



Strategic Economic Plan

(Economic Zone 7)

Economic Zone 7
*- Trout River to
St. Barbe*

Draft

Prepared for:

*Atlantic Canada Opportunities Agency
&*

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***“Building
Our
Future
Together”***

March 31st, 2011

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The Vision

“Competing globally, utilize our natural, heritage and cultural resources innovatively to create an environmentally sustainable economy in order to provide a meaningful life style for residents of the region.”

Updated Fall 2007

Six Key Components Of Economic Development

- Labour Market Development
- Marketing and Business Development
- Infrastructure
- Government Policies/Regulations
- Environmental Integrity (Sustainable Development)
- Research and Development (e.g. Community Capacity Building and Business/Industry trends)

1.0 Introduction – Board of Directors

On behalf of the RED Ochre Regional Board I am pleased to present its Strategic Economic Plan (SEP) 2011 – 2014 for Economic Zone 7, the region of the Great Northern Peninsula from Trout River to St. Barbe. The Board's Strategic Economic Plan highlights community and business development opportunities for future growth in the region. Opportunities exist within the traditional fisheries, aquaculture, forestry, tourism and agrifoods sectors. In addition, the completion of the Trans Labrador Highway in November 2009 has created new business and community development opportunities in transportation, e.g. food, automobile and truck services, accommodations and transportation infrastructure.

The SEP also examines the constraints to economic and business development within the Zone that must be addressed to facilitate new economic activities. Public and private consultation was used to seek business, public and government input into this new/updated SEP. Local economic and business data was also utilized with available government statistical data to prepare the SEP for 2011 - 2014, e.g. Community Profiles and Business Directory 2010, Statistics Canada – 2006, Community Accounts – Newfoundland Labrador, Economic and Statistics Branch, Department of Finance (1986-2010).

In addition to an overview of the current economic situation in the Zone, the SEP includes the following: Investment Opportunities, Opportunities Management Process, Fisheries Development, Tourism Development, Agrifood Development, Forestry Development, Youth Engagement & Labour Market Development and Energy/Oil & Gas Development. The section on Business Development is focused on Transportation, Information Communication Technology, Business Support Services and Industry Infrastructure Requirements. Goals and objectives are then identified to address the potential for business and economic growth. Using the Opportunities Management Process the Board then identified targets, initiatives and expected outcomes/time frames in the separate Integrated Business Plan (IBP). Please see Appendix I – Strategic Economic Plan.

It is the goal of the RED Ochre Regional Board to work with residents, community leaders, business owners, government departments and political representatives to implement the work outlined within our SEP and yearly IBP. Your active participation in this process is welcome. For details on the Board of Directors, please see Appendix II – Board Structure

Gloria Toope

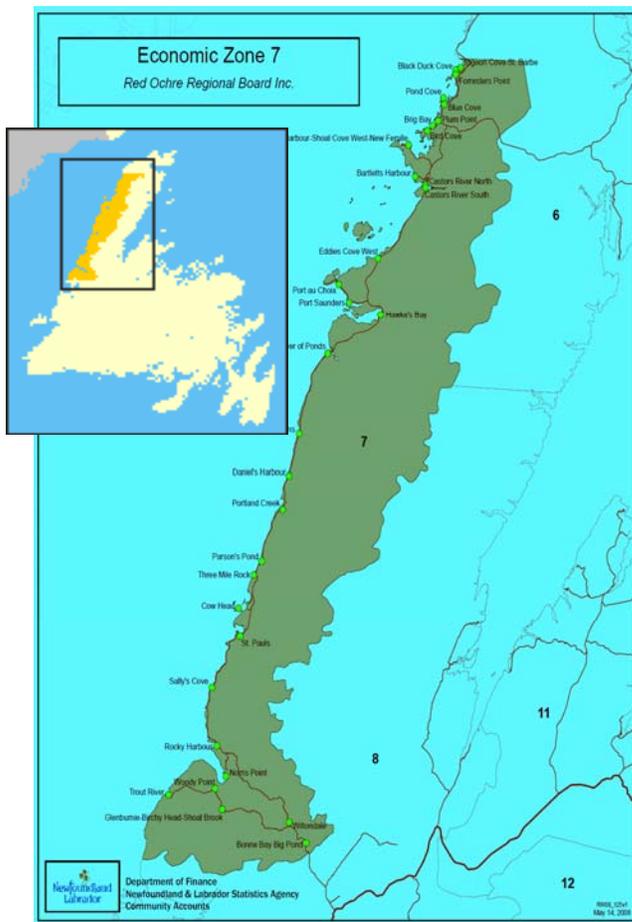
Chairperson
RED Ochre Regional Board Inc.

Parsons Pond, NL
March 31, 2011

2.0 The Region – Economic Zone 7

The RED Ochre Regional Board Inc., one of 19 Regional Economic Development Boards in the province of Newfoundland Labrador. The Board encompasses communities from Trout River to St. Barbe on the Great Northern Peninsula. The Board and its staff work with partners and stakeholders toward the development of sustainable, vibrant, rural communities through identifying and addressing opportunities and challenges presented by the economic, business and labour market climates.

The Great Northern Peninsula constitutes the largest, distinctive geographical region on the Island of Newfoundland.



It stretches 363 km and covers approximately 17,500 sq/km. Economic Zone 7 encompasses the southern half of the Peninsula, the 34 communities between Trout River in the south and St. Barbe in the north, with a combined population of approximately 8,900 in 2010. The communities/towns in Economic Zone 7 are located in the lowlands on the coastline, with the Long Range Mountains providing a spectacular backdrop. Geographical distance between communities and winding coastal/mountain roads results in a significant geographical challenge to business and community development.

Transportation is via Route 430, which begins at the Trans Canada Highway in Deer Lake and follows the coastline up to the northern tip of the Peninsula. Route 431 at Wiltondale takes travelers to Glenburnie-Birchy Head-Shoal Brook, Woody Point and Trout River.

Regular air service is available at Deer Lake, which is serviced by national, regional and provincial carriers. Also, the Labrador Ferry, linking the Island of Newfoundland to southern

Labrador, operates out of the port of St. Barbe.

There are thirty-four communities spread throughout Economic Zone 7, with an average population of 266 residents per community and a combined population of 9,060. Only one community has a population of more than 1,000; Rocky Harbour.

The economy of the region has traditionally been based on the fisheries and forestry sectors.

Tourism has emerged over the past thirty years as a major new significant sector. Aquaculture and agrifoods are smaller enterprises but also recognized as contributors to the local economy. With the recent completion of the Trans Labrador Highway the Zone is expecting new business development and expansion linked to the transportation sector.

3.0 *Economic Zone 7 – Environmental Scan*

May 2011 marks the fifteen year of economic planning and implementation by the RED Ochre Regional Board and its business, community and government partners/stakeholders in Economic Zone 7. While the Zone continues to see successful community and economic development activities, it is one of the most economically challenged regions on the Island of Newfoundland. Ongoing developmental planning and implementation must deal with a wide diversity of issues and activities. The newly revised SEP for the Board and Economic Zone 7 must address the following challenges if it is to realize new business and community development opportunities.

Serious challenges to overcome if the region is to realize its full economic potential:

- Population decline – threat to the sustainability of the region’s communities
- Declining fishing sector, need for new business models/ plans, i.e. fisheries/tourism links/partnerships
- Aquaculture development in the Zone will require additional investment
- Declining forest sector, need to develop non-timber forest resources
- The need for additional tax credits to address the capital cost of new business development/start ups
- Changing tourism sector that now requires significant investment in product/experiential programming – Department of Tourism, Culture & Recreation, Uncommon Potential - Vision 2020.
- Potential in transportation but there needs to be investment in infrastructure – Port of St. Barbe, highway, signage and transportation support services
- The local Labour Market has a supply side shortage that is growing. This issue will require more support from the federal/provincial Labour Market Development Agreement (i.e. JCP, LLMP etc...).
- Agrifood development in the Zone will require investment in agrifood business development
- Lack of highspeed access for many of the communities and businesses north of Port Saunders/Port au Choix
- Lack of cell phone coverage in many areas throughout the Zone
- Municipalities in the region are facing a decreasing population at the same time that aging infrastructure – water, sewage and road, requires new investment

Table 1 - Economic Zone 7 – Industry Sectors 2011
(Updated as of March 4, 2011)

Industry Sector	Economic Value	Number of Businesses/Key Infrastructure	Number of Employees
Fishery	\$30 million per year (down from \$45 million in 2008)	8 fish plants 467 fishing boats (down from 1,061 boats in 1992) 1 salmon hatchery	564 fish harvesters 499 fish plant workers There were 1,450 fish harvesters and 1560 fish plant workers in 1992
Tourism	\$45.4 million per year (up from \$20 in the 1990`s)	150 plus direct and indirect businesses in the tourism/service sector Major attractions – Gros Morne National Park, Port aux Choix National Historical Site	1,580 tourism/service workers There were 390 tourism/service workers in 1992
Forestry	\$9 million per year (down from \$19 million in 2008)	4 commercial forest operators 1 commercial sawmill	75 forest workers and truck drivers/support workers (down from 140 in 2003)
Agrifood	\$1.9 million per year (up from \$900,000 in 2000)	1 commercial dairy farm 4 butcher shops 2 commercial kitchen gardens	24 full and part time workers
Transportation	Transportation Link between the Island portion of the province and Labrador (Ferry Connection from St. Barbe to Blanc Sablon) Trans Labrador Highway completed in November 2009	8 transportation companies, i.e. buses, trucks etc... Ferry Terminal – St. Barbe Route 430 from Deer Lake to St. Barbe is now included as part of the Trans Canada Highway	90 employees Employees indirectly servicing in the transportation sector are noted under Tourism and Service Sectors
Service Sector	Estimated at \$90 million per year	149 general businesses, i.e. retail, personal services	1,560 employees
Public Services	Estimated at \$66.8 million per year Schools, Health, park services, Municipal Governments, Highway maintenance etc...	14 Municipalities Parks Canada Western School District Western Health	668 employees
Total	\$243.1 million in economic activities	328 Businesses 467 fishing enterprises	5,060 – Total Labour Market Supply – Economic Zone 7

Sources: Statistics Canada, Ottawa, 2006 Canadian Census; RED Ochre Regional Board Inc. Community &

Business Profiles 2010

Dependency upon Resource Extraction

Fisheries:

- Cod Moratoriums 1992 and 2003
- Rationalization of the traditional fisheries, e.g. reduction in the number of boats, harvesters, plant workers and number of fish plants
- Lack of value added/secondary processing
- Lack of regulations regarding fish landings and processing, with no clear policies to create business and employment opportunities on the Great Northern Peninsula
- Lack of policies and investment capital to create aquaculture and fish grow-out sites in Economic Zone 7
- Lack of cross product development between the fishing sector and the growing tourism sector, e.g. fishing tourism experiential products, direct sales to tourist etc...
- Need to support the lobster fishery with technical assistance, e.g. resource management/planning – closed areas, lobster stock development/hatchery, marketing & product development etc...
- Labour Market Challenges

Forestry:

- Loss of Sutreen Hardwoods & Mouldings Ltd. secondary processing plant in due to fire
- Logging Contractors, restructuring (employment losses due to mechanization)
- Lack of value added/secondary processing
- Closure of paper machine by Corner Brook Pulp & Paper in November 2007 and the resulting job losses in Economic Zone 7
- Need to identify alternative uses for the forest
- Need to identify non timber products for development
- Labour Market Challenges

Under Developed Tourism Industry

- Lack of products for tourist such as adventure/experiential products, interpretative programming/tour guide services, food services, entertainment - music, theatre, etc...
- The need for hospitality training for employees, managers & owners
- Lack of entrepreneurship
- Need for interaction between public and private sector stakeholders in order to plan future tourism industry development
- Lack of local knowledge of the tourism sector and limited exposure to international tourism trends and standards
- Lack of information technology utilization in the tourism sector, e.g. applications for mobile devices, interactive websites, social media, databases, marketing, online

reservation services, business planning, events and festivals, human resource management, etc...

- Need for additional quality (3 & 4 star) facilities for tourist, such as hotel/inn rooms, restaurants and craft shops (especially north of Gros Morne National Park)
- The need for quality hiking trails, cross-country ski trails, snowmobile trails and the support services for adventure tourism activities, etc...
- Need for additional development of community events/festivals, especially north of Gros Morne National Park
- Need to build community capacity in order to grow the cruise ship industry
- The need for additional strategic community tourism infrastructure/welcome-scapes, e.g. landscaping, waterfront development, marinas, community look-offs/interpretive signage – directional & interpretative, etc...
- The need for additional marketing services/programs, both for individual tourism businesses and at the sub-regional/regional levels. (e.g. calendar of events; maps identifying locations of trails, services, attractions and events; training for local staff on local tourism products/services; coordination among business owners, etc...)

Transportation Link

The completion of the Trans-Labrador Highway in the Province of Newfoundland Labrador in the fall of 2009 holds significant business opportunities for the Great Northern Peninsula and Labrador.

Business opportunities exist in transportation services, mineral exploration, onshore & offshore oil/gas exploration, forest development, growth of the general service sector and tourism.

- The Port of St. Barbe and area will require infrastructure investment
- Investment will be required in the region's highway and signage
- Investment is needed to expand existing transportation businesses in the Zone, e.g. accommodations, food, automobile and truck services,
- Investment is needed to develop new businesses linked to the growing transportation connection with Labrador
- The new transportation link will require marketing
- The configuration of a future ferry should be considered now before growth goes beyond the capacity of the Apollo

Out-migration

There is a reduction in the Zone's population due to the out-migration of residents.

Table II
The Population – Economic Zone 7 (Trout River to St. Barbe)

Population Changes	
1986	12,392
1991	11,949
1996	11,155
2001	9,810
2006	9,060
2010	8,968
% change 1986 – 2010: -28%	
% change 1996 – 2010: -19.6%	

Sources: Statistics Canada, Ottawa, 2006 Canadian Census; RED Ochre Regional Board Inc. Community & Business Profiles 2010

Note: Out-migration is due to the lack of economic diversification and the limited business and employment opportunities available for residents in the Zone. In addition a lack of services for resident is also having an impact on the ability of the Zone to retain residents. Finally, an over dependency on primary (traditional) industries - fisheries and forestry has been the primary challenge to new economic development in Economic Zone 7. Furthermore, out-migration of young residents is adding to an aging, and undereducated/trained population. This in turn will affect the future availability of employees in emerging economic sectors and the need for different types of business and community services, e.g. experiential/adventure tourism, automobile services, aquaculture, home care, health care etc...

The need for new Business and Industry Development –

The lack of business development and economic diversification in Economic Zone 7 has resulted in a limited number of new businesses between 1997 and 2007. New business development potential does exist especially in the tourism, aquaculture, and agrifood sectors, but the region has lost a large number of businesses in the traditional forestry & fishery sectors and the general service/retail sector.

Table III
Business Numbers – Economic Zone 7

Business Statistics (Trout River to St. Barbe)	
Year	Number of Businesses
1997	385
1999	357
2001	388
2004	372
2006	381
2008	347
2010	327
% change 1997 – 2010: -15%	

Sources: RED Ochre Regional Board Inc. Community & Business Profiles 2010

- Engagement of entrepreneurs is needed to develop/expand the local aquaculture sector
- Engagement of entrepreneurs is needed to develop/expand the local agrifood sector
- Engagement of entrepreneurs is needed to develop/expand adventure/experiential tourism products

Lack of Education/Training

Labour Market Challenge- Low education levels

A low number of residents remain in Economic Zone 7 who has gone to university and community college to acquire the education and skills needed to work in today’s changing economy

Table 1V
Education Levels
% of Population Age 15 and Older
(Economic Zone 7)

Level of Schooling	% - Economic Zone 7 (Population 9,060) (8,070 15 years and older)	% - Province (Population 505,470) (419,015 15 years and older)
Without High School Certificate	4,800 (59.48%)	177,505 (42.36%)
Less than Grade 9	2,255 (27.94%)	63,895 (15.25%)
Grade 9 - 12	2,550 (31.60%)	113,615 (27.11%)
With High School Certificate only	760 (9.41%)	39,415 (9.406%)
Trades – Non University	1,540 (19.08%)	115,065 (27.46%)
Some University	975 (12.08%)	87,025 (20.76%)
Bachelor's or Higher	385 (4.77%)	39,950 (9.534%)
Bachelor's only	310 (3.84%)	28,790 (6.87%)
Above Bachelor's	70 (0.867%)	11,155 (2.662%)
Bachelor's not completed	590 (7.311%)	47,085 (11.237%)

Source – Government of Newfoundland, Community Accounts 2007, St. John's, NL, Canada

4.0 Investment Opportunities

The Great Northern Peninsula is a region of mountains and coastline where over the millennia cultures have come and gone, but a constant to all inhabitants and businesses have

been a dependence on the sea and land for income and revenue. The richness and variety of sea life, climate, vastness of the forested land, the abundance of animals and the cultures that have lived here are critical to existing and future business growth. While the ways people live have changed, the natural resources found in the region continue to offer the means for economic advancement and business development. For 5000 years various cultures have inhabited this region. From Maritime Archaic Indians, through the Groswater and Dorset Palaeo Eskimos, to recent Indian and European cultures many people have called the Great Northern Peninsula home. People have been drawn to this special place by its natural assets and plentiful resources. The establishment of Gros Morne National Park (World Heritage Site) and the Port aux Choix and L'anse aux Meadows National Historic Sites recognize the greatness of this unique land. Maclean's magazine has named the Great Northern Peninsula one of the eight areas of Canada that people should visit when traveling within the country.

The economy of Economic Zone 7 has been traditionally based on the fisheries and forestry. In the fishery potential still exists for business development and economic growth. The variety of fish species caught along the coast include cod, lobster, shrimp, seal, crab, lumpfish, winter flounder, flounder, skate, whelk, herring, mackerel, salmon, smelt, mussel, scallop, snow crab, clam, halibut and redfish. They are all part of the fishing industry which is the largest employer and economic generator for residents of the Zone. But, the full impact of the fisheries has been minimized in the past by the focus on a few species like cod, and limited secondary processing and valued added activities. Underutilized species such as sea urchins and marine plants offer new business development opportunities. Valued added activities, secondary processing and conservation programs also have the potential to expand the industry and create new wealth. For example, lobster industry development/hatchery can expand the existing lobster fishery. Further development of the Cooke Aquaculture hatchery in Daniel's Harbour will also be examined, in partnership with the private sector, for potential new aquaculture initiatives. Finally, new innovative fisheries business activities will be investigated with the assistance and support of the Memorial University Marine Biology Station in Norris Point through the Community University Research Recovery Alliance (CURRA) program.

In the forestry, activities have until recently been focused only on harvesting for the Corner Brook Pulp & Paper mill in Corner Brook. New lumber production capacity and value added wood products (Sutreen Hardwoods, Hawke's Bay) had added additional revenue streams and employment to this sector. However, the loss of the Sutreen Hardwood's plant due to fire has seriously impacted the ability of the forestry industry to grow traditional forestry businesses in saw milling and wood processing. Local businesses must now develop with new secondary processing and value added initiatives. They must also explore non timber forest product development and alternative forest uses in order to grow this sector in the future, e.g. berries, nuts, tree sap, fungi (mushroom), herbs, resins, bark and adventure tourism. The Model Forest Communities of Newfoundland Labrador, formerly the Western Newfoundland Model Forest, has agreed to assist in new forest development activities on the Great Northern Peninsula. This work will broaden the approach to future forest development activities in the Zone.

In tourism, the past twenty years has seen the industry become an important new economic

sector for the Zone's communities, business owners and residents. The region's coastline presents a breathtaking kaleidoscope of bays and inlets, islands, jagged headlands, and forested areas. Species of birds and animals from bald eagles, whales, seals, moose and bears to caribou are plentiful and easily available for sightseeing. Past and present cultures have also given the Zone an amazing legacy rich in history, archaeology and artifacts. The potential for adventure tourism, yachting, interpretive programming/services, heritage development, cultural products and craft production is unlimited. With 160,000 plus annual visitors to the Great Northern Peninsula each year, this Zone is a major player in the regional and provincial tourism industry. It also has the potential to become an important tourism region in the country.

Business development throughout the Zone will also benefit from emerging transportation links with Labrador and the Province of Quebec. The completion of the Trans-Labrador Highway and the Quebec North Shore Highway holds significant business opportunities for the Great Northern Peninsula. Opportunities will exist in transportation services, forest development, oil, gas and mineral development, growth of the general service sector, and new tourism development. In addition, expanding the use of Information Communication Learning Technology can assist in the growth of all economic sectors in the Zone. Finally, the Zone's natural resources and climate hold potential in hydro and wind energy development.

In summary, the potential future business and economic opportunities that exist in Economic Zone 7 includes:

- New business opportunities resulting from the opening of the new transportation links with the completed Trans-Labrador/Quebec North Shore Highways.
- Need for renewable electrical power sources in the Province of Newfoundland Labrador, e.g. Torrent River Hydro Project and Wind Generated Power, Parsons Pond.
- Growing tourism industry, e.g. adventure and cultural tourism.
- Opportunities in agrifood development.
- Opportunities for fishery and aquaculture development.
- Opportunities for alternative forest use and non – timber product development.
- Opportunities for oil, gas and mineral development.

5.0 Opportunity Management Process

Opportunity Management is the process to identify business and community development opportunities that could be implemented to sustain or improve the local economy. The RED Ochre

Regional Board is now using the Opportunity Management Process in the development of its 3 Strategic Economic Plan and yearly Integrated Business Plan. The purpose is to identify quality initiatives for future implementation.

There are essentially three key components to opportunity management:

1. Generating ideas: Coming up with the widest possible range of potential initiatives for consideration. It is a free-thinking process that is not restricted by pre-conceived notions of what will or won't work. It usually requires discussion, reflection, and imagination. It utilizes techniques like brainstorming, jurisdictional scans and creative thinking exercises.

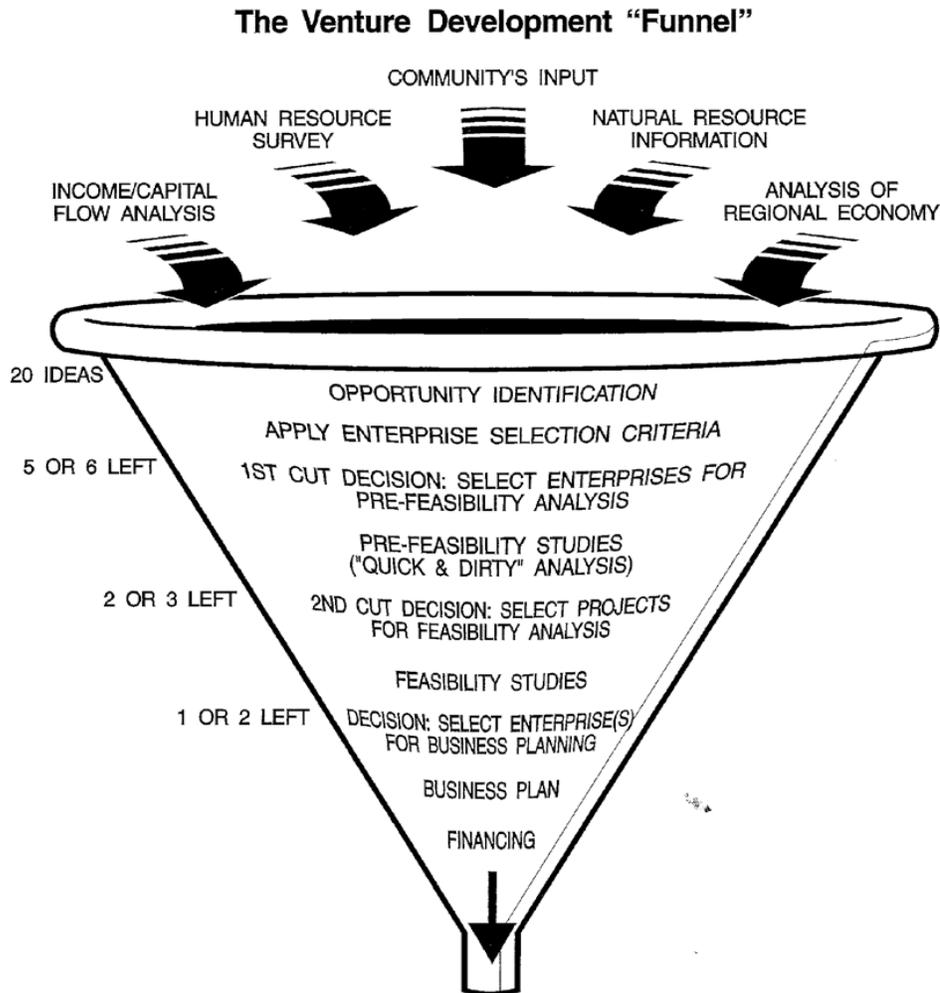
2. Recognizing opportunities: Developing a process to prioritize ideas to ensure that organizational energies and resources are in alignment and directed towards the initiatives that hold the most promise. It involves the development of community-based assessment processes and evaluation criteria. It utilizes techniques such as the venture development funnel and stage-gate decision-making.

3. Driving opportunities: Laying out a plan to work together collaboratively to turn ideas into bricks and mortar, programs and services, or policies and procedures. Ideas don't produce tangible outcomes without a lot of commitment and work. It utilizes techniques such as partnership development and action plans.

Much of the work on generating ideas and recognizing opportunities centers on the concepts of divergent and convergent thinking. An effective OM system requires both. As a rule, divergent thinking takes place first when generating ideas and is followed by convergent thinking when recognizing opportunities. Divergent thinking is associated with brainstorming and other idea generating processes. Convergent thinking is associated with evaluation and prioritization processes such as stage-gate decision-making and funnelling.

1. Divergent thinking breaks away from the established ways of thinking and doing. Groups develop insights and generate ideas by adopting new perspectives and freeing themselves from personal biases and preconceived notions. It comes up with the truly novel and innovative.

2. Convergent thinking uses the abilities and energies of the group to find the value in creative insights. It examines the ideas generated through divergent thinking to determine what should be pursued. Convergence establishes new limits and assessment criteria, it then narrows possibilities in light of constraints. It comes up with the practical and realistic.



Westcoast Series on CED

Using the funnel raises key questions for the Board and its partners and stakeholders to answer. By using the OM funnel the Board will improve its ability to use limited resources to complete its work in business and economic development:

1. Who will do the work to move ideas/initiatives forward?
2. What assessment criteria should be used?

3. Who will decide whether the idea/initiative should be pursued or dropped?

4. How will the decision be made?

6.0 Industry/Sector Development

6.1 Fisheries Development

In order to influence economic and business development initiatives in the fisheries sector the Board has studied the status of the industry and analyzed what factors are impacting the industry in Economic Zone 7. Board recommendations will be based on an evidence-based/opportunity management approach to business/economic development.

Fish Species

Cod (depending on condition of stocks), lobster, shrimp, seals, crab, lumpfish, winter flounder, flounder, skate, whelk, herring, mackerel, salmon, capelin, smelt, mussel, scallop, snow crab, clam, halibut, turbot and redfish.

Note: The fish landings for the Zone over the past 19 years have moved from a dependence on the ground fishery to shell fish, e.g. shrimp, crab and lobster. This has resulted in a decrease in small boat enterprises and ground fish plants.

Issues to be addressed

- Raw material landed in the Zone and processed in other regions of the Province.
- Lack of secondary processing.
- Environmental sustainability.
- Potential in underutilized species.
- Aquaculture and cod grow out potential.
- Lack of local planning and decision making.
- Substantial employment reduction over past 10 years (additional pressure due to the second cod closure in 2003 - 2004)
- Aging fisheries infrastructure, e.g. wharfs and slipways. The Board has assisted communities throughout the Zone prepare funding request to address this issue.
- Need for innovation in new fisheries development activities, e.g. fisheries/tourism development

Support Required

- Local cooperation (community involvement, e.g. Integrated Coastal Zone Management/coastal planning)
- Technical support, e.g. Fisheries Research Coordinator, Community University Research Recovery Alliance (CURRA) (Additional funding required for business research and development activities that are identified)
- Sustainable initiatives, e.g. lobster stock enhancement
- Marketing Development, e.g. environmental stewardship, shorter supply lines and eco-labeling
- Access to capital and business planning
- Investment in waterfronts/fishing infrastructure
- Investment in fisheries/tourism products

Future Direction

The fishing industry in the Zone was based on small boat enterprises, the ground fishery and limited processing of raw material. Over the past nineteen years the impacts of globalization, industry rationalization, over fishing of ground fish stocks and environmental changes have resulted in an extreme decrease in the number of traditional fish harvesters and plants in Economic Zone 7. The growth of the shrimp, crab and lobster fisheries created new opportunities but did not lead to any significant employment gains for the Zone. Therefore, with the loss of the traditional fishery the Zone's fishplant owners and fisherpersons will have to consider new approaches to fisheries development to address environmental/climate changes, industry rationalization due to globalization, and the lack of historical fish stocks. Examples of possible programming include Sea Choice , Ocean Wise and fisheries/tourism products. Development activities in the lobster fishery, infrastructure and research were also identified during the SEP consultation process.

Therefore, the Board's future development activities in the fishing industry are based on direction received from industry stakeholders. The SEP identifies business innovation, understanding the status of the coastal environment (physical and biological) and strong local input into future coastal/ocean and fish stock management. The expected outcomes from a proactive approach to fishery development will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

6.2 Tourism Development

In order to influence economic and business development initiatives in the tourism sector the

Board has studied the status of the industry and analyzed what factors are impacting the industry in Economic Zone 7. Board recommendations are based on an evidence-based/opportunity management approach to business/economic development.

Operators

70 Accommodations
13 Motels and Inns (9 now have the capacity to host conferences)
57 B & B's, cottages and housekeeping units
7 coffee shops
22 craft stores/shops
6 boat tours
12 outfitters (hunting and fishing)
10 private RV parks
32 restaurants

Attractions

Gros Morne National Park
National Historic Site - Port au Choix
6 Community Museums
1 Heritage House
The Arches, Provincial Day Park
Table Point Ecological Reserve - Limestone Barrens
Torrent River Salmon Interpretation Centre
Big Droke Interpretation Centre
Gros Morne Theatre Festival, Cow Head
Lobster Festival, Cow Head
Anchors Away, Rocky Harbour
Woody Point Writers Festival
Tales, Trails and Tunes Festival, Norris Point
Big Droke Heritage Festival
International Appalachian Trail (currently under construction, 5 to 10 year time frame)

Source: RED Ochre Regional Board Inc., Community Profile and Business Directory 2010, Parsons Pond, NL, Canada

Note: There are currently limited interactive attractions in the Zone. (The International Appalachian Trail is under construction and will require guide/interpretative programming and adventure tourism product development as sections of the trail are completed. The heritage/community attractions have strong potential as an interactive, interpretation site but will require planning and development support to establish the products and services for the modern day visitors.)

Key indicators/factors for the Great Northern Peninsula:

- Motor coaches are in serious decline, squeezed by exchange rates; a traditional source of visitation for the National Historic Sites.

- Leisure travel is seeing changing demographics/generation gaps, relaxed vs. rushed, and increased use of technology. Use of the Internet to plan trips has increased significantly, easy access to information is a big issue.
- Lack of interactive programs/attractions and services on the Great Northern Peninsula.
- Lack of regional marketing at this time, especially affecting areas north of Gros Morne National Park.
- The need to improve customer/client service.

Sources: Tourism Atlantic/ACOA, Developing a Destination, Gros Morne National Park, Park Visitation Statistic 2009 - Rocky Harbour, NL, Canada

Issues

- Need for additional tourism business development based on the needs identified by tourist who are visiting the Great Northern Peninsula
- Labour market challenges, e.g. staff shortages, lack of training, HR management skills, etc.
- Need for heritage product development
- Need for adventure/eco tourism products and services
- Smaller communities require assistance to develop community tourism infrastructure, i.e. look offs, signage, trails, etc.
- Interactive products needed, e.g. experiential/interpretive programming, guide services, etc.
- Need for additional tourism infrastructure, e.g. sections of the International Appalachian Trail; waterfront/cruise ship development – Woody Point, Norris Point, Cow Head, Parsons Pond-Heritage Properties, Port Saunders, Port aux Choix and St. Barbe
- Need for local/community marketing activities linked to the work of the western Newfoundland Destination Marketing Organization (DMO)
- Need for winter tourism product development and marketing activities
- Potential for local craft development linked to tourism
- Need for quality services and products (customer/client service is a priority for visitor satisfaction)

Support Required

- Business/product development based on the requirements outlined in recent tourist surveys/studies
- Continued business/technical support, heritage product development, festivals/events and adventure tourism development
- Infrastructure/product development; e.g. trails, signage, look off sites, International Appalachian Trail, waterfront development, interpretative sites, etc.
- Awareness/business opportunity development sessions
- Further development of Information Communication Technology usage and increase to highspeed/broadband internet access

Future Direction

The tourism industry in the Zone was based on site seeing and touring. The drop in visits to traditional visitor centres and attractions clearly indicate a need for change. Emerging tourism trends will challenge the region to develop the interactive/experiential products and services required by tourist in today's market. In order to meet the changing expectations of tourist, the Board will need to consider new innovate products and services for the tourism sector. Development activities for product development, labour market support, marketing and the application of information communication technology in tourism development were identified during the SEP consultation process.

Therefore, the Board's future development activities in the tourism industry are based on direction received from industry stakeholders. The SEP identifies the need for product and service innovation, improved marketing programming, understanding the up- to -date profile of tourist that visit the region, and addressing labour market/information communication technology challenges. The expected outcomes from a proactive approach to tourism development will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

6.3 Agrifood Development

In order to influence economic and business development initiatives in the agrifood sector the Board has reviewed the status of the industry and analyzed what factors are impacting the industry in Economic Zone 7. Board recommendations are based on an evidence-based/opportunity management approach to business/economic development.

The focus of most farming/agrifood business activities are:

- wild berries
- sheep
- dairy
- vegetables
- nursery
- meat processing

Brophy's Dairy Farm, a large commercial dairy is located in Daniel's Harbour.

There are an estimated 300 sheep in Economic Zone 7

Source: RED Ochre Regional Board Inc., Agrifood Profile 2009, Parsons Pond, NL, Canada

Note: The kitchen gardens at tourism establishments are a new agrifood activity in the Zone. The tourism sector continues to grow in the Zone and the key to new tourism development is value added products. Agrifood products that enhance the visitors experience with local cuisine/food represent new agrifood business opportunities for local farmers/business operators. This opportunity will be promoted by the Board and the Agrifood Working Group.

Total potential land base/developed land base

2,615 acres - 656 acres developed.

Pastures

Rocky Harbour (currently not used for agrifood activities)
Cow Head
Parsons Pond

Table V – Agriculture Land – Economic Zone 7

Type of Agriculture Land	Total Land Base (acres)	Developed Land Base (acres)
Commercial and Part-time Farms	1,000	400
Parsons Pond Pasture	528	174
Cow Head Pasture	1,087	12
Total	2,615	656

Source: Government of Newfoundland Labrador, Department of Natural Resource – Agrifood Division, Economic Zone 7 Agrifood Data, Corner Brook NL, Canada

Issues

- Need to fully develop available land base
- Lack of secondary/value added processing
- Need for innovation in the agrifood sector, e.g. berry farming
- Potential conflict with various stakeholders looking for land for new/alternative developments
- Lack of labour market development, i.e. employee (supply) and management (demand)
- Lack of business planning, development and investment capital
- The majority of revenues from this sector does not fully impact the local economy due to a lack of secondary/value added processing

Support Required

- Technical support for agrifood pilot projects
- Identification and assessment of potential business opportunities
- Labour Market development
- Business and organizational planning/development
- Business Development - Primary and Secondary/value added

- Entrepreneurship Identification
- Access to investment capital

Future Direction

The agrifood sector in the Zone was based on limited commercial development and private (non-commercial) farms. There does exist opportunities to link agrifood development to the tourism industry and expand the existing agrifood base in the Zone. In order to diversity and expand the agrifood sector the Board and its business and community partners will need to be innovative and proactive. Development activities in berry farming and tourism (agrifood) based products were identified during the SEP consultation process.

Therefore, the Board's future development activities in the agrifood sector are based on direction received from industry stakeholders. The SEP identifies the need for innovation in agrifood products, strong public awareness, entrepreneurship awareness and access to technical agrifood/financial resources. The use of business development programs/services in the Zone is also required. The expected outcomes from a proactive approach to agrifood development will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

6.4 Forest Development

In order to influence economic and business development initiatives in the forest sector the Board has studied the status of the industry and analyzed what factors are impacting the forest resources in Economic Zone 7.

Land Base

Note: The forest industry on the Great Northern Peninsula consist of two Provincial Forestry Districts; Unit 17 which covers from Gros Morne National Park to Plum Point, and Unit 18 which covers the area north of Plum Point to St. Anthony and Roddickton. Due to globalization and the resulting industry rationalization, commercial forestry activities are now focused in Unit18. Harvesting still occurs in Unit 17 but wood processing in the region takes place in Unit 18, e.g. pellet plant - Roddickton. Future forest development initiatives are approaching the two Units as one region in order to have the capacity for implementation. For this reason, the RED Ochre Regional Board is working cooperatively with the Nordic Economic Development Corporation and Model Forest NL on future forest resource development on the Great Northern Peninsula. Furthermore, past forest development focused on industrial timber harvesting and processing either in local sawmills or the pulp & paper mill in Corner Brook. The Board provided planning and coordination support to establish the local Northern Peninsula Forest Resource Association. In addition, the Board assisted the former Sutreen Hardwoods with HR training support and business planning. With the high Canadian dollar, competition from the emerging economies of China and South America, and evolving environmental pressures for recycling and forest

protection, the future of forest development on the Great Northern Peninsula will require innovation and alternative uses for the region's forest resources, e.g. non-timber products – wild mushrooms, Christmas wreaths, adventure/outdoor tourism, forest stewardship programs (regional forest – Hawkes Bay) value added/secondary processing etc...

Operators

7 (50% reduction in the past 5 years) (12)

Commercial Forestry Operators – District 17:

Gashlard's Logging Inc.
Gibbons Construction
GNR Enterprises Ltd.
Lewis Logging Ltd.
Squid Cove Harvesters

Commercial Operators – District 18:

C.D. Logging
Coates Lumber Company
Cutaway Industries
D & L Logging
Doyle's Logging
Humby's Contracting
Lewis Logging Ltd.
MBRDA
MTN Logging
Pilgrim's Trucking
Pisces Enterprises Inc.
Sealand Enterprises
Weir's Contracting
Wood Products Industries

Forestry Transportation Providers:

Pilgrim's Trucking – Dean Pilgrim, Roddickton
Cutaway Industries – Ivan Fillier, Roddickton
GNR Enterprise – Ralph Payne, Plum Point
George House – Port Saunders
House's Trucking – Donny House, Port Saunders

Other Operators:

Wiltondale Lumber Company

Destination of harvested wood from the Great Northern Peninsula:

- Lewis Logging Ltd. supports the Holson Forest Products sawmill operation and Pellet Plant (bio-fuel) in Roddickton
- Fire wood
- Other harvested wood is sold to sawmills in the region and beyond

Issues

- Lack of secondary/value added processing; e.g. bio-fuel, lumber products, wreath making, etc...
- Environmental challenges, (e.g., Doctors Cove Brook area has a combination of good harvest quality wood and rare plants)
- Multi forest stakeholders/users (conservation vs. harvesting)
- Alternative uses of forest resources, (e.g. adventure/outdoor tourism, educational tourism etc...)
- Development of non timber products, (e.g. wild mushrooms, medicinal products (Taxus Canadensis – Yew)
- Lack of entrepreneurship
- Lack of investment capital
- Lack of innovation
- Need for local forest stewardship – regional forest

Support Required

- Industry capacity building and technical support, e.g. Model Forest NL – Forest Communities Program)
- Secondary processing/value added, (research and development).
- Labour Market development/training
- Reforestation/silviculture
- Resource access and environmental sustainability
- Entrepreneurship Identification
- Alternative business models, e.g. cooperate development

Future Direction

The forestry sector in the Zone was based on traditional commercial timber harvesting. The region's forestry industry did not consider development outside of fibre products. While the AAC is stable, the loss of Sutreen Hardwoods and capacity reduction at Corner Brook Pulp & Paper has put future forestry business activities on the Great Northern Peninsula at risk. There does exist opportunities to link new forest development to the tourism industry. In addition, non – timber products offer new business opportunities. In order to stabilize and diversity the forest sector the Board and its business and community partners will need to be innovative and proactive. Development activities in product/market research and capacity building in the forest sector, beyond traditional wood cutting operations were identified during the SEP consultation process.

Therefore, the Board's future development activities in the forest sector are based on direction received from industry stakeholders. The SEP identifies the need for innovation in forest products, access to technical resources for research & business development, entrepreneur identification, and capacity building programs/services. The expected outcomes from a proactive approach to

forest development will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

6.5 Energy/Oil & Gas Development

In order to influence economic and business development initiatives in energy/oil & gas development the Board will continue with awareness and networking activities with key industry stakeholders for Economic Zone 7.

Power Corridor – as development of the Lower Churchill Power Project advances the transfer of hydro power through western Newfoundland and underwater to Nova Scotia/Maritimes/New England is a significant new power corridor for the sale of this energy. Economic Zone 7 would benefit from access to inexpensive/sustainable energy and the benefits of construction and maintaining the transmission lines.

Oil Exploration Status in the Zone - Oil exploration in the Zone has been focused in the Parsons Pond region. The last exploration activities took place in 2010 and early 2011. Oil exploration in the region has been “off and on” throughout the 20th century again in 2010 - 2011.

Currently oil exploration in Western Newfoundland is getting attention. With the demand for oil expected to increase in the coming years, more exploration is expected in western Newfoundland. In order to prepare for continued oil exploration and oil development the Corner Brook Board of Trade and Economic Zones 7, 8 and 9 are leading the Western Newfoundland Oil & Gas Steering Committee. The work of this Steering Committee is awareness, local business engagement and identifying supplier relationships etc... The Board attends the annual Oil & Gas Symposium and ongoing Steering Committee meetings/functions.

Issues

- Limited awareness of energy/oil & gas potential in Western Newfoundland and Economic Zone 7
- Limited industry, business, community and local government engagement
- Updates needed on energy (hydro transmission line) proposed work in the Zone
- Lack of technical skills in the Zone
- Lack of energy development goals for the Zone
- Need to engage oil & gas stakeholders/businesses

Support Required

- Industry capacity building and technical support, (e.g. Department of Natural Resources)
- Engagement of local businesses and industry stakeholders.

- Awareness within the Zone and in the Province of the energy/oil & gas potential that exist on the Great Northern Peninsula/Economic Zone 7
- Industry research and development activities focused on sector opportunities in Zone 7.
- Business development support services to develop energy/oil & gas business opportunities.

Future Direction

The energy/oil & gas potential in the Zone has not been fully researched or developed. There does exist opportunities to develop the known energy/oil & gas potential in the Zone. In order to diversify the Zone's economy the Board and its business and community partners will promote opportunities in energy/oil & gas oil development. Development activities, opportunity identification and public/industry awareness were identified during the SEP consultation process.

Therefore, the Board's future development activities in energy/oil & gas development are based on direction received from business and community stakeholders. The goal is to diversify the regions economy with energy/oil & gas oil development. The expected outcomes will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

6.6 Youth Engagement/Labour Market Development

In order to direct and/or influence economic and business development initiatives the Board must understand the status of the Zone's youth/labour market and what factors are impacting future labour market development.

The labour force in Economic Zone 7 is estimated at 5,060 persons. There are 564 fish harvesters; 499 fish plant workers; 1,580 tourism workers; 75 forest workers; 24 agrifood workers; 90 transportation workers; 1,560 service workers – finance, retail, construction etc... and 668 health, education, municipal, highway and other government workers. The total population of the Zone is 8,968 based on the 2010 community profiles and business survey (RED Ochre Regional Board community and business survey 2010). In addition to 5,060 residents working in the local labour force, there are 1,100 residents in school and 2,808 residents are retired, below the age of 5 or unemployed. The seasonal unemployment rate varies from 20% to 32% per year.

The trend of out-migration is expected to continue in Economic Zone 7, but at a decreasing rate. In addition, when examining population trends/demographics it is important to consider the full range of factors affecting the population and labour market characteristics of Economic Zone 7. These factors include an aging population, declining birth and fertility rates combined with a normal death rate. The results are a reduced number of existing and potential employees for industry sectors and businesses in the coming years.

Note: From 1986 to 2008 the age group of 0 to 24 had a 50.8% decrease, while the 25 - 54 and

55+ groups had an increase of 4.1% and 35.8% respectively. In summary, the percentage of younger residents is decreasing and combined with an aging population this is creating new human resource recruitment and retention challenges for the Zone's business community in 2011 and beyond. This situation is even more serious when industry sectors and local businesses are growing or looking to expand.

Source: Government of Newfoundland Labrador, Rural Secretariat, Community Accounts 2007, St. John's, NL, Canada and RED Ochre Regional Board 2010 Community Profiles & Business Directory

Future Direction

Labour market development is required for future business and economic development in the Zone. Labour Market development activities were identified during the SEP consultation process.

Therefore, one of the Board's future development activities is to support new and innovative labour market initiatives. Labour market development activities are based on direction received from business and community stakeholders. The expected outcomes will be the engagement of youth to focus on local career opportunities, labour market initiatives with the fishing industry, work on attracting and retaining immigrants and support for new business/employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

7.0 Business Development

In order to influence general economic and business development initiatives in the Zone the Board has studied the factors that impact business development.

7.1 Information Communication Technology (ICT)

In order to support business and economic development initiatives the Board must understand what factors are impacting the use of information communication technology (ICT) in Economic Zone 7? It is the goal of the Board to expand the use of information communication technology as an enabling tool for Zone's industry sectors, (e.g. fisheries, tourism, agrifood, forest and energy/oil & oil sectors).

ICLT is the use of **computers, databases and networks** (Internet) to support, transform, and build and maintain industry, business and community development initiatives/opportunities. This work will focus on infrastructure/internet access for e-commerce, e-health, e-learning, e-recreation, e-research and e-government. This technical capacity is a cost effective means to grow and sustain the Zone's businesses and communities.

Companies

1 (One)

Note: This small local ICT (Information Communication Technology) company provides basic computer support, (e.g. Web design, computer maintenance, Web hosting and basic internet marketing services)

ICT Value in the Zone

Unknown at this time, the ability of ICT to reduce operating cost by linking local businesses to market data/services, suppliers, government departments, advertising and HR training has the potential to save business owners large amounts of money. In addition, it opens up new sources of revenue generation.

It is an accepted economic fact that the business growth that is now occurring in most urban areas has resulted from the access/use of information, communication technology. The internet has given people the ability to carry out daily business and personal task through their computers. E-commerce, e-health, e-government, e-education, e-research and e-entertainment have created an economic boom that is only now understood by governments, businesses and the general public. The RED Ochre Regional Board will work with government, community and business representatives to establish highspeed internet access throughout the Zone. The next stage will see the use of ICT in the daily operations of the Zone's businesses and community organizations.

Internet Providers

Aliant, Eastlink and Satellite Providers

Technology currently being used in the Zone

- Fibre Optics
- Internet (highspeed and dial up)
- Cellular Phones
- Satellite Providers (Internet and TV)

35 communities are located within Economic Zone 7

Distance from Trout River north to St. Barbe is 340 km

Total Population in 2010: 8,968

10 out of 33 Communities have highspeed internet service.

5,192 people in the Zone have access to highspeed internet service. This represents 57.89% of the Zone's population.

328 businesses operate in Economic Zone 7

36% of the businesses in the Zone (117 businesses) have a website and/or use e-mail in 2010. This is up from 18% in 2005. 86% of the businesses using highspeed/internet are in the tourism sector.

Individual businesses have established satellite highspeed internet service: e.g. Plum Point Motel, Shallow Bay Motel, Torrent River Inn and NorTip Development Corporation.

Source: RED Ochre Regional Board Inc., Community Profiles and Business Director 2010 and Economic Synopsis 2010, Parsons Pond, NL, Canada

Note: Past efforts with Industry Canada and ACOA to establish highspeed internet connection to all of the communities/businesses in Economic Zone 7 have not been successful. At this time the Board is in discussions with the provincial Department of Innovation, Trade & Rural Development on connecting additional communities in the Zone to the Internet with high speed service. The Government of Newfoundland Labrador has committed to all communities with an existing health, education or government centre/office. This has seen new highspeed internet access to additional communities in the Zone; i.e. Trout River, Woody Point, Norris Point, Cow Head, Parsons Pond and Daniel's Harbour.

Enabling Tool

- Sales via the Internet for all sectors
- Online reservation systems at tourism operations
- Marketing and Advertising (low cost) via the Internet
- Low cost communications to suppliers and buyers
- Improved communications/networking for community organizations
- Marketing/industry data/research via the Internet
- Human Resource training
- Business support services online

Issues

- Lack of ICLT infrastructure (high speed Internet access).
- Need for computer/Internet training.
- Need for public and business ICLT awareness.
- Lack of business development based on ICLT enabling tools.
- Need for high speed Internet service in order to offer tourism products and services.

Support Required

- Infrastructure (high speed access).
- Human Resource Development, e.g. ICT awareness
- Awareness - businesses and the general public.
- Need for local knowledge and training in e-business/commerce, e-learning, e-government, e-government, e-health, e-recreation and wireless technologies in order to expand the use of ICLT in the Zone.

Future Direction

The potential use of Information Communication Technology in the Zone has not been fully explored or developed. There does exist opportunities to expand ICT use in the local economy. In order to diversity the Zone's economy the Board and its business and community partners will promote the completion of ICT infrastructure in the Zone and ICT utilization within the Zone's businesses and community organizations. Development opportunities and gaps in ICT infrastructure and application were identified during the SEP consultation process.

Therefore, one of the Board's future development activities is to promote ICT development in the Zone. ICT development activities are based on direction received from business and community stakeholders, e.g. expand highspeed internet access, awareness sessions on ICT and the use of ICT in business and economic development activities. The expected outcomes will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

7.2 Business Development Activities

In order to direct business development activities the Board has studied the overall business community and economy, and has analyzed the factors impacting business development throughout Economic Zone 7.

Number of Businesses in the Zone, 2006/2007

328

Note: The number of businesses does not include individual fishing enterprises.

Business Organizations in the Zone

- Straits/St. Barbe Chamber of Commerce (19 business and community organization members)
- Small Towns Business Association - St. Paul's to Bellburns (No membership - informal and irregular networking/public awareness sessions).
- Gros Morne Gatherings - Division of the Gros Morne Cooperating Association in partnership with local accommodation operators. Represents the marketing interest of 8 accommodation operators within Gros Morne National Park)
- Viking Trail Tourism Association (116 business and community organization members)

Analysis

- The majority of local businesses serve the local residential market.
- There are 150 tourism businesses out of 328 businesses/services located within the Zone
- There is also a lack of diversify in the local business community, (e.g. businesses only provide a limited range of services: personal care - hair/beauty shops, repair/gas, food – limited convenience stores/retail, lounges, general businesses/services and limited operations in agrifood and construction).
- There is no single voice/organization to represent the concerns or interest of the majority of business owners in the Zone.

Sources: RED Ochre Regional Board Inc., Community Profiles & Business Directory 2010, Parsons Pond, NL, Canada

Issues

- Lack of business-to-business cooperation/partnering at the zonal, sub-zonal and community levels
- Lack of long term business planning and marketing
- Limited diversity in business operations/services
- Lack of business opportunity identification
- Need for ongoing/regular business networking
- Need for a stronger understanding of the Zone's economy and business trends, e.g. taking advantage of the transportation link with Labrador (Trans Labrador Highway)
- Lack of investment capital for local businesses
- Lack of succession planning

Support Required

- Business and economic research focused on the industry sectors in Economic Zone 7
- Development of strong local business networks among business owners and stakeholders
- Business and economic development awareness sessions

- Business opportunity awareness directed at existing businesses and youth
- Awareness/support to existing businesses on succession planning

Future Direction

The potential for new business development in the Zone has not been fully researched. There also exist opportunities to develop the Zone's existing businesses and services. New activities in business development were identified during the SEP consultation process.

Therefore, one of the Board's development activities is to promote the diversification and expansion of the Zone's business community. Business development activities are based on direction received from business and community stakeholders. This work will include activities to establish a strong networking process for the Zone's business owners; promote government business development programs; promote entrepreneurship and identify potential entrepreneurs for innovative business development activities. The expected outcomes will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

7.3 Industry and Community Infrastructure Requirements

In order to direct economic and business development initiatives the Board has studied the communities in Economic Zone 7, as well as the strategic community infrastructure requirements that will lead to future business development.

The Zone's communities must maintain infrastructure for its residents and business owners. The Board will support infrastructure investment that will advance both the economy and well being of the residents of the Zone in the coming three (3) years.

Profile, Economic Zone 7

- 34 Communities
- 15 Municipal Councils, incorporated
- 19 Local Service Districts, unincorporated communities
- 2 Health Centres/Hospitals
- 4 Community Medical Clinics
- 2 RCMP Depots
- 4 Arenas
- 6 Community public libraries and Community Access Program (CAP) sites – public internet access
- 7 Schools
- Wharfs and slipways throughout the Zone
- Forest Access roads throughout the Zone

- 11 highway tourist pull offs/look offs
- Water and Sewage in incorporated communities
- Water supply is available in non incorporated communities
- Waste disposal is the responsibility of regional waste management committees (5 disposal sites within the Zone)

Average population 266

With limited volunteer and staff capacity, the 34 communities within the Zone will have to work together in the future in order to maintain/expand its infrastructure and services. This is already happening in waste management. In the communities from St. Paul's to Bellburns additional cooperation has established a Regional Council that is administering regional water quality service and maintenance. In the future, cooperation between towns for recreation, fire protection, ambulance service and business development will be even more critical as the Board and its business/community and government partners support new economic/business development activities in the Zone.

Note: Basic community infrastructure includes water & sewage, community offices/halls, community recreational centers, arenas, trails, etc.

In addition, there are general fishing, forestry and tourism infrastructure, e.g. slipways, wharfs, forestry access roads, hiking trails, tourism information sites, attractions and community owned historic properties, etc...

In order for businesses and industry sectors to operate successfully in the Zone there is a need for well maintained community infrastructure and services. Business owners, employees and their families require up-to-date community infrastructure and services. In addition to direct business support with roads, wharfs and information pull offs, families will require schools, libraries, medical services, etc...

The RED Ochre Regional Board will support the sustainability and enhancements of strategic community infrastructure within the Zone in partnership with community stakeholders as needs are identified by the business community and town councils.

Sources: RED Ochre Regional Board Inc., Community Profiles and Business Directory 2010, Parsons Pond, NL, Canada

Issues

- Need to maintain or enhance existing community and industry infrastructure.
- Need for new community and industry infrastructure to support future expansion of the Zone's industry sectors.
- Need for long term planning for infrastructure investment, e.g. onshore infrastructure in the Port of St. Barbe
- Need for technical assistance, e.g. proposal writing, engineering studies, etc...

Support

- Assessment and future planning for industry and community infrastructure.
- Technical assistance to link direct business requirements to industry and community infrastructure needs.
- Technical assistance to develop infrastructure proposals.
- Assistance to leverage financial support for infrastructure development activities.

Future Direction

The maintenance of existing community infrastructure and services, and the development of new infrastructure and services will be required for the future business and economic development in the Zone. The business potential in the Zone will therefore require new investment in community infrastructure and services. New infrastructure development activities were identified during the SEP consultation process.

Therefore, one of the Board's future development activities is to support the Zone's communities as they address their existing/future infrastructure and service requirements. Infrastructure development initiatives are based on direction received from business and community stakeholders. This work will include activities to establish new community infrastructure linked to industry expansion. The expected outcomes will be new business and employment opportunities for the residents of Economic Zone 7. Please see Section 8.0 and the Board's current IBP for details.

8.0 Strategic Economic Plan – Highlights, Goals and Objectives

The RED Ochre Regional Board Inc. wishes to highlight the current areas of focus for Economic Zone 7. The Board feels that these items are a good representation of what has helped shape Board goals, objectives and the initiatives found in the three-year Strategic Economic Plan (2011-2014) and in the yearly Integrated Business Plans for each current year.

These highlighted areas of interest include, but are not limited to the following:

- **Trans-Labrador Highway and St. Barbe Ferry** - New business opportunities and increased user-supports (visitors/tourists to the region, distribution chain users, and residential usage) resulting from the opening of the new transportation links with the completed Trans-Labrador Highway for both the Ferry (St. Barbe) and the Great Northern Peninsula Highway (Viking Trail Route 430)

- **Transmission of Renewable Energy** - Servicing the need for renewable power in the Province of Newfoundland Labrador (Transmission of Lower Churchill energy through Economic Zone 7)
- **Increased Collaboration** - Need for greater municipal-regional collaboration, communication and sharing of innovative ideas throughout the zone and outside the area; identifying innovative ways and means to overcome the barriers of systemic (e.g. lack of internet and cell phone coverage) and (e.g. collaboration) ineffective communication non-systemic
- **Uncommon Potential** - Realizing true potential of a growing tourism industry (product development, arts and crafts, collaborative marketing, adventure/experiential tourism, celebrating our unique natural, heritage and cultural aspects); Maximizing the benefits and opportunities of existing, and future (e.g. Trans-Labrador highway connection, cruise ship industry development) levels of visitor traffic throughout the zone
- **Support for Agriculture** - Identifying and nurturing opportunities for existing agricultural operations and helping to encourage new investment in the agrifood sector through alternative energy development, climate change opportunities (longer growing seasons), and in the human resource (retention and recruitment)
- **Recognizing Seniors and Youth** - Engaging Youth and Seniors in meaningful ways. To help youth identify innovative/creative ways to stay in the area, have meaningful work, raise their families and become community leaders. To better recognize the contribution of seniors, to continue to encourage their involvement in community and economic development, and to tap-in to their years of experience to help shape the future of this region. Recognize the overall contribution of volunteerism.
- **Fishery Renewal** - A renewed approach to the fishery and aquaculture development in the area (retention and expansion possibilities, desirable freshwater resources, experiential tourism possibilities, re-defining markets)
- **Forest-Based** - Identifying opportunities for alternative forest use and non-timber product development (National Forest Conference in Economic Zone 7, Co-operative Model for entrepreneurial activities, regional/community forests, traditional and non-traditional usage)
- **Sustainable Exploration** - Encouraging further oil & gas development/research/exploration activities using a sustainable approach that minimizes environmental impact and maximizes the economic benefits to the region

The challenge today, as it was in the past, is for local residents to make a living by creatively using the resources that exist throughout this unique landscape. The RED Ochre Regional Board is committed to using the full range of available development tools in partnership with ACOA and INTRD to take advantage of the opportunities that exist in the Zone and to overcome the challenges faced.

Business innovation in resource utilization, labour market development, strategic infrastructure investment, resource development, tourism product development and improved collaboration and communications will enable the communities, businesses and people of Economic Zone 7 to further expand the local economy and in turn increase business investment and employment opportunities.

Goals and Objectives

The RED Ochre Regional Board with support from business owners, residents, community leaders and government departments has prepared the following Goals and Objectives for its three-year Strategic Economic Plan 2011–2014.

Table VI – Business Creation, Retention and Expansion

8.1 Goal #1: To facilitate an entrepreneurial environment that fosters the creation, retention and expansion of businesses in the region.
8.1.1 Objective #1: To identify and implement economic opportunities for each core sector.
8.1.2 Objective #2: To encourage value-added products and services in all sectors, where feasible.
8.1.3 Objective #3: To encourage the development of underutilized resources.
8.1.4 Objective #4: To utilize more effectively our natural, heritage and cultural resources for the economic benefit of the region.
8.1.5 Objective #5: To share and promote best practices.

Table 8.2 – Skilled Workforce

8.2 Goal #2: To work with industry and community stakeholders in the recruitment, development and retention of an adaptable and skilled workforce.
8.2.1 Objective #1: To identify gaps in skill sets, including essential work skills.
8.2.2 Objective #2: To provide human resource planning support to businesses.

Table 8.3 – Capacity Building

8.3 Goal #3: To communicate and facilitate building capacity among community stakeholder groups in the region by promoting and fostering collaboration.
8.3.1 Objective #1: To communicate Board activities and accomplishments to residents of the Zone.
8.3.2 Objective #2: To support and promote participation in business/community and economic development information sessions/partnerships.
8.3.3 Objective #3: To facilitate skills development among community/business stakeholders and youth.

Table 8.4 – Advocacy

8.4 Goal #4: To advocate on behalf of core industries in the region on issues and concerns.
8.4.1 Objective #1: To participate in industry forums/meetings to identify, prioritize and address issues that impact the economic performance of the Zone's economy.
8.4.2 Objective #2: To conduct or support economic and business research at the Zone level and share with relevant parties.

The Board feels strongly that this series of agreed on goals and supporting objectives found in the Strategic Economic Plan (2011-1014) will guide the day to day initiative workload of the volunteer Board, its staff, strategic partners and regional stakeholders. They will also guide the Board’s resource allocation in such a way that the everyday work is consistent with the values identified in the overall Vision and supporting Key/Core Functions as outlined at the beginning of this document.

Each of the chosen initiatives in any current work plan (e.g. Annual Integrated Business Plan or “IBP”) are linked to these Goals and Objectives to ensure that the Board’s work stays focused in these strategic areas. In addition to the SEP and IBP documentation process, the Board has also adopted as a recommended method of “best practice” the creation and regular updating of “Initiative Charters” (see Appendix II for Sample Initiative Charter)

9.0 Monitoring and Evaluation Process for the SEP:

The RED Ochre Regional Board is committed to a strong monitoring and evaluation process for its Strategic Economic Plan. This process will include the following:

- Tracking of all development activities; number of planning meetings, number of proposals, number of Request for Proposals, number of public awareness sessions, number of partnerships, communication items implemented and other activities as they occur
- Changes in the local business community (tracking through the Board's Business Directory and Community Profiles)
- Performance and changes in the local economy (tracking through the Board's annual Economic Synopsis)
- Annual Report/Update on IBP Initiatives
- Initiative Charters
- Board performance; number of meetings, participation rate, completion of targets that are established, and active monitoring of SEP & IBP goals, objectives, targets and initiatives to ensure implementation is ongoing
- Quarterly and annual meetings with ACOA and INTRD to review the work of the Board and its partners, recommend support/changes to activities, and request assistance when required

10.0 Conclusion:

The RED Ochre Regional Board looks forward to working with business owners, industry stakeholders, community leaders and government officials to implement its new three year Strategic Economic Plan 2011 – 2014 for Zone 7.

The Board of Directors also welcomes comments and/or questions on the SEP and the work of the Board and its many partners.

Thank you.

Gloria Toope, Chairperson
Board of Directors
March 31, 2011

Appendix I

Strategic Economic Plan (Outline of Process)

Strategic Economic Plan Process

The full potential for business and economic development on the Great Northern Peninsula remains unrealized after decades of development activities. The natural resources of the region represent significant opportunities which have not yet been converted into long term, sustainable economic development. In addition, globalization and the resulting restructuring of local industries have also forced many residents to migrate to other areas of the country to find employment and business opportunities.

However, while the fisheries and forestry sectors continue to face major obstacles great strides have been made in tourism. The challenge for the RED Ochre Regional Board Inc. is to facilitate new business and economic activities that strengthen traditional industry sectors and promote new economic growth in the Zone. This will be addressed through the Strategic Economic Plan 2011 - 2014.

What is Strategic Planning?

Strategic Planning is the key to helping the residents of Economic Zone 7 and stakeholders collectively and co-operatively gain control of the future and the destiny of the Zone.

The revised core functions for the RED Ochre Regional Board Inc. are:

1. Develop and co-ordinate the implementation of the Strategic Economic Plan in the Zone.
2. Develop strong partnerships with municipalities incorporating strategies and priorities of municipalities.
3. Develop partnerships in planning and implementation with Chambers of Commerce, industry associations, labour organizations, post secondary institutions, CBDCs and other economic zones to support an economic/ entrepreneurial environment.
4. Undertake capacity building and provide support to stakeholders to strengthen the economic environment.
5. Co-ordinate and facilitate linkages with governments and agencies in support of the Strategic Economic Plan.

Strategic Economic Planning is a process that includes research, consultation and future planning.

The key questions that must be asked by businesses and communities in the Zone in order to prepare a Strategic Economic Plan are:

- Where are we?
- Where are we going?
- Where should we be going?
- How do we get there?
- How do we know we got there?

The Purpose of Strategic Planning:

- To bring stakeholders together (consultation).
- To provide direction.
- To help define the overall goals of the Zone and focus on the objectives.
- To provide awareness of needs and facilities related to issues and environment.
- To contribute to short and long term outcomes.
- To base goals on realistic resources and environment.
- To provide standards of accountability for stakeholders, programs and resources.
- To provide opportunity to seek consensus to improve the present situation and influence the future.

The Reasons for a Strategic Economic Plan:

- Diminishing (traditional) natural resources.
- Demographics (out-migration of large segments of the region's population, especially young people).
- Changing Government policies, especially in regards to rural/economic development. (This has resulted in the need for new approaches to business/economic development: e.g. new government programs with less dependence on government monies and the need for strategic planning by local community based organizations.)
- Globalization (competition from China, free trade, mechanization, urbanization, etc.).
- Technological advances (Information Communication Learning Technology/Internet).
- Labour Market (mobile transient workforce).
- Social Issues (changing lifestyles and an aging population).

Through the Strategic Economic Plan the Board will address:

- Key Economic Sectors
- Geographic realities
- Global business and economic trends
- Infrastructure Requirements
- Labour Market Development

Strategic Economic Plans include:

- Vision for the Region
- Goals
- Objectives
- Targets
- Initiatives
- Monitoring and Evaluations to determine outcomes and future direction

Source - Government of Newfoundland Labrador, Department of Innovation, Trade & Rural Development, Strategic Economic Planning Process, 2007, (Corner Brook, NL, Canada)

Business & Economic Goals:

The SEP for Economic Zone 7 is broken down into goals and objectives. Using the Integrated Business Plan targets and initiatives are then clearly outlined in detail. In this way the vision and desired outcomes from the SEP are both qualified and quantifiable for the purpose of implementation.

Goals are:

- Statements of long term, desired outcomes which provide focus for the planning process within a sector or strategy.
- Building blocks for the vision not directly measurable, but progress should be observable.
- Focus for the planning team.
- Local and external expertise contributing to developing the strategy.

Objectives are:

- More tangible outcomes.
- Qualitative and quantitative statements.

- Building blocks that support the goals.

Targets are:

- Specific, measurable, time specified outcomes.
- Building blocks that support the objectives.

Initiatives are:

- Specific activities/projects in support of targets.
- Demand implementation capacity.
- Should:
 - bring benefit
 - be self-sustaining
 - be community owned
 - connect
 - relate to core functions of the Regional Economic Development Board
- Generate:
 - Prosperity
 - Employment

Source - Government of Newfoundland Labrador, Department of Innovation, Trade & Rural Development, Strategic Economic Planning Process, 2007, (Corner Brook, NL, Canada)

Appendix II

Board Structure

Board Structure

The RED Ochre Regional Board Inc. Board of Directors has been established to represent the key industry sectors, general business community, local municipal governments, community agencies and government resource people. The Board of Directors consists of the following 14 elected members

Municipal Representatives

- 1 - Sub zone 1
- 1 - Sub zone 2
- 1 - Sub zone 3

Business Representatives

- 1 - Sub zone 1
- 1 - Sub zone 2
- 1 - Sub zone 3

Industry Representatives

- 1 - Fisheries
- 1 - Forestry
- 1 - Tourism

Education Representative

- 1 - Post Secondary

Regional Development Organizations

- 1 - Central Development Association
- 1 - St. Barbe Development Association
- 1 - Gros Morne Cooperating Association

Youth Representative

- 1 - RED Ochre Youth Council

Government Department/Agencies – Resource Members (Ex-officio)

- 1 - Atlantic Canada Opportunities Agency
- 1 - Department of Innovation, Trade & Rural Development
- 1 - Human Resource Labour & Employment
- 1 - Service Canada
- 1 - NorTip Community Business Development Corporation

Sub Zone 1 - Trout River to Sally's Cove

Sub Zone 2 - St. Pauls to Bellburns

Sub Zone 3 - River of Ponds to St. Barbe

Appendix III

Sample Initiative Charter



RED Ochre
Regional
Board Inc.

Initiative Charter – Sample

Initiative Title	
Initiative Description	
Fit with CF1 – A	Long-term Benefits/Impacts:
	Sustainability:
	Regional Scope:
	Linkages to Government Priorities:
	Partner Engagement:
Initiative Origin	
REDB Lead	
REDB Supports	

Partner Supports	
Supporting Documentation	
Target Date When?	Action How, Where & Who is accountable. Budget?
	1.
	2.
	3.
	4.
	5.
Gate Keeper Who?	Process Where, When & How will the decision whether to advance be made?
Advancement Criteria What conditions should be met prior to advancing the initiative further?	
1.	
2.	
3.	
4.	