



Out in the Cold?

FOR GENERATIONS, northern New Brunswick has suffered the indignities of rural desolation: shuttered mills, outmigration among the young, and ageing population. No more, perhaps. For the first time in 40 years, the Government of New Brunswick has targeted the north for renewal.

BY ALEC BRUCE

It is the morning after news broke about one of the most pivotal decisions in New Brunswick history – the agreement to sell NB Power to Hydro-Quebec – and the province’s economic development mandarin is fielding media calls and juggling interview requests faster than a Hollywood publicist. Is it any wonder, then, that Victor Boudreau sounds just a tad relieved when I pose questions about a less spectacular, if no less significant, issue: the fate of rural communities enduring diminishing returns, haemorrhaging industries, and shrinking populations?

“The one thing that’s going to bring you back to wherever you are from in this province is a decent job,” says the Minister of Business New Brunswick somewhat prosaically. “And that’s why we need to focus on helping the great entrepreneurs in the north to expand.”

Boudreau speaks of the “north” the way most people do in New Brunswick: as a synonym for “rural”. Though the province is home to myriad small communities scattered across its central and southern reaches, these towns and villages tend to benefit economically from their proximity to the cities of Saint John, Fredericton, Moncton and, to a lesser degree, Miramichi. Not so for the ribbon of settlements that stretches through Northumberland, Victoria, Madawaska, Restigouche, and Gloucester counties. And for this reason, this region has been a perennial burr in the side of provincial governments, of every political stripe, for more than half-a-century.

No more, perhaps. For the first time in decades (or so say Premier Shawn Graham’s

Liberal planners and politicians), ‘official Fredericton’ is moving aggressively to provide much-needed economic development support for the region.

In 2008, the provincial government unveiled its four-year \$100-million Northern New Brunswick Infrastructure Initiative. According to its mandate, the program provides overall management and oversight responsibilities to the Regional Development Corporation, under the auspices of the Department of Business New Brunswick. Local municipalities and community economic development groups apply for funding on a case-by-case basis. And regardless of the actual county-by-county needs, money is dispersed according to a “strategic” metric of “priority areas,” namely: transportation and business infrastructure.

Specifically, says the official documentation: “These [efforts] will upgrade transportation infrastructures by creating stronger links between the producers and the market; by investing in communications technologies; by supporting strategic industrial parks; and by developing an infrastructure that supports a resource industry and other key sectors. In order to become a self-sufficient province, we must ensure that all regions of New Brunswick have adequate tools in place.”

Another “tool” in this vein which has materialized for the north over the past few months is the Canada-New Brunswick Municipal Rural Infrastructure Fund, valued at more than \$99-million over the next five years. “The need for this is clear,” says the joint federal-provincial backgrounder.

“Municipal leaders consistently identify infrastructure as their most pressing issue. Many municipalities must repair roads, water and sewage systems that were put in place decades ago. Through this and other infrastructure programs, the Governments of Canada and New Brunswick enable municipalities to get going on projects that otherwise might be stalled for years.”

Still, the most convincing, and most recent, shift in policy is the Graham government’s decision to break with the centralized traditions of the past and provide the north with its own agency, or secretariat, of the Department of Business New Brunswick. “This will be based in Bathurst, and it will be headed by an Assistant Deputy Minister,” Boudreau explains. “The agency will be comprised of about 20 people who will cover all the different sectors that BNB normally covers – investment attraction, business development, financial services, and the like.”

What delights Boudreau most about this approach is its tailored, targeted aspect. “To really put a focus on solving the problems of northern New Brunswick, we have to get closer to those problems right on the ground,” he says. “With this, entrepreneurs will be closer to the public decision makers. At the same time, our officers will be better able to obtain the knowledge they need about the real challenges up there. They will be better able to get to know the companies, and they will be better able to help market them.”

On the other hand, almost no one either inside or outside of government expects dramatic turnarounds any time soon. Apart



from the fact that there exists little credible data on the impact, thus far, of either the Northern New Brunswick Infrastructure Initiative or the Canada-New Brunswick Municipal Rural Infrastructure Fund (“too soon to tell” seems to be the chorus), the economic problems remain entrenched.

According to Statistics Canada, the counties of Northumberland, Victoria, Madawaska, Restigouche, and Gloucester (which incorporate both the Chaleur district and the Acadian Peninsula), have endured an out-migration of more than 10,000 young and able-bodied workers since 2002, representing nearly five per cent of the region’s total population and as much as 20 per cent of its skilled labour force. Just as troubling, perhaps, is that these numbers do not include so-called “migrant workers” who toil away in places like Alberta, but who are, nonetheless, considered New Brunswick residents.

The demographic impact is stunning. The region’s effective tax base has shrunk perilously close to the level at which number-crunchers deem the provision of basic social services as statistically nonsensical. In 1966, northern New

Brunswick reached a population of some 220,000 people. This rose steadily each year until 1986, when it plateaued at around 239,000. Today it hovers at around 216,000, less than the number who peopled the region when Prime Minister Lester Pearson was in power. Over the same period, New Brunswick’s overall population increased by more than 100,000 individuals, and Canada’s more than doubled.

Underlying and contributing to these trends has been a dramatic retrenchment in industrial activity, particularly in the traditional forestry sector. In recent years and months, five of the region’s largest employers have shuttered (Smurfit-Stone, Fraser Papers, two of UPM’s pulp mills, and Bowater), taking with them more than 2,200 high-paying jobs.

Reversing these trends will require something more than government’s good intentions. It will take imagination and grit, especially from those who stand to gain from these developments. “Moving a provincial office into the area does provide some measure of local control,” says David Campbell, a Moncton-based economic development consultant. “If you feel as

though you have more control, then maybe you have more of a sense of ownership. I have said for a long time that the north must take more control over its own destiny.”

Just maybe, though, something akin to this is happening. Late last year, after a long hiatus, Fraser Papers Inc. announced the restart of its Plaster Rock Mill, recalling 175 people back to work. At the same time, the Province announced \$5-million in funding for Groupe Savoie of Saint-Quentin to add a wood pellet and briquette manufacturing plant to its hardwood processing operations. The firm expects to export \$9-million worth of products this year.

Indeed, if Boudreau sounds even a little relieved to be discussing the plight of northern New Brunswick – and not, in this case, the fate of NB Power – it’s largely because, despite the eminent challenges and hard road ahead, he believes the region is turning a corner, albeit a narrow one. Who knows? Maybe the deal with Hydro-Quebec, itself, promises immeasurable boons to this long-beleaguered part of the province. Maybe he’ll think about it and get back to me... once the phone stops ringing. 🍁

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