



*Labrador Regional Council
of the
Rural Secretariat,
Executive Council*

*Annual Activity Report
2006-07*

Message from the Chair

The Regional Council is working hard to ensure a sustainable future for the rural communities of Labrador. The contents of this report outline the council's activities for the fiscal year, 2006-07. As an advisory body, the council will continue to build a common understanding of our region and will be prepared to share our advice to influence policy development that will maximize opportunities within our region.

The council met four times and discussed the vision they wish to strive for in the upcoming years. The vision for Labrador is a living document intended to be used to guide the council toward long term planning and sustainability. This vision will be achieved through setting priorities and engaging in dialogue with communities and partners to find innovative ways to create positive and progressive change in Labrador.

As the priorities and vision begin to be solidified and discussed in the region it is the intent of the council to form partnerships to achieve the long term goals of a sustainable region. Labrador is an area of the province with many assets that can be utilized to benefit economic and social challenges. As the Rural Secretariat moves forward we hope to begin the steps that will lead us toward our vision of a region which creates the climate for investment and considers accessibility for all when receiving program and services in our rural and remote communities.

As the council works towards the advancement of regional priorities, it realizes that we, citizens and government, must all share responsibility for understanding the changes that are taking place and for making the decisions to ensure regional sustainability.

The 2006-07 annual activity report for the Labrador Regional Council of the Rural Secretariat was prepared under the direction of the council in accordance with the *Transparency and Accountability Act*.

With its release, I on behalf of the council, assume responsibility for the results achieved and any variances explained herein.

Sincerely,



On behalf of
Labrador Regional Council of the Rural Secretariat

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Overview of the Region

The 2006 population of the Labrador Rural Secretariat region is 26,888. This is a decline of about 6.5% from 1999 (compared with a decline of 4.5% for the province overall). The population is expected to stabilize by 2011 (compared to decline of 1.7% for the province overall).

Population decline impacts all age groups and impacts on the size of the labour supply. The age 15-64 group (those of labour force age excluding seniors) is estimated at 19,648 in 2006, a decline of 5.9% from 1999. This age group is expected to fall by about 1% by 2011. The difference between overall population trends and those of the age 16-64 group can be attributed to continued out-migration from the region.

Within the 15-64 age group, 14.7% are ages 55 to 64. This means, in broad terms, that about 15 in every 100 individuals will exit the labour force over the next decade. This movement out of the labour force will create “replacement” demand for labour in the region for younger workers. While not all retiring workers will likely be replaced (i.e., firms will substitute investment in machinery and equipment for labour) there will be opportunities for youth in the region in the future, probably at higher wages rates as the labour market tightens.

Indicator	Labrador	Percent of Province
Total Population		
1999	28,748	5.4%
2006	26,888	5.3%
2011	26,823	5.4%
Population Ages 15-64		
1999	20,883	5.6%
2006	19,648	5.4%
2011	19,393	5.5%
Population Ages 55-64 2006	2,892	4.2%
Number of People Employed		
1999	15,880	6.1%
2004	16,160	6.0%
Earned Income per Worker Employed		
1999 (\$2004)	\$30,600	125.9%
2004	\$32,000	120.8%
Personal Income per capita		
1999 (\$2004)	\$20,800	116.2%
2004	\$23,500	114.1%
Employment by Occupation		
Fishery (harvesting + processing)	1,080	4.6%
Primary activity (excl fish harvesting)	765	8.8%
Manufacturing (excl. fish processing)	630	6.9%
Construction	3,430	8.2%
Services sector (incl. public admin)	7,125	5.9%
Health and education services	1,060	4.1%
EI beneficiaries		
1999	5,315	5.2%
2005	4,960	4.9%
Educational Attainment Ages 18-64		
University Degree	1,405	3.7%
Post secondary/Trades certificate	7,470	6.9%
High school/some post secondary	4,170	5.4%
Not completed high school	5,645	5.0%

Source: Calculated from Community Accounts website and Economic Research and Analysis, Department of Finance (www.communityaccounts.ca, www.economics.gov.nl.ca)

While the population has declined, the labour market, measured in terms of the number of people with earned income, grew between 1999 and 2004 from 15,880 to 16,160 individuals. After adjusting for inflation, the average earned income per worker employed grew by 4.6% over this period compared to provincial real growth of 9.0%. Growth in real earned income also allowed for relatively strong growth in real personal income per capita over this period (13.0% versus 15.2% for the province overall). This trend means that personal income per capita in the region, while higher than the provincial average, is converging back toward the provincial average. In 2004, the ratio was 114.1% down from 116.2% in 1999.

In other words, the population of Labrador is stabilizing, the labour market is growing, and workers are experiencing real earned income growth.

On an occupational basis, the fishery (harvesting and processing) employed 1,080 in 2000, or about 7.7% of employment, in Labrador compared to 10% for the province overall. ¹ This meant that 4.6% of total fisheries related employment in the province, but 5.3% of the population, accrued to Labrador.

The overall occupational structure in the region is weighted toward goods producing seasonal industries. In 2000, the fishery, other primary activity and construction accounted for 37.4% of employment in the region, and 35.0% of EI beneficiaries in 2005. Overall, there were 4,960 EI beneficiaries in the region in 2005, or about three EI claims for every ten people with earned income. The region accounted for 4.9% of total provincial EI beneficiaries in 2004 but 5.3% of the population.

The educational profile of workers in the region is generally aligned with the occupational structure. Just over 1,400 individuals between ages 18-64 (7.5%) had a university degree in 2000 compared with almost 7,500 individuals with a trades or college level certificate (40.0%). Overall, therefore, 47.5% of individuals ages 18-64 in Labrador had completed post secondary studies. This compares favourably to 43.6% for the province overall).

At the same time, 30.2% of this age group in the region have not graduated from high school. While many of these workers have acquired on-the-job skills, their earnings growth potential, and their ability to upgrade and transfer their existing skill sets, may be limited. There are some age specific differences of importance for this education level. For example, considering older workers only (those ages 55-64), 55.0% have not completed high school. Conversely, considering younger workers only (those ages 25-29), 17.3% fall in this category.

¹ Occupational and educational attainment data is sourced from the 2001 Census. Data from the 2006 Census will not be available until 2008.

Regional Council Overview

The Labrador Regional Council is comprised of nine members; four females and five males. Members of the council have a variety of backgrounds that include; economic development, business leaders and youth. The Labrador council is balanced with perspectives from around the region and members who participate in their communities through volunteerism, community development and their own work responsibilities. They are committed to identifying opportunities for government of the needs and challenges of Labrador and what we can do together to accomplish improvements in our social, economic, environmental and cultural sustainability.

The council has representation from larger and smaller communities throughout the region:

Name	Community
Wayne Jenkins	Nain
Isabella Pain	Nain
Jim Farrell	Wabush
Patsy Ralph	Labrador City
Diane Gear	Labrador City
Jonathan Jesseau	Labrador City
Leander Baikie	North West River
Lori O'Brien	L'anse Au Loup
Randy Earle	L'anse Au Loup

**For an updated listing of council members please visit <http://www.exec.gov.nl.ca/rural/regionalmem.asp> .*

The Council does not have a budget. Meetings of the council and associated costs are funded through the budget of the Rural Secretariat. The Rural Secretariat also funds a staff position within the region, who among other duties, acts as an information resource for the council and is responsible for the facilitation of the work of the council. The staff person for the Labrador region is Lisa Densmore and works out of an office in Happy Valley-Goose Bay.

Mandate

The mandate of the Regional Councils is:

- To develop a common, evidence-based understanding of the social, economic, environmental and cultural realities of a region.
- To review key regional economic and social measures (e.g. education levels, demographic trends, health status, income levels, EI usage, economic diversity) and to reach agreement on the priorities for change over the next five years.
- To identify policies and programs which either advance, negatively impact or need to be developed to encourage the necessary change.
- To advance regional cooperation through the sharing of information on and discussion about economic and social measures and to encourage regional partners to take action on and be accountable for those areas within their mandates.
- To nominate an individual to represent the region on the Provincial Council of the Rural Secretariat.

Highlights and Accomplishments

During the year the council met four times throughout the region and established a vision for Labrador. This vision is intended to be a work in progress and is open to all for input and discussion. Success shall be measured by tangible outcomes, whereby our communities and its people are the primary benefactors and have the ability, regardless of income, age, gender, spiritual or cultural background or geographic location, to contribute and to fully participate in community and economic opportunities throughout the region.

The Regional Council held meetings in Labrador west and Happy Valley-Goose Bay and covered areas such as thinking regionally, completing our vision, setting priorities, and understanding policy. In September of 2006 we had presentations from Innovation, Trade and Rural Development around the diversification strategy and programs offered through the department as well as Labrador and Aboriginal Affairs on the Northern Strategic Plan. In March 2007, Ted Lomond from MUN presented on the research they are undertaking at MUN and how we could access and make use of the great work they are doing. It is important that we have laid the foundation and opened up conversations on long term planning. The vision is a good starting point for planning and engaging citizens and government.

As we move forward we are identifying priority areas to work on through partnership and a common understanding of what must be done to improve the sustainability of our region. Community engagement is giving us the transfer of knowledge we need to make informed decisions and a deep understanding of what is needed to realize our goals of a sustainable region. Sustainability, in terms of the environment and development, meets the needs of the present generation without compromising the ability of future generations to meet their needs. And sustainability in respect to integrated, objective based program delivery. It must be recognized that a short term approach is often inadequate for solving entrenched problems in a sustainable way, particularly when behavioral and institutional change are intended.

Opportunities and Challenges Ahead

Introduction

The Regional Council is working on the priority areas of concern for this region and they are outlined below. Each area of discussion is being held with community and partners as well as the council. The following opportunities and challenges have been identified through the community engagement process which began March, 2006.

Infrastructure

Transportation is the number one concern in the Labrador region. It is seen as the key for moving forward in economic and social investment required to improve the health and well being of Labradorians. As this critical infrastructure is completed and improved upon it will create access to larger markets and health care facilities. As traffic flows in and out of the region, opportunities will be created; along with affordability as the cost of shipping goods around the central and southern regions will be lower. Access to: economic, social, cultural and environmental aspects of our region play a vital role in our ability to attract business and people alike. The youth leave to become educated and feel connected to the rest of Canada. It is important that we recognize the isolation factor that pushes people out of the region. With the youth of today being so worldly they have much less tolerance for isolation. Reducing the feeling of isolation and challenges receiving services will impact the retention of youth. Couple this with education and economic opportunity and we will move toward sustainability.

Public Programs and Services

Programs and services need to be communicated clearly to the public and service should be delivered by the provincial government out of one building. As programs and services are delivered they should be reviewed for effectiveness and gaps. Communities should be aware of where money is being spent and asked if this is the right allocation model for these funds. Infrastructure should be planned to reflect the priority programs and services and the operational needs.

Demographics

Demographics are the same everywhere, youth are out migrating and they are the group who are having children and are the future of our region. They leave for many reasons; employment is the main reason and then education and isolation. As all these pillars impact one another to improve a little in each will have a greater affect on the whole. Development may draw some people back but we have to give them reasons to stay. Younger people see things differently, they interact more with the rest of Canada. This interaction intensifies the feeling of isolation and pushes youth to think more about leaving. The opportunities here for growth are in the hydro and mining industries and we have to plan for this. Not accommodating on education is a down fall (places to apprenticeship training for example). The training and education system has to be looked at because we need to offer training that we can afford to provide in a huge geographical region. This will require innovative thinking in communication development and new responses from educational institutions.

Private Sector

The private sector requires a population base to service/expand and have the work force to carry out operations. There are many programs and services for the business community and they need to be promoted. High school is a good place to promote entrepreneurship and link youth with the private sector. Youth need to be aware that self employment is a viable option. We need to ensure we have a generation of business minded youth. There are high school courses related to self employment and community input reflects a need for funders to connect with the school around these programs.

Skill Development

As the population is aging educational programs should focus on this group as well as K-12. Offering courses here at the local schools for the programs we need people trained in would increase attachment to the local work force. Labrador has a lot to offer in major resource development which will require persons trained in the skilled trades sector. Look to best practices around the world for job training and partnerships. Distance education can be supported through investments in communications and linking public education institutions to the labour force. Schooling should be accessible and flexible in the ever changing environment in which we live.

Sustainability

Sustainability is a major factor in the key to our success. The Regional Council for Labrador defines sustainability as a critical relationship between the environment and people. Our definition of sustainability is thought of throughout the vision and encompasses the following:

- stabilized population
- improved technology
- energy efficient
- diverse economy
- flexible programs and services
- mindset of cooperation and partnership
- meeting the demands of education and health

Collaboration

Collaboration, as the council defines it, requires a spirit of cooperation and a willingness to make decisions that will maximize benefits for the whole and not just a piece of the whole. This kind of collaboration provides opportunities and benefits that would not otherwise be possible. It also poses a challenge for individuals to step out of their 'comfort zones' and look at issues differently.

Citizen Engagement

Community Engagement and the work of the council is reflective of one another as the issues council members have identified correspond with the issues raised through CE. As a whole the CE supports the thinking of the council and the council must use the data collected to figure out the relevant policies that may or may not be addressing the sustainability issues. We have to create a clear link between sustainability and what we are hearing from the communities. In the region of Labrador it is hard to show communities that policies can be flexible enough to be equally applied to all sub regions with the geographical challenges we face. The priority areas are being addressed to some extent by governments and agencies and we need to understand our role and value added in these processes.

Appendix A: Strategic Directions

Strategic Directions

1. Title: Regional Partnership Development

Outcome Statement: Stronger and more dynamic regions.

Clarifying Statement: This outcome requires systemic intervention by the Regional Council in the areas of:

- Partnership Development
 - Within regions
 - Between government and regions
- Forum for informed discussion and priority identification that links economic, social, cultural and environmental aspects of regional sustainability.

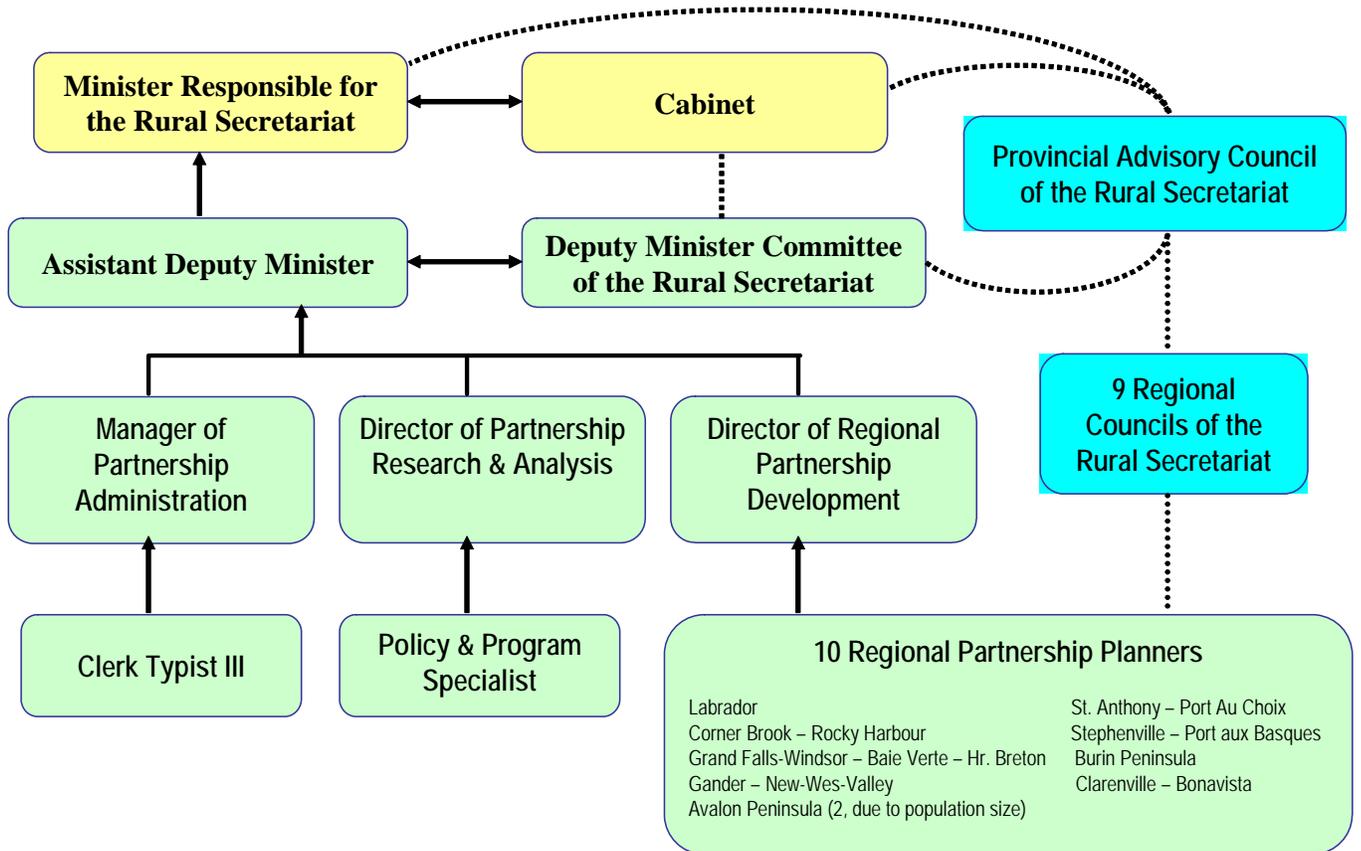
2. Title: Assessment of Policy on Regional Sustainability

Outcome Statement: Improved Government understanding of and response to significant and long-term regional issues.

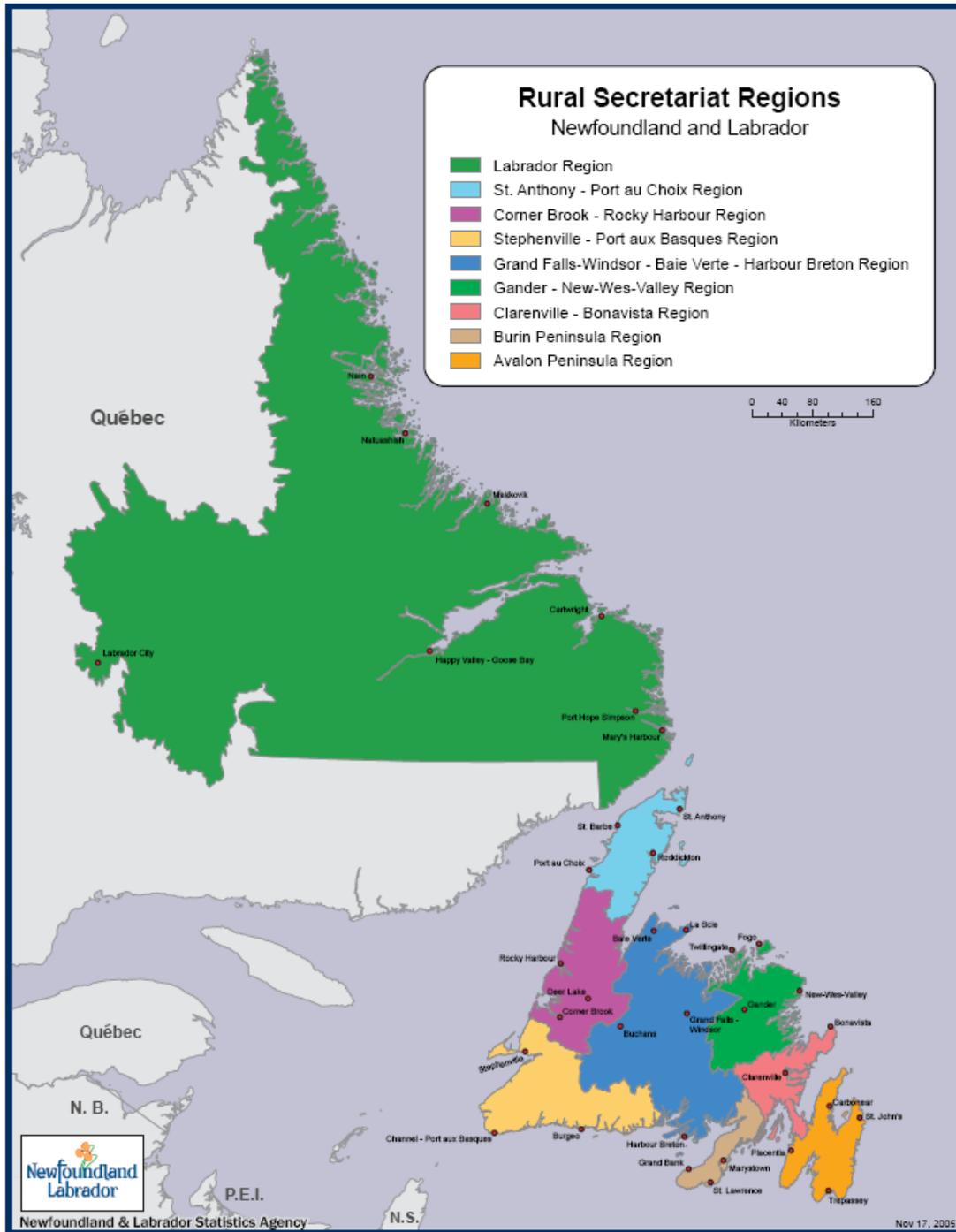
Clarifying Statement: This outcome requires systemic intervention by the Regional Council in the areas of:

- Regional perspectives which can inform the development and implementation of public policy.

Rural Secretariat Structure



Appendix C: Map of the Rural Secretariat Regions



Appendix D: Mandates of the Rural Secretariat and Provincial Council

Mandate of the Rural Secretariat

The Rural Secretariat's mandate is to:

- Promote the well-being of all regions of Newfoundland and Labrador through a comprehensive and coordinated approach to economic, social, cultural and environmental aspects of regional development.
- Act as the focal point for government to work with local and regional partners to build strong and dynamic regions and communities.
- Ensure that regional concerns are considered throughout the provincial government and promoted at the federal level.
- Carry out research and analysis of economic and social issues affecting all regions of Newfoundland and Labrador.
- Help communities and regions identify and take advantage of growth opportunities.

Mandate of the Provincial Council of the Rural Secretariat

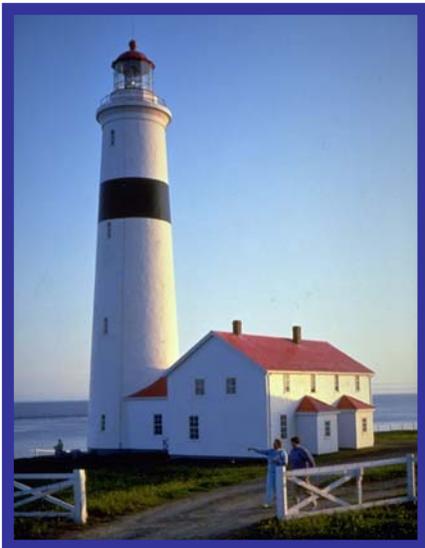
The Provincial Council's Mandate is to:

- Develop a common, evidence-based understanding of the social, economic, environmental and cultural realities facing the province.
- Review key provincial economic and social measures (e.g. education levels, demographic trends, health status, income levels, EI usage, economic diversity) and to reach agreement on the priorities for change over the next five years.
- Identify and advise government on policies and programs which either advance, negatively impact or need to be developed to encourage the necessary change over the five year period.
- Advance cooperation through the sharing of information on and discussion about economic and social measures, and to encourage government and community partners to take action on and be accountable for those areas within their mandates.
- Meet twice annually with the provincial Cabinet and deputy ministers to advance regional development priorities.
- Serve as an external sounding board for government for the development of strategies, policies, programs and budget issues that will affect provincial and regional sustainability.

PHOTO CREDITS:



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Point Amore Lighthouse
Photo Compliments of Tourism, Culture & Recreation

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