</p> <p>Special financing streams for immigrant entrepreneurs and social enterprises as well as the forestry and high risk sectors are also available.</p> <p>Credit unions can provide financing up to \$500,000 in the form of term loans, working capital and lines of credit to individuals who would like to start or purchase a business and/or grow and expand an existing business. Loans may be granted for a term of up to of 10 years.</p> <p>The maximum guarantee supplied by the Province of Nova Scotia will be 90 percent of the value of all term loans. The guarantee will remain at 75% on lines of credit but a 90 percent guarantee may be available to those that qualify under our special financing streams.</p> <p>All types of businesses are eligible except residential and commercial real estate, beverage rooms and taverns, or any venture of a questionable ethical or legal nature. Each application is evaluated on a case by case basis and is based on the business plan and viability.</p>
16	NS Department of Agriculture Homegrown Success Program - Growing Forward 2	<p>The Nova Scotia Department of Agriculture (NSDA) and Agriculture and Agri-Food Canada (AAFC) entered into a five-year (2013-2018) bilateral agreement to implement Growing Forward 2, the policy framework for agriculture.</p> <p>Under the Growing Forward 2 bilateral agreement, \$37 million in federal and provincial funding will be invested over five years</p>

		<p>towards strategic initiative programming. <i>Growing Forward 2</i> programs will focus on innovation, competitiveness and market development to ensure Canadian producers and processors have the tools and resources they need to continue to innovate and capitalize on emerging market opportunities.</p> <p>For more information on the <i>Growing Forward 2</i> agreement visit http://www.agr.gc.ca/ and for more information on the Homegrown Success Strategy visit click here.</p>
17	Department of Tourism, Nova Scotia	<p>Tourism Development Investment - Destination Development The Tourism Development Investment - Destination Development Program invests in the development and enhancement of tourism attractions, sites, and experiences with the aim of helping destinations create products and services that are unique to their area.</p> <p>Tourism Industry Development Program Provides cost-sharing assistance to enhance the quality of tourism services, businesses and products through market readiness initiatives, such as study tours and best-practice missions, seminars, workshops, conferences, mentoring, and mystery shop assessments.</p> <p>Tourism Marketing Partnership Programs - Festival and Events Marketing The Tourism Marketing Partnership Program - Festival and Events Marketing offers support to businesses and tourism operators for promotional activities that strengthen Nova Scotia as a tourism destination, showcase the province to visitors, increase attendance at events, and boost local and regional economies.</p> <p>Tourism Marketing Partnership Programs - Tourism Experiences Marketing The Tourism Marketing Partnership Programs - Tourism Experiences Marketing provides marketing support to the tourism industry that will help to strengthen Nova Scotia's visibility as a tourism destination, showcase its core experiences to visitors, and increase tourism revenues in Nova Scotia.</p> <p>Tourism Tour Operator Partnership Program The Nova Scotia Tour Operator Partnership Program offers tour operators the opportunity to partner in the marketing of packaged products to the travel trade and consumers, such as direct mail campaigns, online marketing, and advertising.</p>
18	Social Enterprise Program	<p>The Social Enterprise fund is intended to leverage other resources within and outside government to support creative and social entrepreneurial initiatives in Nova Scotia. The overall objective is to collaboratively facilitate the creation and expansion of communal (not personal) enterprises that seek economic, social and environmental impacts.</p>
19	Aerospace and Defence	<p>The province is supporting the Aerospace and Defence sector by</p>

	Loan Program	providing repayable loans for non-recurring costs associated with attracting new contracts. This will help Nova Scotia companies compete in the global marketplace.
20	Film and TV Development Loan	Film & Creative Industries Nova Scotia provides interest-free loans to local film professionals or companies to support the development of a film or television project. Funding is available for research, writing, market analysis and project costing.
21	Immigrant Small Business Loan Program	Recent immigrants to Nova Scotia can borrow up to \$500,000 over seven years to start, expand, or buy a small business through the Credit Unions of Nova Scotia - Immigrant Small Business Loan Program.
22	Department of Fisheries and Aquaculture	<p>Nova Scotia Sportfish Habitat Fund</p> <p>The former Nova Scotia Department of Agriculture and Fisheries announced the establishment of the Sportfish Habitat Fund, as proposed by the Nova Scotia Salmon Association, the Nova Scotia Federation of Anglers and Hunters, Trout Nova Scotia, and the Canadian Association of Smallmouth Anglers. (Information on this fund is available in PDF format.)</p> <p>Fisheries and Aquaculture Loan Board</p> <p>As a Crown corporation, the Fisheries and Aquaculture Loan Board assists fishers with financial resources. The board currently holds loans for more \$110 million to support the fisheries and aquaculturists.</p> <p>The board provides loans with a competitive interest rate. Loan amortization schedules for borrowers vary based on the project, ranging from 1-20 years. Loans include, licence loans, vessel loans, and Aquaculture loans.</p>
23	Farm Loan Board	<p>Jump Start Program</p> <p>Jump Start program is designed for new entrant farmers. In combination with the Provincial FarmNext plan this program can give a new farmer a real boost to get his or her farm life off to a great start.</p> <p>“Fast Tractor” - Equipment Financing</p> <p>The Fast Tractor loan authorization is an equipment purchasing line of credit. The loan option provides a preapproved equipment line of credit for clients requiring new or used equipment to sustain their operation.</p> <p>Capital Injection</p> <p>The Capital Injection Loan is a working capital injection designed to help prevent clients from grinding their gears.</p> <p>Deferred Product Options</p> <p>A deferred loan structure has been developed for general cash flow situations that require a principal deferment to help a farm manage its cash situation.</p>

		<p>The Quota Loan The Quota Loan is for buying milk quota, egg quota, broiler quota, and turkey quota. Clients know that to grow production and keep a farm moving into the future, it takes a big roll of cash.</p> <p>The Farm Debt Consolidator The Farm Debt Consolidator is used as a cleanup tool for short-term payables, stagnant operating debt, medium term loans, and restructuring of long-term debt with other lenders.</p> <p>Term Farm Mortgage Term rate financing for 3-5-10 Term Options with 1-30 year amortizations.</p> <p>Fixed Farm Mortgage Fixed rate interest for the full amortization period, from 1-30 years.</p> <p>FarmNEXT Program Need capital to help as you start farming? We can help improve the viability of new farm operations in Nova Scotia. FarmNEXT encourages new farmers to begin farming in Nova Scotia. If you're ready to start a commercial farming venture (with minimum annual sales of \$10,000), the Nova Scotia Department of Agriculture is ready to help you.</p>
	Federal Funding Organizations	Description
1	Atlantic Canada Opportunities Agency (ACOA) http://www.acoa.gc.ca	Headquartered in the Atlantic Region, ACOA's goal is to improve the economy of Atlantic Canadian communities through the successful development of business and job opportunities. On the ACOA website, you will find many business resources, including information on taxes and incentives, conducting business in Atlantic Canada, as well as a profile of the province's workforce. This site provides support in the form of industry profiles, and gives comparative information on Nova Scotia and other Canadian regions. Helpful investment contacts and links are also included on the ACOA site.
2	Business Development Bank of Canada http://www.bdc.ca	On the Business Development Bank of Canada site, you will find helpful support information on how to start a business and finance it. You will learn about the financing solutions that BDC offers exporters, and the financial resources available for strategic planning, succession planning, production planning, and human resources management.
3	Canada Business: Government Services for Entrepreneurs http://www.canadabusiness.ca	The Canada Business site offers a variety of information on financial services available to Canadian businesses. By visiting this site, you will find resources for starting and financing a business, doing business in government, and taxation. The site also provides support information on regulations, innovating, and conducting business research.
4	Canada Small Business Financing Program (CSBFP) www.ic.gc.ca/csbfp	The Canada Small Business Financing Program makes it easier for entrepreneurs to obtain loans from financial institutions because the government shares the risk with the lenders. If you're a for-profit small business, or a start-up operating in Canada, and if you have gross annual revenues of \$5 million or less, you may

		<p>be eligible.</p> <p>Entrepreneurs may qualify for loans to a maximum of \$500,000 to establish a start-up, or to expand or improve their small business. The program is available for the purchase or improvement of equipment, including business vehicles, and for renovations to leased property by a tenant. Loans for that purpose are capped at \$350,000. Loans of up to \$500,000, however, are available for the purchase or improvement of commercial properties.</p>
5	<p>Centre d'aide en affaires et en entrepreneuriat (CAAE) http://www.cdene.ns.ca/caae</p>	<p>The Centre d'aide en affaires et en entrepreneuriat (CAAE) is under the direction of Le Conseil de développement économique de la Nouvelle-Écosse (CDÉNE). The CAAE offers a variety of services, tools and other resources for small businesses. Some of these services include support in the preparation of business plans and marketing plans for new, existing or expanding businesses and advice and guidance to aspiring entrepreneurs wishing to expand and/or upgrade their business. You will also find information on programs and counseling for entrepreneurs, as well as guides on analyzing financial statements, and business planning.</p>
6	<p>GrowthWorks http://www.growthworks.ca</p>	<p>The GrowthWorks Canadian Fund is a national labour-sponsored investment fund. Incorporated in 1990 the fund has approximately \$260 million in assets and over 75,000 individual shareholders. GrowthWorks Atlantic Venture Fund is an Atlantic Canadian labour-sponsored investment fund launched in January 2005. The Fund offers investors two major benefits: up to 70% tax savings on their investment and the satisfaction of knowing their investment is supporting the growth of emerging businesses across the Atlantic provinces.</p>