



**ENTERPRISE CHARLOTTE
INTEGRATED COMMUNITY GROWTH STRATEGY
FINAL REPORT**

Submitted to:
Enterprise Charlotte

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1.0 INTRODUCTION

The Enterprise Network is the association of the 15 Community Economic Development agencies (Enterprise Agencies) within New Brunswick. The Enterprise Agencies are the entry to government for business development and the primary source of information on regional issues and priorities for the business community.

In July of 2006 the Enterprise Network issued a request for proposals (RFP). The purpose of the RFP was to select a consultant who would guide each of the agencies in conducting a participative strategic planning process. This process would be driven from the bottom-up and would review each agency's existing strategic plan to validate the priorities, goals, objectives and strategies to be established for a revised community economic development strategy. The result would be two documents; an Integrated Community Growth Strategy and the updated Strategic Plan of the local Enterprise Agency.

1.1 Background

This document presents the Integrated Community Growth Strategy designed to advance the economic, social, environmental and cultural sustainability objectives of the community within the boundaries of Enterprise Charlotte (Charlotte County). The Integrated Community Growth Strategy is an integrated plan that will provide all three levels of government a more complete picture of how the Charlotte region is developing while highlighting opportunities for growth and investment.

The Integrated Community Growth Strategy presents a high level view of relevant issues and desired projects in four principal areas: economic, social, cultural and environmental. The Integrated Community Growth Strategy is the result of a broad-based community consultation process which reflects the views of the stakeholders and the current socio-economic context of the region. The Integrated Community Growth Strategy, prepared in response to a Federal-Provincial agreement, is funded by the New Brunswick Department of Local Government, Business New Brunswick and ACOA.

The Integrated Community Growth Strategy also influenced a revision of the priorities, goals and objectives of Enterprise Charlotte's economic development strategy for the region. This planning and consultation process has resulted in the production of two documents:

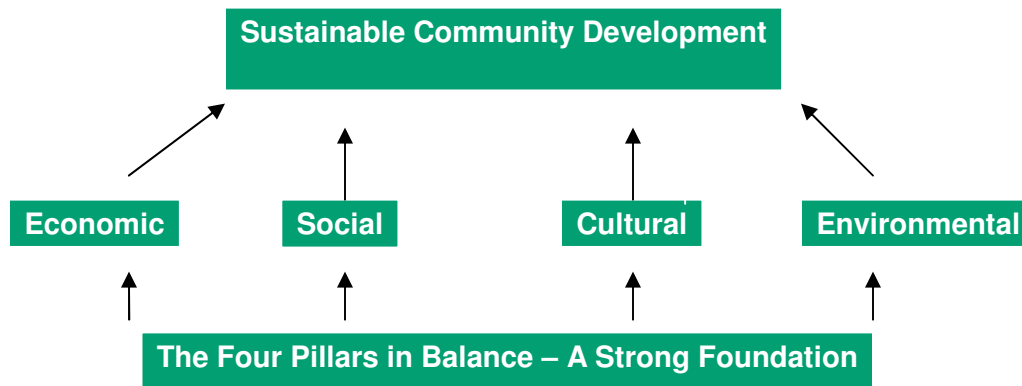
- the Integrated Community Growth Strategy for the region (this document) which was facilitated by Enterprise Charlotte, but it is to be "owned" by the community; and
- an updated Strategic Plan developed and owned by the Enterprise Charlotte Board of Directors.

The objective is not to expand Enterprise Charlotte's mandate, but to provide the agency and the community with a tool to better communicate to governments and stakeholders a more integrated approach to economic development.

1.2 Integrated Community Growth Strategy

Strategic planning for community growth is about making a conscious and deliberate effort to take charge of and give direction to the destiny of the community. Strategy is about making choices. The Integrated Community Growth Strategy is a living, flexible management program which addresses economic variability in the long-term with consideration to a commitment to environmental quality and carrying capacity, and the social and cultural fabric of the region. The Integrated Community Growth Strategy reflects a commitment to building a sustainable region based on the achievement of a positive balance of economic, environmental, cultural and social benefits and to continuous improvement and regular public reporting on the region's performance. Charlotte County, as a region, must adhere to policies and procedures consistent with financially, environmentally and socially sound principles, ensure meaningful stakeholder engagement, seek to enhance values through continuous improvement and increasing responsibility, into the long term. Providing long term value and attaining community sustainability means developing strong relations, managing a healthy environment, and achieving economic growth.

The Four Pillars of Community Sustainability



2.0 METHODOLOGY

The methodology employed to develop the community growth strategy was one of stakeholder involvement and consultation in addition to literature search and documentation review. A total of three community meetings and some 20 personal interviews with key stakeholders including elected officials, municipal representatives, LSD representatives and sector experts were conducted between October and December 2006. The dates, places and numbers in attendance at the community meetings are listed below:

Table 2.1 List of Community Meetings

Date	Place	Number of Participants
October 30, 2006	Grand Manan	15
November 2, 2006	Blacks Harbour	15
November 7, 2006	St. Stephen	19

3.0 PROFILE OF THE REGION

This section presents a brief summary of the statistical highlights for the region for:

- Population and Demographics
- Labour Force Characteristics
- Educational Attainment
- Earnings

3.1 Limitations

A statistical analysis of trends is hampered by the fact that 2006 census data will not be available until late 2007 / early 2008. Some limited population and housing data at the provincial level may become available in March 2007. A comparison of 1996 and 2001 census data is not considered to be very useful or indicative of current trends.

3.2 Population and Demographics

The population of the Charlotte in 2006 was 26,898, a decrease of approximately 1.7% from 2001 (New Brunswick increased by 0.1% during this period). There were no 2006 data specific to age categories for this region. (Source: Statistics Canada, Demography Division). Charlotte County is one of the smallest counties by area, and one of the least populated counties in New Brunswick with a population density of 8 persons per square kilometer versus the provincial average of 10.2. Charlotte County contains 4.8% of the Provincial land area and approximately 3.8% of the population (2001 census). The table below compares the age distribution in Charlotte County to that of the Province (*Source: Statistics Canada*).

Table 3.1 Age Distribution of the Population (2001)

Age Characteristic of the Population	Charlotte County		New Brunswick	
	Total	% of Total	Total	% of Total
Total – All Ages	27,365	100.0	729,495	100.0
Age 0 - 14	5,075	18.5	130,100	17.8
Age 15 - 19	1,850	6.8	50,670	6.9
Age 20 - 24	1,600	5.8	46,765	6.4
Age 25 - 44	7,855	28.7	216,975	29.7
Age 45 - 54	3,950	14.4	113,155	15.5
Age 55 - 64	2,755	10.0	7,910	10.0
Age 65 plus	4,285	15.7	98,935	13.6

Some of the major demographic issues for the Charlotte region include:

- Aging of the population due to declining birth rates, higher life expectancy and youth exodus.
- Out-migration (all age groups).
- Exodus of youth to larger centres in NB seeking employment or higher education, and to rest of Canada (Ontario, Alberta) seeking employment.

3.3 Labour Force Characteristics

In 2001, the Charlotte labour force was 13,490. The only post 2001 labour force data available is at the level of an “economic region”. Charlotte is part of the Saint John – St. Stephen Economic Region (ER 1330). For this region, the age 15+ population was 141,400 in 2006, and the active labour force population was 90,000. 2001 data for this economic region was not available on the Statistics Canada website.

In 2001 Charlotte trailed the provincial averages in labour force activity:

- Participation rate 62.6% (63.1% for NB)
- Employment rate 51.9% (55.2% for NB)
- Unemployment rate 17.1% (12.5% for NB)

In 2001, the largest labour force base for Charlotte County is in the manufacturing and construction industry at 27.6% whereas provincially it is only 19%. The second largest base is agriculture and other resource based industries at 16%, whereas the provincial average is 7.5%.

Table 3.2 Labour Force By Industry (Charlotte County vs. NB, 2001)

Industry	Charlotte County			New Brunswick		
	Total	Male	Female	Total	Male	Female
Total Labour Force	13,490	7,265	6,225	365,040	194,295	170,745
Agriculture and other resource based industries	2,155	1,750	395	27,415	22,635	4,785
Manufacturing and construction industries	3,720	2,480	1,235	69,185	53,825	15,360
Wholesale and retail trade	1,485	650	835	5,3625	27,505	26,115
Finance and real estate	335	60	275	14,800	5,540	9,260
Health and education	1,920	335	1,590	64,415	15,035	49,375
Business services	1,495	935	555	57,435	33,330	24,100
Other services	2,380	1,055	1,330	78,170	36,420	41,750

The largest labour force base for Charlotte County is in the manufacturing and construction industry at 27.6% whereas provincially it is only 19%. The second largest base is agriculture and other resource based industries at 16%, whereas the provincial average is 7.5%.

3.4 Educational Attainment

Common concerns expressed during the consultations were the education and skill levels of the work force. The following table notes the education disparity between Charlotte County and the Province for various age groups.

Table 3.3 Education By Highest Level of Schooling (2001)

Highest Level of Schooling	Charlotte County			New Brunswick		
	Age Group			Age Group		
	20 - 34	35 - 44	45 - 64	20 - 34	35 - 44	45 - 64
% of population in age group with less than a high school graduation certificate	23.7	26.7	34.9	17.0	26.0	37.2
% of population in age group with a high school graduation certificate and/or some postsecondary	36.1	28.3	20.8	34.4	27.5	20.1
% of population in age group with a trades certificate or diploma	14.8	16.5	16.7	11.1	13.8	14.3
% of population in age group with a college certificate or diploma	15.5	17.7	13.1	19.5	18.0	13.5
% of population in age group with a university certificate, diploma or degree	9.6	10.8	14.6	18.0	14.7	15.0

The largest difference is in the 20 to 34 age group, where 23.7% have less than a high school graduation certificate, compared to 17% provincially. Also, in this age group only 9.6% have a university certificate, diploma or degree versus 18% for the Province. This is particularly notable since this is the age group that is going to be in the work force the longest and will have the greatest impact on the County's prosperity.

3.5 Earnings

The average earnings (of all persons with earnings) for Charlotte County in 2000 were \$23,908 which was moderately less than the provincial average of \$24,971. For those who worked full time, full year the average earnings in Charlotte County was \$35,184, again, moderately less than the provincial average of \$36,094.

In Charlotte County, government transfers accounted for 19.2% of personal income versus the provincial average of 17.3%. Also of note is that median family income for couple families was \$48,287 versus the provincial average of \$49,973, however, for lone parent families the median income was \$26,206 in Charlotte versus only \$23,260 provincially.

4.0 DIAGNOSTIC – STRENGTHS AND WEAKNESSES

This section provides a brief analysis of the strengths and weaknesses of the region for:

- People
- Location
- Natural Resources
- Financial / Capital
- Infrastructure: Institutional, Transportation / Distribution, Technology

4.1 People

Strengths

- small business – entrepreneurial spirit
- people are passionate about their Community
- volunteers with a “can do” attitude
- people with talent

Weaknesses

- out migration of workers
- work ethic - reliance on employment insurance
- poor literacy skills
- municipalities do not work together as much as they could
- people do not support local businesses enough

4.2 Location

Strengths

- lower cost land
- property available but there may be a lack of physical structures
- proximity to Saint John where many things are happening there now (refinery for example)
- proximity to trade centers (New England States)
- proximity to US border (both a strength and a weakness)

Weaknesses

- our geography makes us a challenge

4.3 Natural Resources

Strengths

- natural resources (copper, gold, wind power, fish, forestry, etc.)
- natural environment – natural scenery
- exceptional marine eco-system (bird watching, whale watching, tourism, aquaculture)

- high tides, surrounded by water
- lobster fishery
- there is sufficient wood for a wood working business (but not for saw mill)
- rockweed is exported
- some diversified fish species are now viable

Weaknesses

- sustainability of the resources

4.4 Financial Capital

Strengths

- there is some money available at least for lower risk projects

Weaknesses

- banks are often reluctant to loan money to new ventures
- venture capital is often not available, or if it is, it comes at a high price

4.5 Infrastructure – Institutional and Civic

Strengths

- NBCC
- Huntsman Marine Science Centre
- St. Andrews Biological Station

Weaknesses

- there are no upgrading programs (GED) in Charlotte County
- institutions are not always aligned with regional needs
- not enough continuous learning in the area

4.6 Infrastructure – Transportation

Strengths

- Bayside Port
- number of industrial parks
- four lane highway
- much of the County has broadband service

Weaknesses

- isolation – transportation to and from the islands
- government regulations discourage proper signage (tourism, service)
- wharf system is in various states of repair
- cell phone service is not adequate
- lack of 3-phase power in some parts of the county

5.0 DIAGNOSTIC – OPPORTUNITIES AND THREATS

This section provides a brief overview of the opportunities and threats at four sectors:

- Political
- Economic
- Social
- Technical

5.1 Political

Opportunities

- the change in government at both the Federal and Provincial level may present opportunities
- there may be an opportunity in facilitating business (goods) to cross the border
- may be an opportunity in security related businesses

Threats

- border security and the processing time to get across
- bureaucracy – rules and regulations between government departments causes delay in making decisions
- lack of immigration
- government policies (as they relate to taxation for example)
- education and healthcare (constraint)
- trade barriers (even provincial trade barriers)

5.2 Economic

Opportunities

- energy mega-projects
- interest rates are still low
- inflation is low and stable
- global markets
- adding value to low grade lobster
- value added fish products

Threats

- value added fish products
- emerging economies (China, India etc.)
- out migration – loss of trades people
- global economy (both an opportunity and a threat)
- monopolies – lack of competition
- global labour rates
- high Canadian dollar

5.3 Social

Opportunities

- to make people more aware of our way of life – heritage, more of our history
- recycling can grow, but not all things are recyclable – so bring in other business with it

Threats

- aging population – there is a worker shortage
- urban growth in larger centres (Saint John, Fredericton)
- reduced tax base due to decrease in population growth

5.4 Technical

Opportunities

- Internet
- computer / information technology related businesses
- trend to tele-work
- Fundy tidal power
- local built lobster traps
- manufacturing – automation may be an opportunity
- technology may now be available to further process raw products

Threats

- broad band is a REAL problem
- slow to pick up new technology that is available now

6.0 FUNDAMENTAL PROVINCIAL STRATEGIES

The following factors are fundamental to economic development in New Brunswick and should be addressed at the provincial level (and Atlantic Canada level). The Enterprise Agencies do not have the resources to directly address these pan-New Brunswick problems. These factors are:

- Demographics (including immigration) and Labour Force
- Education, Literacy, Numeracy and Trades Training
- Local Governance, Regional Planning and Regional Service Delivery
- Taxation, Fiscal Policy and Business Location Incentives
- Transportation Infrastructure (roads, airports, ports)
- Health Care

Many of these areas are currently being studied by various Task Forces and Commissions, such as:

- The Self-Sufficiency Task Force
- Seeking Fiscal Balance
- Population Growth Secretariat
- Commission on Post Secondary Education

7.0 CORE RECOMMENDATIONS

These recommendations are cross-sectoral and apply to many facets of economic development in the Charlotte region.

- In terms of the lack of adequate, affordable housing: establish an inter-departmental working group whose mandate is to assess the magnitude of the problem and to develop feasible recommendations to address it
- In regards to the challenges facing youth: continue to educate youth on substance abuse, conduct research related to the reasons for dropping out of school and set up programs to address them, and continue to improve recreation facilities.
- There is a change in the traditional family. This situation is certainly not unique to the Region. However it is important to be educated on the effects these changes are having on the education system, the health system, and on the social system
- In regards to the working poor: assess the magnitude of the problem related to the lack of day cary spaces and establish a mechanism to address it, and research what rural areas in other jurisdictions have done to improve the transportation to work issue.
- The needs and requirements of immigrants in the Region should be assessed and a plan to address them should be developed. Again, this issue is not unique to the Enterprise Charlotte Region so review of what other rural areas have done should be a part of the process.
- Ensure protection of the potable water supply.
- Continue (perhaps beef up) the enforcement of the laws related to disposing of garbage in places other than through the waste management system in place.
- Educate everyone on just how special the environment is.
- Invest in upgrading of skills and abilities.
- Attract workers back to the Region.
- Consider ways to improve access to capital.
- Continue to upgrade infrastructure.
- Focus on tourism, aquaculture and manufacturing for growth opportunities.
- Ensure traditional fisheries are maintained and consider ways to add value to all products.
- Support all sectors through business retention and expansion efforts as well as human resource planning initiatives.

8.0 GROWTH FOCUS FOR CHARLOTTE

The key growth sectors for the region should be selected on the basis of the factors of production that can be influenced at the regional level: people, infrastructure, access to capital, land/location, and natural resources. Competitive factors which are not controllable by the region include: currency exchange rates, labour rates, energy costs, financing costs, transportation costs and offshore competitive forces. Unless there are mitigating and compelling reasons to do otherwise, Enterprise Charlotte should not focus its efforts on the sectors which are highly vulnerable to factors where emerging economies enjoy significant competitive advantage. Enterprise Charlotte should focus attention on sectors where there is critical mass - already existing or strongly promising.

The prosperity of a region depends on the productivity with which it uses its human, capital and natural resources. This is manifested in the way in which its firms compete. Productivity is a function of macro-environmental factors, the quality of the micro-economic business environment, and the sophistication of company operations and strategy. Together these determine the capacity for a region to produce internationally competitive firms and support rising prosperity.

Macro-environmental factors consist of political, economic, social and technical elements that can present enterprises with both opportunities and threats, but over which even the largest of business have little, if any, influence. A stable macro-economic environment featuring low inflation, low and stable interest rates and taxation policy favourable to savings and investment create an environment in which competitiveness is possible.

However, prosperity is actually created by the micro-economic foundations of competitiveness: the workers, firms, markets and associated institutions in which competition actually takes place. This is also where Enterprise Charlotte (and supporting organizations) is best able to support the conditions for enterprise development.

8.1 Key Growth Sectors

The suggested key growth sectors for the Charlotte region are:

- Tourism
- Aquaculture
- Traditional Fishery
- Manufacturing
- Retail and Service

The next sections present the competitive advantages and disadvantages (in comparison to other jurisdictions outside New Brunswick) of each sector, as well as the overall strategy, actions and priorities to foster development of the sector in the future.

8.2 Tourism

8.2.1 Sector Overview

Tourism was generally felt to be a sector with significant growth potential even though the geo-political environment of the last several years has decreased travel overall which has been acerbated by the increase in the Canadian dollar relative to its US counterpart.

However, Charlotte County has numerous demand generators. It has an exceptional marine eco-system (bird watching, whale watching etc.) as well as two of the province's Class A attractions (Roosevelt Campobello International Park and Kingsbrae Garden) and three of its Class B attractions (Herring Cove Provincial Park, New River Beach and The Chocolate Museum). It also boasts a wide variety of historic and cultural sites and attractions in addition to many day adventure activities that specifically cater to the "new" tourist who is looking for exceptional experiences coupled with physical activities.

In addition to demand generators Charlotte County appears to have sufficient accommodations to satisfy the varied needs of travellers. The following table identifies the number of roofed accommodations (places and units) available, as well as places by combined star grade categories. In addition, Charlotte County also has 11 campsites with a total of 841 units (tent and RV sites).

Table 8.1 Charlotte County Roofed Accommodations (Places* and Units as of December 2006)

Type	Places	Units	# of Places by Star Grade Categories			
			1.5 - 2	2.5 - 3	3.5 - 4	4.5 - 5
Hotels/Motels	19	628	8	8	2	1
B & Bs	27	94	1	15	11	0
Inns	13	128	1	4	7	1
Cottages	47	135	6	36	5	0
Outfitters	7	27	2	3	2	0
Total	113	1012	18	66	27	2

* In keeping with industry terminology the term "places" is used when referring to establishments or locations and "units" when referring to the number of rooms or cottages. Data is from New Brunswick Department of Tourism and Parks.

A major weakness in the current tourism sector in Charlotte County is the high variability of service quality among the various tourism operations. Also, many operators appear to believe that their greatest competition is from each other, rather than from outside the County (Nova Scotia, for example).

8.2.2 Strategy

The overall tourism goal is very straight forward - encourage more tourists to come, stay longer, and then return. The overall sector objectives should be to generate new visitations (by effective promotion of the region's attributes), extend the length of stay (by providing exceptional quality

of product and service), expand the shoulder season (through innovative new products and services) and have tourists return (by providing an exceptional experience).

According to the *Consumer Profile 2005* conducted by the Provincial Department of Tourism and Parks, visitors to the Fundy Coastal Drive are “upscale, highly educated and somewhat older visitors on long trips ... above average ratios are from the US, they are visiting for the first time and their travels will include visiting all of the Maritime Provinces. Although their trips are long they are flexible. Nature and attractions are their leading interests. “High quality and good service is essential” (*Consumer Profile 2005*, NB Department of Tourism and Parks).

The following are suggested strategies that the County should consider:

- Develop a “brand” for the region
- Update and improve the Charlotte County Tourism Association web site
- Develop a “Charlotte County as a destination” promotional campaign (annually)
- Work with government to get Charlotte County on the tourism map
- Intercept the traveler
- Encourage more tourism operators (from all sub-sectors) to work together to promote the County as a whole, both during the “regular season” and in developing products to extend the shoulder season
- Upgrade roofed accommodation facilities as finances allow.
- Upgrade campground sites to meet the requirements of RVs (electricity, pumping stations, size of sites etc.)
- Encourage each and every tourism operator to undertake a relentless pursuit of quality in both their product and their service. This will require skills training for staff and human resource training for managers and owners.
- Educate everyone on what there is to see and do in Charlotte County.

8.3 Aquaculture

8.3.1 Sector Overview

There are several aquaculture species being farmed in the Bay of Fundy. In 2004, there were 96 cage sites for salmon, 5 for halibut, 3 for haddock and 6 for cod (*Sectors in Review 2004*, DAFA). However farmed Atlantic salmon is by far the largest aquaculture product in Charlotte County and has helped transform its economy over the last 20 years. The County’s participation rate, its employment rate and the number of individuals who work full time year round have all increased during this period.

The spin-off industries are feed production, cage and net manufacturing, boat building, equipment sales and repairs, fish processing, transportation and construction, and research and consulting. The spin-off industries provide some 2,900 indirect jobs in addition to the approximate 1,600 direct jobs in the industry itself (*Sectors in Review 2004*, DAFA).

The major strength of the industry in Charlotte County is its proximity to the lucrative US market for “very fresh” salmon. From a health perspective, salmon is a natural source of protein, vitamins and minerals. It is also a concentrated source of Omega-3 fatty acids which, research has shown, reduces the risk of heart attacks and strokes, relative to other seafood products.

During the last several years the industry has been facing significant pressure on several fronts. It is facing significant challenge in the marketplace from lower cost foreign competition; negative publicity related to Infectious Salmon Anemia (ISA) and Polychlorinated Biphenyls (PCBs); the rise in the Canadian dollar; and production related constraints. The cumulative impact of these factors has caused substantial erosion of equity in the industry and resulted in a major consolidation of the players with one dominant and very few others remaining in the county.

However, more recently there appears to be a significant turnaround of the industry. Although there had been an increase in total volume between 2000 and 2004, the actual farm gate value had declined. However, in 2005 the total farm gate value increased significantly even though the volume from the previous year remained the same. This is reflected in the substantial increase in the average value of a ton of salmon.

Salmon Production in New Brunswick* (2000 – 2005)

Year	Volume (MT)	Farm Gate Value \$ ('000)	Value / MT \$ ('000)
2000	29,100	181,500	6.2
2001	33,900	180,010	5.3
2002	38,900	194,500	5.0
2003	33,100	179,000	5.4
2004	35,000	175,000	5.0
2005	35,000	225,000	6.4

* Source: *Sectors in Review 2002-2004*, Department of Agriculture, Fisheries and Aquaculture, and *Aquaculture 2005*, Department of Agriculture and Aquaculture.

8.3.2 Strategy

The aquaculture industry has come under significant strain from various sources over the last few years but has weathered the storm and has emerged in a strong position. Public opinion, environmental issues, fish health and the value of the Canadian dollar are ongoing issues that the industry must continue to address. In addition there are certain structural changes that need to be considered, such as moving from a production driven system to more of a market driven system. The industry will need to work with all stakeholders, not only during the transition period, but into the future to ensure sustainability of the industry. The New Brunswick Salmon Growers Association is in a unique position to facilitate this process.

In addition to addressing the issues noted above, growth for the industry will require a three part strategy:

- Increase sales of whole salmon;
- add value to the raw product; and
- continue to develop new aquaculture products

More than 75% of New Brunswick's farmed salmon is exported to the United States. The major competition within this market is from Chilean salmon. Chilean producers are well financed, their farming costs are lower and they have less exchange rate risk than Canadian producers (New Brunswick Salmon Growers Association web site, www.nbsga.com). A further complicating factor is that price is the most important criteria for purchase decisions and consumers generally do not differentiate between salmon grown in Atlantic Canada with that grown elsewhere.

Since we are not the low cost producer, our salmon must be "branded" as being higher quality if it is to receive a premium price. This is where Charlotte County producers have an advantage given that their product can be in (US) stores 2-4 days after harvest, whereas for Chilean salmon it is a minimum of 6-7 days (*Atlantic Canada Salmon Farming Sustainability Plan*, NBSGA). This provides a significant advantage due to the extended shelf life for consumers. However, as noted, price is a major factor so extensive promotion and marketing efforts will be required in order to reap the benefit. It is also suggested that, rather than rely on a "Charlotte County" brand that consideration be given to an "Atlantic Canada" brand or even to a "Canada" brand.

To ensure maximum benefit from any resource it is important to add as much value to the raw product as possible. Although the industry initially marketed most of its product as whole fish, it now processes 40% of salmon into fillets, portions and other consumer products. This has led to a significant increase in the number of processing jobs. The sector must continue to seek new and innovative ways to add value. For example, the industry has significant expertise in growing quality eggs and smolts. There may be an opportunity to increase exports of eggs and smolts.

While salmon culture has had the greatest success, there has been significant research and development into various other species such as Atlantic cod, haddock, Atlantic halibut and short nose sturgeon (Task Force on Fostering a Sustainable Salmon Farming Industry for Atlantic Canada, 2005). The future of the industry will be well served by continuing research and development as well as the eventual commercialization of new aquaculture species.

8.4 Traditional Fisheries

8.4.1 Sector Overview

The traditional (commercial) fishery includes ground fish (cod, haddock, halibut etc.), pelagic & other finfish (herring, mackerel, alewife etc.) and shellfish (lobster, scallop, clams etc.) plus a "miscellaneous" category. The commercial fishery for New Brunswick is sub-divided into Scotia-Fundy and Gulf, making it very difficult to determine the impact on Charlotte County.

However, informed opinion suggests that overall, the traditional fishery is holding its own and will continue to be an important sector in the county, but it is not in a growth mode. The backbone of the industry is lobster and herring. The total allowable catch (TAC) for herring has been reduced from some 83,000 tons in the early 2000s to about 50,000 tons currently (source: interview with DAFA official) which is divided up through a quota system among a fairly small group of companies.

The lobster fishery is also sub-divided into Lobster Fishing Areas (LFAs). There is no catch limit for any given LFA (i.e. it is not a quota fishery) but there is a limit on the number of traps permitted as well as other regulatory measures such as trap size, lobster size, no landing of egg-bearing females, restricted gear type, fishing seasons determined by district and through limited entry (licensing of fishers). Also, since vessels in some areas are allowed to fish in other areas statistics related to quotas and landings could be very misleading if one does not have a solid understanding on how the system works.

The commercial fishery also includes several relatively new species such as sea urchins, dog fish, sea cucumber, rockweed, rock crab, marine worms, eels etc. Rockweed has been particularly successful with about 11,000 tones being landed last year (2005).

The strengths of the fishery lay in the increasing markets for fresh seafood, partly due to the aging population and the nutritional health benefits of seafood. The main constraints are the limits to the TACs due to ensuring a sustainable resource. Maintaining sufficient labour has also been identified as a constraint to growth, especially in the value added sector of the fishery.

The main opportunities for the fishery are in under utilized fish species (eel, giant welk, dog fish, marine worms etc.) and in possible new value added products (smoked products, brine products, unique presentation of products etc.).

8.4.2 Strategy

The traditional fishery is comprised of several fairly large companies and many smaller operators. The sector strategy needs to consider their different needs. It is suggested that the strategy support the larger players in obtaining, training and maintaining human resources. All players would require support for research and development, and commercialization of innovative new value added products. Certainly support for research and development for commercializing under utilized species will be necessary in order to further diversify the industry.

8.5 Manufacturing

8.5.1 Sector Overview

Charlotte County has a significant manufacturing sector comprised of some 40 major employers employing about 3,000 workers (Source: Enterprise Charlotte's 2003-2005 strategic plan). The manufacturing and construction industry in Charlotte County employs 27.6% of the work force compared to the provincial average of only 19%. Jobs in manufacturing tend to pay more and

provide year round employment. In addition, manufacturing is considered to be a “basic industry” in that businesses within it usually serve markets outside the region (exporting) and therefore bring “new money” into the local economy.

Charlotte County’s main strengths in this area are its location to major US markets and an abundance of natural resources. The region has an ample supply of wood (many small woodlot owners) for making secondary wood products and is a large grower of wild blueberries which are now well known for their health effects. There is also a great tradition of boat building in the area. The local transportation system (land, sea and air) is also a significant strength. Weaknesses are mostly related to the skills and availability of the workforce and the availability of capital.

Although the rise of the Canadian dollar and the difficulty of transporting goods across the border (especially for smaller companies that do not have sufficient staff to prepare the proper paperwork) present challenges to the sector, there are opportunities as well. Interest rates are low and stable, providing businesses with an ideal time to upgrade plant and equipment and invest in research and development. The globalization of markets presents many opportunities for entrepreneurs with new and innovative products and process. There will be fewer opportunities for those who wish to simply copy what is already available.

The following are some of the opportunities put forward during the consultation process:

- boat haul – Inglis Head (expand to service sail boats?)
- a better way to fish (i.e. a better hauler mechanism, better lobster trap etc.)
- products that add value to blueberries
- biotech industries that utilize services or ingredients from existing industries
- IT industry

8.5.2 Strategy

In order to compete in the global economy manufacturers are going to have to continually improve their products and processes. Globally, this will be driven by advanced processing technologies and will involve the manufacture and/or use of new materials. This will result in goods manufactured at higher productivity levels that also meet stringent international quality standards.

The overall suggested strategy for the manufacturing sector in Charlotte County is that companies, particularly those involved in exporting, obtain International Standards Organization (ISO) or other internationally recognized certification. They should also commit to expansion, product development, new trading relationships and to continually re-investing in their people, plant and equipment.

In addition, manufacturers should consider the merits of joining industry groups or associations that provide opportunities to form partnerships.

Business New Brunswick has identified and developed strategies for clusters within the Province that promise the greatest opportunity for economic diversification and development. Manufacturers in Charlotte County should ensure that they take full advantage of this process by determining if they fall within the scope of the four primary clusters which have been identified: Knowledge Industry; Life Sciences; Advanced Manufacturing; and Value added Resources.

There are various definitions of what constitutes a cluster, but essentially it is defined as a group of inter-related industries that drives wealth creation in a region, primarily through export of goods and services. A cluster consists of a concentration of companies and industries that are interconnected by markets they serve and the products they produce as well as by the suppliers, trade associations, and educational institutions with which they interact.

8.6 Retail / Services

8.6.1 Sector Overview

The retail / service sector is characterized by a preponderance of small businesses as well as some fairly large retail outlets (provincial and national chains) and several international fast food outlets. Wages are generally low, turnover is high and employment tends to be part time and often seasonal. Due to the wages and general working conditions, this sector tends to attract workers with low education and low skills.

The retail / service sector is considered to be a non-basic industry since businesses in this sector primarily serve the local market and thereby serve to redistribute the money in the local economy and reduce “leakage” to other markets. It does not, however, bring in “new money” to the region. It is for this reason that the service sector (excepting tourism operations) has generally not received much attention or support from neither economic development nor government agencies. However, since the workers in this sector are often a key contact point with tourists (convenience stores, general merchandise stores, gas stations etc.) the sector does deserve some attention, particularly related to training front line staff.

During the consultation process it was evident that people believe that there is a need, or at least a desire, for eating establishments to remain open past 9:00 pm. It was noted that there is a gap in what is available and what people want, so they shop elsewhere, thus not supporting local businesses as much as they could.

There were a few opportunities identified such as a business that sells locally made fish products (sardines, other canned fish, etc.) and other locally produced products.

8.6.2 Strategy

Due to the nature of the retail / service sector is suggested that there is little to focus on strategically. However, there is a requirement to provide training / education of front line staff related to providing quality service. Educating front line staff on what there is to see and do in Charlotte County would also serve the community well.

9.0 SOCIAL, CULTURAL AND ENVIRONMENT SECTORS

9.1 Environment

9.1.1 Issues and concerns

- Quantity and quality of potable water
- Waste water management and treatment: many rural septic systems. This needs to be considered from the whole County perspective.
- Solid waste management: garbage on the roadside and illegal dumping continues
- Some felt that we need to set a high bar – in law and in application – and want to make sure government understands this.
- There is some problem with businesses competing with each other for the same resources (environmental). There needs to be a good balance of interests.
- The state of the shoreline has gotten better but there is still too much garbage on it. The harbour in Blacks is dirty which is poor for the environment and also bad for tourism.
- The local environmental is impacted by environmental issues from the states such as the threat of liquefied natural gas (LNG) proposal. This is seen as a significant concern and some people are waiting (before starting a business for example) and not making the investment.
- People need to be educated more so they have a better understanding on how special the marine environment is.

9.2 Social

9.2.1 Issues and concerns

- There is a lack of adequate, affordable housing, particularly for those who work only seasonally. There are many places available but there appears to be a mismatch between the type of housing available and what is needed. It was also noted that there is a shortage of housing for students in St. Andrews.
- There are challenges related to youth such as substance abuse, and in keeping them in school. There is a lack of sufficient recreational facilities, at least in some communities. Some thought that it would be useful to have something like a mentorship program – something to engage them more. It was also suggested that the junior achievement program is coming back, but that it takes money and volunteers to help.
- Some people noted the lack of 24 hour service for hospitals, convenience stores, restaurants etc.
- The change in the traditional family due to teen pregnancies, divorce rates and couples waiting longer to have children were seen as issues of concern. These increase the cost of social services and cause issues in the education system.

- The working poor. For people with low skills, there is often little incentive to work due to the low wages that are available, the cost of transportation (no public transit system) and the lack of day care facilities. It was pointed out that some people end up quitting their job because of the lack of day care spaces.

9.3 Culture

There was not a great deal of discussions related to cultural issues. Many people considered cultural to be a part of the social issues

9.3.1 Issues and Concerns

- Charlotte has a rich maritime culture, this should be promoted more.
- The County does not have the structure / associations etc. to meet the social needs of immigrants so it is hard to attract and to convince them to stay.
- People voiced their opinion that the County's pride and culture may get lost if we are not careful.
- People noted that the Heritage Fair Program was a tremendous project.
- A web site would be useful for fairs, economic forums etc.

10.0 IMPLEMENTATION

As indicated in the introduction, the implementation of the Integrated Community Growth Strategy will rest foremost with the proponents of each of the proposed initiatives. This means that the social, cultural and environmental projects will be implemented by the lead organization as identified in the document. However, Enterprise Charlotte will undertake to direct this report and recommendations to the appropriate authorities to ensure they are aware of the region's needs and expectations, as identified through this process, in each of the targeted areas.

Economic related functions, which fall within the mandate of Enterprise Charlotte, will be implemented in accordance with the Board of Directors Strategic Plan.

The measurement of performance for economic related functions will be guided by the measurement framework provided in the Board of Directors Strategic Plan. It is suggested that the measurement of the achievement for social, cultural and environmental projects be monitored by a newly formed regional committee, charged with that accountability

11.0 CONCLUSION

The Community Growth Strategy for the Enterprise Charlotte has been developed through an extensive consultative and participatory process. It reflects the thoughts and feeling of many people. Participants took time away from work and family to voice their opinions on what Charlotte County needs to do in the next several years to grow economically, socially, culturally and environmentally.

Enterprise Charlotte has facilitated this process and, within their mandate, is committed to following the economic path laid out in the plan. It is also committed to work closely with its partners from both the federal and provincial governments as well as with all community minded organizations to help ensure that all four pillars of the growth strategy work together as a system and thereby ensure sustainable community development.