The Long Run Role of Institutions in Fostering Community Economic Development:

A comparison of leading and lagging rural communities

Prepared by:

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Table of Contents

List of Figures

Executive Summary

Background

This report explores the ways in which voluntary organizations, civic institutions, and community events contribute to community economic development processes in leading and lagging communities.

The key questions in this context were:

- What services and programs are provided by institutions? What are their contributions to the social well-being of the community? Which are perceived as being most important or most identifiable within the community?
- What networks and partnerships are employed by institutions?
- What is the relative vitality and health of institutions? What changes have occurred over time?
- What are the important intangible institutions or processes in the community?
- What are the critical challenges and issues for community institutions?

Methodology

Interviews were conducted with three principal types of institutions and with a set of general key informants from the communities, using the procedures outlined below:

- **Key informants**. In each site three (3) formal leaders (people in elected positions or positions of authority, such as mayor, councillors, clergy, administrators, President of Chamber of Commerce) and three (3) other "active" people or informal leaders (business people, executive directors of public institutions or agencies, or other well-informed residents) were selected and interviewed.
- **Voluntary sector organizations**. A list of all voluntary sector organizations in each community was created. These were sorted into the following categories: Social Services; Health Services; Local Economic Development; Youth and Seniors; Service Clubs; Sports and Recreation; Religion; and Political. One organization was randomly selected from each for an interview. If there were no organizations in any particular category, a random selection of as many additional organizations from the other categories was used to bring the total to eight (8) in each community. (Note: some interviews in some sites were completed in the summer of 1999 as part of another study.) Interviews were completed with a member of the organization's executive - usually the President.
- **Civic institutions**. A list of local representatives of health (hospital, medical centre, health clinic), education (public school, post-secondary education institution), and municipal government (or equivalent) institutions was created. In cases where no institution existed in any of the three categories, no substitute interview from another category was completed. In cases where more than one institution existed in one category (such as an elementary school and a high school in the same community), one was randomly chosen for an interview. Interviews were completed with a senior management-type individual - a principal, executive director, manager, mayor, municipal administrator, etc. In some cases a regional institution

not located within the site boundaries was selected for an interview, if it was deemed that a sufficient number of site residents made use of the institution's services.

- **Community events**. A list of community events (festivals, celebrations) for which exclusive membership was not a requirement was created. "Regional" events hosted in another community were included if people from the site played a significant part in helping to organize or work the event. Three events in each site were selected at random, and an interview with the event coordinator was completed.

A total of 20 of communities within the New Rural Economy sampling frame chosen as locations to conduct interviews and surveys. Eight of these were leading communities and 12 were lagging communities.

Differences Between Leading and Lagging Communities

Looking at those variables which are statistically significant at or near the 0.05 level (most significant), or where these is about a 20% difference in the response, we identify that within leading communities compared to lagging communities:

- there is a greater concentration of voluntary organizations related to society and public benefit, education and youth issues, and social services;
- voluntary organizations are more likely to be involved in providing care and support;
- voluntary organizations are more likely to suggest that other existing volunteer groups could step in and fill gaps if they were to cease operations;
- health care institutions decreased the services they provide within the past five years, but education institutions have increased their services;
- representatives of voluntary organizations and business people are each more likely to participate as workers at community events;
- more of the leading communities have events which are longer in operation;
- there is a greater perception that the community has the capacity to work together to act on opportunities and to solve problems;
- voluntary organizations are more likely to identify individual and collective burnout as a pressing challenge.

In lagging communities compared to leading communities we note that:

- voluntary organizations are more likely to be involved in collecting and serving food;
- voluntary organizations are more likely to suggest that local government could step in and fill gaps if they were to cease operations;
- more community events were started for economic purposes;
- "other" community events, often more narrow in their purpose and scope of activities, are more likely to be identified as "defining" events for a community;
- voluntary organizations are more likely to be partners with an institution in the community, usually for the purpose of delivering programs or services;
- health institutions are more likely to be partners with local organizations and local government;

- education institutions are more likely to be partners with local businesses and organizations from outside of the community;
- local government is more likely to be partners with local businesses, local organizations, and organizations from outside of the community;
- businesses are more likely to contribute cash to community events;
- voluntary organizations identify that finding new general members is difficult or very difficult, but at the same time many more of these groups have experienced a net gain in membership in the past year;
- more voluntary organizations related to education and youth activities, and employment and economic interests, have formed in the past five years;
- voluntary organizations are more likely to identify lack of members as a pressing current challenge;
- local governments are more likely to face budgetary problems or pressures.

Conclusions

Institutions in rural communities play an important role in building social capital and social cohesion, and provide the fundamental building blocks for community economic development processes in communities. Voluntary organizations provide a range of services and programs, and serve as important partners for civic institutions. However, they also suffer from lack of funding and membership challenges. Community events provide important social and economic spinoffs, including helping to build the identity and self-esteem of the community. Civic institutions provide important services and programs for citizens, but are challenged with budgetary reductions and changes in service delivery.

Voluntary organizations and civic institutions provide important services and programs in their communities. There is a high degree of social and economic impact from the work of voluntary organizations and from the community events which happen locally. Communities value the work of their voluntary organizations, especially those with a general mandate related to society and public benefit. They also most readily identify with general community events as being important in the community. These suggest that there is a high degree of social capital and social cohesion in communities.

There is also a high degree of networking and partnership within rural communities, particularly between voluntary organizations and civic institutions. However, some of these partnerships may be placed in jeopardy as voluntary organizations struggle with membership and funding issues, and as institutions themselves work in more difficult budgetary constraints.

Finally, rural communities benefit from a high degree of informal and teamwork approaches to making things happen and achieving results. While the circle of participation is sometimes small, we note that rural people are characterised by their individual willingness to pitch in and help out particularly in times of crisis, and by a strong sense of community identity. Although in lagging communities there is less certainty about the community's capacity to work together, it is these "social capital" elements which suggest there is a strong foundation for community economic development action in rural communities.

Policy and Research Issues

- Voluntary organizations collectively identify that the most important work they do is the supervision or delivery of events, programs, and services. They also identify fundraising and sharing of information. Volunteer groups are also frequent partners for civic institutions to provide a full range of programs and services in the community. At the same, they also identify as their critical challenges lack of members and lack of funds. They also identify that there would be substantial impacts if their organization ceased to exist, with little or no capacity for others to fill the gap that would be left. The problems associated with these "capital" issues are real. From a policy perspective, all three levels of government must review the type of financial relationship they have with these critical partners. Adequate renumeration for the ongoing operational costs of voluntary organizations must be included in any financial arrangement for delivery of programs and services.

- On a related note, in lagging communities there seems to be a weaker network of voluntary organizations, based on the comments from the voluntary sector interviewees about who could potentially fill the gaps in their organization ceased to exist. There is a danger that local delivery of some programs and services might not continue if such an event were to occur. Civic institutions and all levels of government should review their partnerships with these organizations to determine what measures of support are required for the continuation of the partnership.

- New voluntary organizations to address the needs of seniors and youth were most frequently identified in all types of rural communities as a need. With an aging population there will be a need for more community based networking and support. As youth are challenged by changing economic opportunities, fragmented households, and less extended family networks, more community based programming will be required. Communities must spend some time planning for the short and long term needs in these areas, and appropriate strategies to respond.

- Among community events, those with a focus on arts and culture and on sports and recreation tend to be more visitor oriented and offer a higher level of potential economic return on investment. These events must be supported with appropriate community and government contributions to maximize economic impacts. Furthermore, community events in general have been characterized as critical elements in building the social fabric and cohesion within the community. Local institutions, organizations, businesses, and general citizens must be made aware of the social and economic impacts of these events, and be encouraged to support them more fully where possible.

- Finding new board members has been problematic especially among older voluntary organizations. At the same time, most groups readily admit that they do not have a strategic approach to recruitment. There are many resources available on this subject. A role for the federal government (perhaps through its Rural Secretariat and through its Voluntary Sector Initiative) could be to coordinate the sharing of this information.

- Half of the voluntary organizations identified that they have little or no funding to do the work they want to do. At the same time, there are many foundations and government programs which have funding to address some of these concerns. There are some commercial ventures which provide a detailed service in helping community groups identify these funding sources. There may be an opportunity for the federal government to provide more and better information about these opportunities. Furthermore, local government (and possibly others) could subscribe to, or offset the costs associated with the purchase of, commercial information services about funding opportunities. This could be done for the community as a whole, and shared by all of the volunteer groups in the community.

- We know a great deal from the voluntary sector itself about what they do. This information could be supplemented with information from individuals and households, and the perceptions and relationships with volunteer groups in their community. This might provide clues about relative social cohesion within the community, and about programs and services that citizens might be looking for from such groups.

- On a related note, more than half of the voluntary organizations identified the need for additional organizations to be formed in the community to meet a variety of needs. More information is needed to identify the specific needs within communities, to map the community assets or resources, and to examine what partnerships or other arrangements might be possible to meet some or all of the identified needs.

- The voluntary sector is a key partner with civic institutions. More information is needed to explore the full extent of the partnerships, the models and conditions under which these partnerships best function, and the "value" of the voluntary sector in providing a partnership role.

1.0 Introduction

Community economic development (CED) has been touted as an approach for communities to take charge of their futures and become more independent and autonomous in developing plans based on the issues and opportunities identified locally. (Dykeman, 1987) Solutions rooted in place and in community are critical in an increasingly global society where capital (both financial and social) can be anywhere. The small and sometimes intangible differences between places can be of critical importance. (Barnes and Hayter, 1994, 1992; Cloke and Goodwin, 1992; Hayter and Barnes, 1997; Marsden *et al.*, 1993) These small differences are primarily about the very fundamental nature of the community itself: its people, its formal and informal institutions, its "culture". For CED to be effective as an approach, there must be a community dynamic: without an effective "community", community economic development does not work.

This report examines the long-run role of local institutions in CED. Institutions (described in more detail later) are defined as: voluntary organizations; annual local events; civic services (local government, health, education); and intangible elements in the community. The role of these institutions is examined in the context of leading and lagging communities, which are associated with an inherent suggestion that their roles can act as a predictor of success.

This report begins with a brief discussion of the key concepts which provide the framework for the discussion (institutions, leading and lagging, community economic development, community development, and social capital). The methodology employed (Section 2.0) and the basic characteristics of the individuals and organizations interviewed (Section 3.0) follow. It then moves to an analysis of key issues related to institutional performance in or contribution to rural communities and CED (Section 4.0). This is followed by a discussion of the similarities and differences between leading and lagging communities (Section 5.0). The report concludes with a discussion of policy issues and implications stemming from the findings, and directions for future research (Section 6.0).

1.1 Local Institutions

A wide range of groups and organizations may be considered and included as local institutions. For the purposes of this report, four sets are focussed upon: voluntary sector organizations; annual local events; civic institutions; intangible elements.

Within the NRE project, a wide range of *voluntary organizations* were identified (Bruce *et al.*, 1999). These organizations are active in such fields as social service provision, health care, local economic development, arts and culture, recreation and sports, youth and seniors, and general community service clubs. These organizations often vary tremendously in terms of their institutional capacity. For example, some groups have a budget and support infrastructure to maintain office space or community facilities, while others are able to employ part-time or full-time staff in addition to the efforts of volunteers. Despite this diversity, the focus in this report is on the active or inactive role played by such organizations within a spectrum of community activities. This role is predicated on their relative strength (an indicator of a community's civil

society capacity), principally through their social capital (the extent and depth of participation and linkages).

Significant *annual local events*, such as an annual festival or parade, are important because they have an organizational network which comes together to coordinate and carry out the event. They are also important because they form part of an identity for communities. Such events typically become part of an annual calendar of activities on which residents can depend and can look forward to. The links to social capital are two-fold. First, whether there are such annual events is a critical indicator of whether social capital can be mobilized on a routine basis. Second, where annual events are carried out, the breadth of social capital linkages is an indicator of the diversity of involvement from across the community. The broader the involvement, the less danger there is that otherwise cohesive social capital will be hindered by non-inclusiveness.

The primary *civic institutions* in any community are its local government, its health care service, and its education facilities. These are important because of the wide range of services they provide to the greater general public, and because they are largely comprised of "representatives" of the community. For example, the local government is typically comprised of citizens elected from the community, and its various committees frequently engage others in a volunteer capacity. Within the health system there may be a community health board, or there may be an active voluntary organization which supports the government financed and programmed services. In a similar way, within the education system there may well be community involvement through participation on committees, use of facilities, and much more. These institutions provide a more formal basis for community interaction and delivery of services and programs, and often their staff are key participants in many aspects of community life. By the same token, these institutions can also pose important barriers to community economic development activity, through a closed circle of leadership, uncertainty about continued programs and services, and in some cases, lack of local control of resources and decision-making.

A final category for examination is "*community intangibles*". These are the difficult to measure but deeply felt elements of sense of identity, feelings of togetherness and inclusion, capacity to respond to community crises, and the leadership styles in the community. These elements become part of the institutional structure of the community to the extent that they reflect collective norms and entitlements. For example, in some communities, a particular individual who has been involved in many activities may regularly be used by residents to get things done. If this use becomes collectively guided by informal or even formal norms and rules it takes on the characteristics of an institution. Similarly, comments about "old boys networks" or "we're a mining town" often refer to arrangements of rights and entitlements that form the basis of institutions. Seeking approval for community projects from the locally elected provincial politician may become institutionalized to the extent that norms and collective sanctions are associated with such approval. If these intangible elements are present in the community, they provide some basis for enhancing or limiting CED processes or outcomes, and thereby can contribute to the leading or lagging status of the community.

1.2 Leading and Lagging

Leading communities are those that are higher on a number of socio-economic characteristics. They have higher incomes, employment levels, family stability, and better housing. Lagging communities have lower levels on these characteristics. This distinction was chosen as a primary basis for comparison in keeping with the OECD analysis of rural communities. Much of our analysis is directed to exploring the demographic, economic, and institutional factors contributing to the difference between these two types of communities. The differences among institutions in different types of rural communities, however subtle, may provide clues about possible actions or processes required within lagging communities to improve their situation. (Reamer, 2000, 1997a, 1997b)

1.3 Community Economic Development

Community economic development has become a widely discussed topic in parallel to the rise of another widely discussed topic: globalization. Pacione (1997, p. 415) argues that “uneven development is an inherent characteristic of the globalization of capitalism”. As a result, local places often have to rely upon their own initiative and resources to spur development. Yet this is a contentious relationship for, as Hoggart et al. (1995, p. 7) argue, “while local arenas are important venues for exploring the precise impact of societal changes, the power that local communities have to direct their own future is limited”. Within these constraints then, many communities are searching for ways to take control over that which they can. Some communities have experienced growth, others decline. Some have rebounded from the loss of major employers, while others have witnessed a spiralling decline in their economic fortunes. Beyond statistical measures of income, employment, and others, there is a direct connection to the notion of institutions: What contributions, if any, do they make to differentiate these communities? Are there particular characteristics of institutions and their part in a process of CED which might suggest a greater likelihood of successful development?

With respect to CED, a wide range of terms and concepts are used to describe the myriad types of place-based economic development activities (Brodhead, 1994; Ichoya, 1994; Jacquier, 1994; Pearce *et al.*, 1990; Perry and Lewis, 1994; Shaffer and Summers, 1989; Swack and Mason, 1994). These different terms are often associated with very different understandings of the community, the economy, and the development process. Some terms presently in use include: Economic Development, Macro-Economic Development, Local Economic Development, Community Economic Development, Sustainable Development, and Sustainable Economic Development. While not a panacea for all places, CED is mobilized through community action - action which requires a community prepared to move on opportunities or to work through challenges.

CED must be viewed as a fluid, evolving process. McRobie and Ross (1987, 1) argue that it is “a process by which communities can initiate and generate their own solutions to their common economic problems and thereby build long-term community capacity and foster the integration

of economic, social and environmental objectives". In their view, "development" is not necessarily equated with "growth"; rather, it means consolidating existing economic resources and improving qualitative aspects of community life.

CED strategies include such things as "import substitution", where local goods are purchased in order to keep revenues within the community, and the plugging of economic "leakages" by developing local capabilities to provide needed goods and services. The goal of CED is to create and enhance opportunities to generate and maintain economic wealth within the community. CED strategies are supposed to be developed with broad public input and general consensus. This supports the argument by Brodhead and Lamontagne (1994) that CED is rooted in local empowerment and autonomy, as well as individual entrepreneurship. Clearly institutions have a major role in CED processes because they provide a broad range of programs and services and contribute economically and socially to the community.

Fossum (1993) follows up with this idea of empowerment and is interested in finding ways to empower community-based revitalization efforts. With a focus on small rural communities, he argues that there are two clear imperatives for CED. The first is the creation of "value-added enterprises". In this case, the emphasis is upon creating some local economic diversity, even if that diversity exists within a relatively constrained natural resource base. Primary manufacturing industries, such as British Columbia's forest industry, have experienced a long period of job reductions through automation such that employment has decreased while productivity has increased. Fossum suggests that higher skill value-added employment would be a way of putting jobs back into natural resource sectors. The second is "capacity building". In this case, the need to enhance the educational, skill, and experience level of local individuals, groups, and leaders is necessary in order to create a foundation for an innovative and effective community. This supportive role is where social capital and local institutions come into play. Fossum's interests are clearly with bridging the gap between community development (capacity building) and CED (additional local businesses).

As a final point, it is recognized that CED is an inherently geographic phenomena. Place and scale are critical. The characteristics marking leading or lagging communities may or may not align with the relative opportunities and challenges which places face and the relative strength of their social capital. While various CED strategies and tools have been applied in urban and rural places, and across a range of global, regional, and intimately local scales, there is no single formula to remedy a community's ills - the unique social and economic geography of each place precludes this. Local places must work to create solutions that are appropriate to those places. This is where involvement, participation, and development of community capacity is so important.

1.4 Community Development

In a general sense, “community development” concerns improvements to local social and cultural infrastructure. It is most often identified as being concerned with increasing the skills, knowledge, and abilities of residents, and with increasing the ability of the community as a whole to take advantage of changing circumstances (Cofsky and Bryant, 1994).

McKay (1987) argues that the concept of community development is rooted in a complex set of variables. These include the physical, social, organizational, and cultural environment of places (see also Campfens, 1997). Local communities are not only complex, but across Canada they are also diverse. Building upon case studies looking at First Nations communities in Canada, she argues that an historical framework is also necessary to identify the current trajectory of these variables.

Building upon McKay's argument, Williamson and Annamraju (1996) suggest that the concept of community development is generally considered to be “holistic”, involving local institutions, political leadership, community spirit, social structure, and other factors beyond economics. They argue that classical economic frameworks were often “pro-development” and that community development initiatives must be framed within more general concepts such as sustainability, environmental, and local social equity issues. The important issue for rural and small town communities is the degree to which local economies are dependent upon single industries or single resources. The more dependent a local economy, the more difficult (but also more critical) it is to diversify. The connection with institutions here relates to the programs and services they provide to build skills, knowledge, and abilities, and the intangible aspects related to how institutions function within the community.

1.5 Social Capital

Broadly, social capital includes the extent of social trust and relationships between individuals or groups (Hofferth and Iceland, 1998; Wall *et al.*, 1998). This foundation of trust and prior relationships is thus a resource which is drawn upon to accomplish things for these individuals or groups. Like other forms of capital, social capital can be generated and grown until it is drawn upon. But social capital is also different in that it will degrade with lack of use and it is not so readily transferable (Schulgasser, 1999; Astone *et al.*, 1999). Therefore, social capital is something which must be maintained and nurtured in order to be effective.

Social capital also refers to participation by individuals and the creation of linkages between key institutions and actors. Such participation and linkages create a resource which can be drawn upon when needed. The extent of social capital within local institutions, and the potential deployment of social capital through institutions are critical aspects which enhance community, support CED efforts, and may contribute to a leading status of a community.

The current growth of social capital literature is most often traced to Putnam's work in Italy (1993) and later in the United States (1995). Putnam's interests were in identifying explanations for why some states or organizations were more effective in promoting democratic participation and functioning. To translate into this context, why do some places succeed and others do not; why are some leading and others are lagging? Translation of social capital ideas into rural and small town studies has been led by a number of sociologists who argue that social capital is linked to older sociological traditions which have emphasized horizontal linkages between groups (Flora and Flora, 1996; Molinas, 1998). In particular, Flora (1998) argues that the lineage extends back to Durkheim's interest in linkages and Bourdieu's ideas about group solidarity.

There are two important and distinct components of social capital: *localized social capital* and *bridging capital* (Wallis, 1998). Localized social capital is associated with individuals and is constrained by place. Of central interest is the extent of participation and interaction by individuals. Bridging capital, which is directly related to this analysis, is associated with groups or organizations and is not necessarily constrained by place. In this case, the interest is with linkages between groups and organizations. These linkages form a network of support, information, and resources.

There is also a strong critique of the normative use of social capital. Portes (1998; and Portes and Landolt, 1996) in particular argues that many of the assumed strengths of social capital can also be associated with negative consequences. For example, building strong and cohesive links among a set of decision-makers within different organizations can also lead to exclusion of newcomers or new ideas. Associated with the potential for exclusion is a related potential for forcing conformity. We would add that many of these arguments, both supportive and critical of social capital, mirror an older literature on the concepts of community and community change (Bell and Newby, 1971; Everitt and Gill, 1993; Fitchen, 1991; Forsythe, 1980; Fuguitt, 1963; Johansen and Fuguitt, 1979; Pierce-Colfer and Colfer, 1978; Sanderson, 1938; Sanderson and Polson, 1939; Spaulding, 1962).

Thus, we ask several questions:

- What services and programs are provided by institutions? What are their contributions to the social well-being of the community? Which are perceived as being most important or most identifiable within the community?
- What networks and partnerships are employed by institutions?
- What is the relative vitality and health of institutions? What changes have occurred over time?
- What are the important intangible institutions or processes in the community?
- What are the critical challenges and issues for community institutions?

There are two important limitations in this report. First, it is very difficult to distinguish which are the dependent or independent variables related to leading and lagging communities. Do communities which are characterized as being leading find themselves in this state because they have strong local institutions and a high degree of social capital? Or do they have strong institutions and a high degree of social capital because they are leading communities? To

address this limitation we look at the strength of the associative relationship between the leading and lagging status of the community and a number of different variables. Second, the data sets for analysis are variable in size, comprised of 162 voluntary organizations, 99 key informants, 51 representatives of civic institutions, and 50 event coordinators from 20 different communities. The differences result in varying degrees of data reliability and strength of relationships within each data set. However, the findings play an important part of informing a longer term inquiry about leading and lagging outcomes for rural communities.

2.0 Methodology

The process used for selecting communities is based on the work of the Canadian Rural Revitalization Foundation's (CRRF) New Rural Economy (NRE) project (Reimer, 1997a; 1997b). Using the census subdivision (CSD) as the level of geography, all CSDs in rural Canada were classified to provide comparisons between:

- those that are highly exposed to the global economy and those that are not
- those that have stable economies and those that do not
- those that are adjacent to major urban areas and those that are not
- those that have a high level of institutional capacity and those that do not
- those that are leading and those that are lagging.

The distinction between leading and lagging CSDs is based on factor analysis of a number of economic variables. Leading CSDs are those that emerged relatively high with respect to income, employment, family stability, and housing. Lagging CSDs are relatively low with respect to these variables.

The combination of these factors result in a "sampling grid" composed of 32 cells or "different" types of communities, half of which are categorized as leading communities, and half of which are lagging. A single community from each cell was selected to represent that type of rural community. A total of 20 of these communities were then chosen as locations to conduct interviews and surveys, based on a variety of factors including resources available and availability of site researchers to complete the work. Eight of these were leading communities and 12 were lagging communities. Table 1 shows the communities where the research took place in this study.

Table 1 Location and Status of Communities

Community	Province	Status	Community	Province	Status
Winterton	NF	Lagging	Tweed	ON	Lagging
Twillingate	NF	Lagging	Carden	ON	Lagging
Lot 16	PE	Leading	Usborne	ON	Leading
Springhill	NS	Lagging	Seguin	ON	Leading
Blissfield	NB	Lagging	Spalding	SK	Lagging
Neguac	NB	Lagging	Wood River	SK	Leading
Ste-Francoise	QC	Lagging	Hussar	AB	Lagging
Cap-a-L'aigle	QC	Leading	Ferintosh	AB	Lagging
St-Damase	QC	Leading	Tumbler Ridge	BC	Leading
Taschereau	QC	Lagging	Mackenzie	BC	Leading

Field work was conducted during the summer of 2000. Interviews were conducted with three principal types of institutions and with a set of general key informants from the communities, using the procedures outlined below:

- **Key informants**. In each site three (3) formal leaders (people in elected positions or positions of authority, such as mayor, councillors, clergy, administrators, President of Chamber of Commerce) and three (3) other "active" people or informal leaders (business people, executive directors of public institutions or agencies, or other well-informed residents) were selected and interviewed.
- **Voluntary sector organizations**. A list of all voluntary sector organizations in each community was created. These were sorted into the following categories: Social Services; Health Services; Local Economic Development; Youth and Seniors; Service Clubs; Sports and Recreation; Religion; and Political. One organization was randomly selected from each for an interview. If there were no organizations in any particular category, a random selection of as many additional organizations from the other categories was used to bring the total to eight (8) in each community. (Note: some interviews in some sites were completed in the summer of 1999 as part of another study.) Interviews were completed with a member of the organization's executive - usually the President.
- **Civic institutions**. A list of local representatives of health (hospital, medical centre, health clinic), education (public school, post-secondary education institution), and municipal government (or equivalent) institutions was created. In cases where no institution existed in any of the three categories, no substitute interview from another category was completed. In cases where more than one institution existed in one category (such as an elementary school and a high school in the same community), one was randomly chosen for an interview. Interviews were completed with a senior management-type individual - a principal, executive director, manager, mayor, municipal administrator, etc. In some cases a regional institution not located within the site boundaries was selected for an interview, if it was deemed that a sufficient number of site residents made use of the institution's services.
- **Community events**. A list of community events (festivals, celebrations) for which exclusive membership was not a requirement was created. "Regional" events hosted in another community were included if people from the site played a significant part in helping to organize or work the event. Three events in each site were selected at random, and an interview with the event coordinator was completed.

3.0 Profile of Institutions and Key Informants

Key informants from the study sites included 45% who were in formal or elected positions. The balance were informal in the sense that they did not necessarily hold a position of influence or decision-making in the community, but instead were long time residents or someone who was well known and well-informed in the community. (Table 2) There were no differences in the distribution of formal and informal key informants within leading and lagging communities.

Almost two-thirds (62%) of the key informants had been born in the community. (Table 2) The balance were evenly distributed among those having been born in other rural places in their province, in urban places in their province, and from elsewhere. A slightly greater share of the informants in leading communities were born locally, and almost one-quarter of those in leading communities were born outside of their province.

The majority of the informants (56%) were between the ages of 45 and 64 years. (Table 2) More of the informants from leading communities fell into this cohort, whereas about 25% of the informants in lagging communities were in each of the 30-44 years and 65 years and over age cohorts.

Table 2 Profile of Key Informants

	Total % (n=99)	Leading % (n=42)	Lagging % (n=57)
Formal/elected	45	45	46
Informal	55	55	54
Born locally	62	67	58
Born in rural community in province	14	5	19
Born in urban community in province	13	5	18
Born elsewhere	13	23	5
Less than 29 years old	2	0	4
30-44 years old	26	25	27
45-64 years old	56	65	47
65+ years old	17	10	22

Half of the voluntary organizations described their activities as being “society and public benefit” activities. About one-third were involved in each of “sports and recreation” and “education and youth development”. (Table 3) Within leading communities there was a much greater concentration of “society and public benefit” organizations (61% of those in leading communities), “education and youth development” organizations (39%) and “social service” organizations (35%).

Table 3 Profile of Voluntary Organizations*

Organization Type	Total % (n=162)	Leading % (n=74)	Lagging % (n=88)
Society & public benefit	49	61	39
Sports & recreation	30	34	26
Education and youth development	29	39	20
Social services	25	35	17
Arts & Culture	23	28	19
Health	22	28	16
Employment & economic interests	16	20	13
Religious organizations	14	15	14
Environment & Wildlife	12	12	13
Multidomain	8	11	6
Law & Justice	6	12	1
Foreign/International	4	5	3
Other	22	18	26

* Organizations were permitted to identify more than one focus of activity if they felt that a single category do not best describe their function.

Two-thirds of voluntary organizations in this sample were started more than 15 years ago, with one-third having started since 1986. The distribution within leading and lagging communities was the same. However, some types of organizations have been in place for a longer period of time. For example, “sports and recreation” organizations represent 37% of all groups more than 15 years old, but comprise only 14% of the newer organizations. In a similar fashion, religious organizations represent 18% of older organizations and only 4% of newer ones.

Among the representatives of institutions interviewed in this sample, 18 (35%) were from local government, 17 (33%) were from education, and 16 (31%) were from health. Twenty of these 51 were located in leading communities (8 local government, 6 education, and 6 health).

Many communities have many different types of events, and most events often have several activities within them, sometimes covering a broad range of activities and perhaps with different target groups (some for youth, some for seniors, etc). Looking at the community events in the sample, about one-third are characterised as general community events with many activities. These would include “community days” or general “festivals”. About one-quarter are

characterized as arts and culture events. These would include comedy festivals, music festivals or concerts, or “heritage days”. About 20% are characterized as sporting events, such as rodeos or curling bonspiels. (Table 4) The distribution of event types within leading and lagging communities is much the same, except that general events make up slightly more of the events in leading communities compared to those in lagging communities.

Table 4 Event Type by Community Status

	Total % (n=50)	Leading % (n=20)	Lagging % (n=30)
General	36	40	33
Arts/Culture	26	25	27
Sports/Recreation	20	20	20
Other	18	15	20

Within the sample, 50% are events which started before 1986, and 50% since then. However, 55% of events in leading communities were started in last 15 years, while 54% of events in lagging communities were started before 1986. Most of the arts and culture events are newer, with 70% of them started in the last 15 years. Most of the sports and recreation events are older, with 80% started before 1986.

4.0 Institutional Factors Related to Community Economic Development

4.1 Services and Programs

4.1.1 Voluntary Sector

A key role that many institutions in communities play is in the provision of services and programs to its citizens. In the case of voluntary organizations, they tend to provide one of three types of services or programs: those on behalf of municipal or senior levels of government (such as a training program); those in lieu of services or programs not offered by government (such as recreation activities where no local government recreation program exists); and those which supplement or complement government services or programs (such as a heritage group developing tourist attractions to supplement private sector and government tourism initiatives). Although we did not ask these organizations to distinguish their activities across these three types, we are able to identify the full range and the most important of all of the activities the voluntary sector collectively provides to rural communities.

More than half of all organizations are involved in organizing or supervising events, canvassing, campaigning or fundraising, and providing information to their members or clients and others. Very few are involved in maintenance/repair work, collecting/serving/delivering food, or in leading/organizing a self-help group. (Table 5) Many more of the organizations in leading communities are involved in providing care or support for individuals and families in their communities, whereas many more of those in lagging communities are involved in collecting/ serving/delivering food.

A very similar pattern emerges when looking at the most important activities of voluntary organizations, where the three most important activities are also those most common among the groups. The provision of care and support as an important activity is much more associated with leading communities, while performing maintenance and repair work as an important activity is much more associated with lagging communities. Given the wide range of activities undertaken by these groups, it is clear that voluntary organizations are build their own internal skills and capacities to participate effectively in community economic development processes and projects.

Table 5 Activities of Voluntary Organizations

% Citing this an Activity	Total (n=162)	Leading (n=74)	Lagging (n=88)	% Citing this as an Important Activity**	Total (n=162)	Leading (n=74)	Lagging (n=88)
Organizing or supervising events	69	65	75	Organizing or supervising events	51	53	49
Canvassing, campaigning, fundraising	56	57	56	Canvassing, campaigning, fundraising	31	37	26
Providing information	56	53	58	Providing information	24	30	18
Office work	45	47	43	Providing care or support	22	32*	13
Teaching/ coaching	42	39	44	Teaching/ coaching	17	23	12
Providing care or support	38	46*	31	Maintenance/ repair	14	8	18*
Maintenance/repair	32	26	36	Office work	8	5	9
Collecting/ serving/ delivering food	25	16	32*	Collecting/ serving/ delivering food	6	4	7
Leading/ organizing a self-help group	15	19	12	Leading/organizing a self-help group	6	10	3
Other	42	46	39	Other	22	27	18

* Difference[1] between leading and lagging communities is significant at 0.05 level.
** Organizations were permitted to identify more than one most important activity if they so chose.

Voluntary organizations make a significant contribution to the social well-being of rural communities. Almost three-quarters of all groups feel that they make a major or significant contribution to their communities in this regard. (Table 6). There is little or no difference between those in leading or lagging communities, or between older (pre-1986) or newer voluntary organizations, in this regard.

[1]The measure of difference used here is an associative measure called "Phi". Phi is a statistical chi-square based measure of association for nominal data (any data which is "categorized"). It divides the chi-square by the sample size and takes the square root. It is very similar to Pearson correlation in that it assigns a value of between -1 and +1. As with other relationship measures, the strength of the relationship is more statistically significant if its significance value is close to zero. In this case, we use Phi to measure association between leading and lagging status and questions with yes/no response categories. The closer the Phi value is to -1, the greater the relationship to a "lagging" status of the community; the closer it is to 1, the greater the relationship to a "leading" status of the community.

Table 6 Social Contribution of Voluntary Organizations

	Total % (n=160)	Leading % (n=74)	Lagging % (n=86)
Major or significant	74	74	72
Some	14	12	16
Little or none	13	13	12

Some specific examples of the social contribution made by voluntary organizations and their programs and services include:

- "The service allows people who want to live at home do so."
- "The arena is the centre of the community in the winter months, without it there would be no community social events."
- "The well-being of the community starts with the well-being of the children."
- "We do a lot of good stuff, e.g., visit the sick, funeral lunches and comfort, banquets for organizations."
- " From a heritage point, the maintenance of old building (school)."
- "Activities for students. Parenting workshops at night, as well as computer use. Run a non-profit lunch program one day each week."
- "Support of families during times of mourning."
- "We help people overcome substance abuses so that they may then contribute to their community as well. We give the youth in the community a safe place to be themselves away from drugs, alcohol and sex."

In many cases voluntary organizations describe their impact in very general terms. In cases where they are able to "quantify" their impact they often cite registration or program participation numbers as measures of their impact and reach. Others have more direct and indirect specific measures or indicators to illustrate their contribution or impact in the community. For example:

- "The service receives constant praise. A survey by the seniors nursing home returned positive results."
- "Kids that have used the centre come back and say the effect it had."
- "The best indicator would be that the arena is always filled to capacity, people have time and interest in local events. That means that things are pretty good and people are quite happy with the way things are going."
- "Give money to fire department; sent money to other countries (hurricane, etc.); donation for heart monitoring machine; donation to library every Sunday."
- "Increased length of summer programming (6 weeks); brought in new sports (figure skating, power skating, and ball); art guild started up in the last few years."
- "Playground donation; donation of tools to the Industrial Arts program at the high school."
- "Low crime rate means kids are participating in non-deviant activities."

Given the important role of voluntary organizations in providing services, it is important to determine what local impacts, if any, would result if the voluntary organization ceased to exist. Table 7 shows voluntary organizations feel there would be a local impact if they ceased to exist. The identified impacts are evenly split between major impacts (e.g., a service no longer being offered to a critical population) and minor impacts (e.g., an annual civic function no longer being organized and held). With relatively little difference between leading and lagging sites, these findings reinforce the importance of voluntary organizations as a local institution in rural communities.

Table 7 Local Impact if Voluntary Organization Ceased to Exist

	Total % (n=69)	Leading % (n=32)	Lagging % (n=37)
Major impact	45	44	46
Minor impact	45	50	41
No impact	10	6	14

Specific examples of the local impact if a voluntary organization ceased to exist include:

- "Heritage of small inshore boat-building would be lost."
- "Events in the community would die off, and there would be a decline in community spirit."
- "Many household people would have to move into [care] homes or hospitals. Closure would cause stress on existing services."
- "Local small businesses would feel the loss."
- "Young mothers would be isolated again."
- "Without the Optimists there would be no such thing as a community here."
- "[Our] Club is a factor when people choose [this community] as a place to live. [It] Brings people to [this community] in winter. Store, garage and school would close."
- "It would double the [emergency] response time to the district."
- "Many of the organizations in town would lose donations; the bursary would be gone."

When asked if some other group or organization would fill the gap if they ceased to operate, nearly one-third of respondents felt that no one would fill the gap. (Table 8) A number suggested that the local government would fill the gap, but these were often offered as an uncertain fall-back position and described by lines like “I guess it would be up to the local government to do it”. Of course, local governments in rural communities suffer from a heavy workload with small staff sizes and volunteer or part time elected leadership. One difference noted between leading and lagging communities is that volunteer groups in leading communities were more likely to suggest another voluntary organization which would possibly take over and deliver the services or oversee the activities. This ready suggestion of replacement organizations suggests that the social capital, embedded in past linkages and mutual participation, provides a good foundation for flexible responses to crisis. This is a generally required trait for CED work, and is an indication that there may be qualitative differences in voluntary organization coordination and social capital creation in leading communities.

Table 8 Replacement of Gap Left by Voluntary Organizations if They Close

	Total % (n=69)	Leading % (n=32)	Lagging % (n=37)
Other volunteer groups	33	41	27
Local government	30	22	38
No one	29	28	30
Don’t know	7	9	5

Representatives of voluntary organizations recognize their important role in the community and are in a position to identify what other roles their sector as a whole can play. More than half of the representatives (56%) of voluntary organizations feel there is a need for additional voluntary organizations in the community to fill the gaps in needed services and programs. The need is felt in all types of rural communities, with 49% of the representatives from leading communities and 62% of those from lagging communities identifying this need. The most frequently cited need (by almost half) was for groups to provide services and programs for youth and seniors, and this was the case in both leading and lagging communities. (Table 9) The next most important need was in the area of providing social services.

Table 9 Types of New Voluntary Organizations Needed

	Total % (n=43)	Leading % (n=15)	Lagging % (n=28)
Youth and senior	44	47	43
Social services	19	20	18
Cultural	9	13	7
Health	9	13	7
Sports & recreation	5	0	7
Informal	5	0	7
Other	9	7	11

4.1.2 Civic Institutions

The key civic institutions play vital roles in delivering programs and services within their communities. Schools at all levels provide education and extra curricular activities for school age children. They often serve as a community meeting place, and some of their facilities such as gymnasiums and computer rooms provide after hours community programming for citizens. Health care facilities within this sample included small local and regional hospitals offering a range of general hospital services, and also included smaller operations such as clinics and health centres offering a range of specific programs such as nutritional programs and counselling. Local governments are the most immediate service provider for general citizens. Depending on the size and tax base of the community, they provide a range of services and programs from solid waste disposal to recreation programming and many other services.

One concern for residents in rural communities is changes in access to the services and programming provided by their civic institutions. This is a particular concern in light of ongoing organizational restructuring and budgetary reductions. Generally speaking, there are as many institutions that have increased their services as have had decreases in their services. (Table 10) Slightly more of the health care institutions have increased their services than decreased them, and this is more the case in lagging communities. More of the education institutions in leading communities have increased the range of services provided, while in lagging communities more have decreased their services.

Table 10 Changes in Services of Civic Institutions

Institution	Type of Change	Total %	Leading %	Lagging %
Health (n=16)	increased services	44	33	50
	decreased services	31	50	20
Education (n=17)	increased services	35	67	18
	decreased services	35	33	38
Local Government (n=18)	increased services	33	43	27
	decreased services	33	28	36

Representatives of these key institutions were quick to identify the very real concerns that people have in their communities about the potential impact in their community if their institution were to close. Generally speaking it was felt that closure of the health care or educational institution would mean a loss of identity for the community, longer travelling times and distances for services, and loss of community infrastructure. In terms of local government, representatives spoke about the loss of local control of key services and programs if their municipality was forced to merge with another.

4.1.3 Community Events

Community events provide important individual and community wide social benefits and impacts. Each of the events in this sample noted at least one positive social impact, characterised by these comments from event coordinators:

- "Allows people to get to know their neighbours, creates bonds of friendship, promotes interaction."
- "An opportunity for social interaction among youth and seniors, promotes healthy living, physical activities."
- "The town becomes transformed into this magical place. Low self-esteem is boosted."
- "A good social activity. Brings different people together."
- "A good experience for the people who are working at the event."

Community events are thus a venue for building social capital and social cohesion, and provide opportunities for individual and group learning and development. In addition to providing social opportunities for community residents to come together, there is often a direct or indirect economic impact of such events. Event coordinators cited these examples:

- "The local service industry doubles economically during the period."
- "The economic spinoff was estimated at $1.5 million."
- "Local materials are purchased where possible."

- "Makes a small profit for the Rec Board."
- "Lions Club able to make money from fundraisers."

One-quarter (five) of the events in leading communities and 10% (three) of the events in lagging communities did not have an economic impact or spinoff. Having said that, a few community events are started primarily for economic purposes - to raise money for an event or a cause, or to stimulate spending and economic activity in the community (primarily through drawing visitors to the community). Twenty percent (four) of the community events in leading communities were started for primarily economic reasons, while 30% (9) in lagging communities were started for this reason. This suggests that to a certain extent community events play a vital and important economic function for communities in a lagging situation. Higher levels of social capital and social cohesion might be required to sustain such important activities.

Community event coordinators were asked to speculate on what would happen in the community if their event were to cease. In half of the cases, it was felt that the community would rally support for the event to resurrect it. As suggested earlier in Table 8, this might be another volunteer group. In another one-third of the cases, there would be some concern, but not necessarily any action. In 10% of the cases, nothing would be done in the community about the closure of the event. There are no differences between leading and lagging communities.

Community events also play a role in helping to "define the community". In other words, some events become "institutionalized" in the minds of local citizens. These may be events which have been in place for many years in the community, or more recent events which have become so important for economic or social reasons that many in the community and elsewhere readily identify the community with that event. Community event coordinators were asked to identify the one or two events which clearly define their community or which people generally identify with their community. Concerning the difference between leading and lagging communities, "general" community events were identified much more often in leading communities. (Table 11) These are often larger events with a broad range of activities and appeal to a broad audience of local residents and visitors alike. These also likely require a higher level of organizational skills, social capital, and social cohesion for their success. "Other" events (such as religious events, reunions, or other more specifically focused events) were cited more frequently by event coordinators in lagging communities.

Table 11 Defining Community Events in Rural Communities*

	Total % (n=48)	Leading % (n=18)	Lagging % (n=30)
General	60	78	50
Sports/Recreation	48	56	37
Arts/culture	42	44	40
Other	25	11	33

*Event coordinators were permitted to identify a maximum of two events.

Most community events offer something for local residents and for visitors alike. For local residents these are often important social activities, while for visitors these are a mix of tourist activities, opportunities for extended family gatherings, and participatory (as event competitors, entertainers, participants) opportunities. Looking at 49 events collectively in this sample, it is estimated that about 63% of the participants are local residents and 37% are visitors. (Table 12) Events in leading communities tend to be more geared to a local audience, with about 77% of their participants coming from the local community. General community events (community festivals and celebrations) are more prevalent in leading communities and are generally developed for local residents. In lagging communities it is closer to an even split between local and visitor audiences. This can be explained in part by the fact that more specialized events, ("other" events) are slightly more concentrated in lagging communities, and these tend to have much higher visitor orientation. For example, for team sports events there are generally teams from outside the community who come to participate, and they may bring family and friends with them. Similarly, for a craft festival there may be artists from a regional or provincial territory who come to display their work locally, and the audience of those interested in crafts would be drawn from a larger geography. Collectively, these visitors spend money in the community. There are no differences between older and newer events and the target audience.

Table 12 Local and Visitor Audience for Events in Rural Communities

	Total (n= 49)	
	% Local Population	% Visitors
All events	63	37
Events in Leading Communities (n=20)	77	23
Events in Lagging Communities (n=29)	53	47
General (n=18)	71	29
Arts/culture (n=12)	55	45
Sports/Recreation (n=10)	44	56
Other (n=9)	77	23

4.2 Networks and Partnerships

4.2.1 Voluntary Sector

Voluntary organizations work collaboratively with others to achieve mutual goals or to deliver programs and services. Most organizations, particularly those in leading communities, work in partnership with other volunteer groups in the community. These relationships include shared use of space, complementary programs, or contributions made from one group to another. Almost three-quarters have a partnership or relationship with local government. These relationships include direct delivery of programs and services for the municipality, funding, use of office space, and much more. Institutions and businesses are also partners for about half of these organizations, and there are more of these types of partnerships in lagging communities. (Table 13) A possible explanation for more volunteer groups in lagging communities having institutional partners is that those institutions may be smaller and lack sufficient resources to offer the full range of programs and services they so desire. Thus they reach out and form partnerships or have other arrangements with these voluntary sector groups. This type of partnership development is an important characteristic for successful CED processes and outcomes.

Table 13 Partnerships Among Voluntary Organizations

Type of Partner	Total % (n=77)	Leading % (n=33)	Lagging % (n=44)
Other volunteer groups	84	91	80
Local government	74	70	77
Institutions	55	45	63
Businesses	47	39	54

The relationship with local government is a positive one for the most part. Only four of the organizations with any relationship with their local government report it to be negative or frustrating. In these few cases the issue was a lack of funding or a lack of recognition of the important role of the organization in the community.

4.2.2 Civic Institutions

Many institutions have developed formal and informal partnerships with others for a variety of purposes. These might include: funding, program or service delivery, marketing, and much more. Local community organizations and government are the most frequent partners of health care institutions. Local community organizations, government, and local businesses are the most frequent partners of education institutions. Local community organizations and local businesses are the most frequent partners of local government. (Table 14)

There are some important differences between leading and lagging communities. Local organizations and local government are more frequently identified as partners of health care institutions in lagging communities. These institutions tend to be somewhat smaller in lagging communities and therefore find the need for partnership development more acute to complete the range of programs and services they desire. This is directly related to the findings in Table 13, where the voluntary sector is a more frequent partner with institutions. Local businesses and organizations outside the community are more frequent partners of education institutions in lagging communities, while government is a more frequent partner of education institutions in leading communities. Local businesses, local organizations, and orrganizations outside of the community are a more frequent partner of local governments in lagging communities. The range and frequency of partnerships suggests a good foundation for multiple stakeholders participating in successful CED activities.

Table 14 Institutional Partnerships in Communities

	Type of Partner	Total %	Leading %	Lagging %
Health (n=16)	local businesses	44	50	40
	other businesses	13	17	10
	local organizations	75	50	90
	other organizations	44	33	50
	government	75	50	90
Education (n=16)	local businesses	63	67	60
	other businesses	31	17	40
	local organizations	82	83	80
	other organizations	31	17	40
	government	69	100	50
Local Government (n=18)	local businesses	61	43	73
	other businesses	27	14	18
	local organizations	72	57	82
	other organizations	50	14	73
	government	50	57	45

4.2.3 Community Events

A measure of the extent of networking for community events is the number and type of participants involved in both planning and running the community event. Typically a small number of people are responsible for planning an event, and there is a larger network of volunteers who are called upon to "work" or run the event on the day(s) it happens. This would also include assistance provided in any setup and take down of event infrastructure. In looking at 40 events in this sample which reported on the number of people involved in planning the event, we find that an average of 13 people plan an event. (Table 15) Generally speaking events in leading communities have more people helping (17) to plan the event than those in lagging communities (10).

In looking at 41 events in this sample which reported on the number of people involved in working the event, we find that on average 50 people are involved in working or running an event. There are slightly more people on average who help to work at events in leading communities. These findings suggest that a great deal of social capital and social cohesion are present in rural communities to hold community events of all types.

General citizens play a major role as planners and workers of events. Youth and members representing community volunteer groups are also important, particularly for working at events, and particularly in lagging communities. More representatives of community volunteer groups help out with events in leading communities. This suggests that perhaps there are more formal partnerships and relationships established in leading communities. This finding is also related to those in Table 8 and in the discussion about community event importance, where there were ready suggestions of other voluntary organizations to help fill the gaps in times of closure or crisis brought about by another group folding. Members of the business community in leading communities are also active as workers in community events.

Table 15 Participation in Planning and Working Community Events

Average number of participants (rounded up to nearest whole #)	Total		Leading		Lagging	
	Plan (n=40)	Work (n=41)	Plan (n=17)	Work (n=15)	Plan (n=23)	Work (n=26)
Total	13	50	17	53	10	48
General citizens	7	30	8	26	7	32
Youth	2	9	3	7	1	10
Members of volunteer groups	2	7	3	14	2	3
Businesses	1	2	1	6	1	1
Government reps	1	1	1	1	1	1
Others	1	1	2	1	1	1

There are some minor differences between older (pre-1986) and newer events and the number of people involved in planning and working at the event. For older events an average of 15 people are involved in planning, compared with 12 for newer events. For older events an average of 44 people work the event, compared with 55 for newer events.

In addition to volunteering their time, many people and organizations contribute to community events by contributing money or through in-kind donations (other than their time). These in-kind contributions would include prizes, use of equipment or materials, space, and much more. About half of the events rely on cash contributions from citizens and businesses to make the event work. (Table 16) More of the events in lagging communities rely on these contributions. Municipal governments provide cash contributions to just over one-third of the events, and provincial governments do so for just over one-quarter of the events. However, there are no statistically significant important differences between events leading and lagging communities and their sources of cash contributions.

In-kind contributions from businesses are identified by 56% of the event coordinators. General citizens and municipal government are also contributors to about 40% of the events. There are no statistically significant differences between events in leading and lagging communities and their sources of in-kind contributions.

Table 16 Cash and In-Kind Contributions for Community Events

% Receive Cash Contributions from:	Total (n=50)	Lead (n=20)	Lagg (n=30)	% Receive In-kind Contributions from:	Total (n=50)	Lead (n=20)	Lagg (n=30)
General citizens	53	42	60	Businesses	56	55	57
Businesses	48	35	57	General citizens	43	50	38
Municipal government	38	40	37	Municipal government	40	45	37
Provincial government	28	35	23	Volunteer groups	34	45	27
Volunteer groups	26	30	23	Youth	33	30	35
Youth	12	5	17	Federal government	8	5	10
Federal government	8	10	7	Provincial government	6	5	7
Others	26	20	30	Others	14	10	17

4.3 Health and Vitality of Institutions

4.3.1 Voluntary Sector

Voluntary organizations are continuously challenged to renew themselves and find “new blood” as members retire or move on to other interests. Half of the groups find that it is difficult or very difficult to find new general members. Almost two-thirds feel that this is the case in finding new board members. (Table 17) The problem of finding new general members is much more acute among those in lagging communities, but the same share of groups feel that finding new board members is problematic. Given the difficulties expressed, there might be some critical problems for formal organizations involved in CED activities. Without a solid membership base and active board, their participation may be limited.

Table 17 Ease of Recruiting New General and Board Members for Voluntary Organizations

Percent who state that it is:	Total (%)		Leading (%)		Lagging (%)	
	General (n=79)	Board (n=76)	General (n=36)	Board (n=35)	General (n=43)	Board (n=41)
Very easy	8	7	8	9	7	5
Easy	11	12	8	20	14	17
Neutral	32	18	44	9	21	15
Difficult	20	30	13	31	26	29
Very Difficult	29	33	25	31	33	34

More of the older groups (56%), formed before 1986, feel that it is difficult or very difficult to recruit new general members, compared to 40% of newer groups. The problem is much more difficult to solve for older organizations when it comes to finding new board members, where 72% feel that this is a problem compared to only 39% of the newer groups.

Generally speaking voluntary organizations do not have strategic plans in place for identifying and recruiting new members. Most look to the general population as their primary source. (Table 18) However, within lagging communities slightly more organizations look to new people who have recently moved into the community.

Table 18 Source of New Members for Voluntary Organizations

	Total % (n=87)	Leading % (n=36)	Lagging % (n=51)
General residents	60	67	55
New people to the community	21	14	25
Family / friends	11	14	10
Youth	5	3	6
Other	3	3	4

Another measure of the health and vitality of voluntary organizations is change in membership. All organizations experience a change in membership over a period of time. As people retire, new people join, and there is a healthy infusion of new life and ideas into the organization. The challenge, of course, is for groups to ensure that the rate of turnover is reasonable and healthy, and that it can fulfill its objectives with an appropriate number of people.

Table 19 shows that almost half of the organizations in leading communities did not gain any new members in the previous year, compared with about one-third of those in lagging communities. One-quarter of those in lagging communities gained 10 or more members, compared with only 7% of those in leading communities. Slightly fewer of the organizations in leading communities, and slightly more of those in lagging communities, experienced a loss of members in past year.

Table 19 Gain and Loss of Members in Last Year within Voluntary Organizations

# of members gained or lost	Total (n=139)		Leading (n=61)		Lagging (n=78)	
	% Who Gained	% Who Lost	% Who Gained	% Who Lost	% Who Gained	% Who Lost
0	42	38	48	36	37	40
1-2	15	27	20	30	12	24
3-4	13	12	13	13	13	10
5-9	13	13	13	10	13	9
10 or more	17	14	7	10	26	17

A more telling measure, however, is the net gain or loss within an organization. For example, if an organization loses 12 members in a given year, but also gained 12 new members in the same year, there would be no net loss or gain.

One-quarter of the organizations have experienced a net loss of members in the past year. This is the case for both older and newer organizations, and for 28% of those in leading communities compared to 22% of those in lagging communities. More than one-third (37%) of organizations have experienced a net gain of members in the past year. This is the case for 39% of older organizations compared to 30% of newer organizations, and for 27% of those in leading communities compared to 45% of those in lagging communities. However, on this last point there does not seem to be a fit with the findings in Table 17, where those in lagging communities were much more likely to state that finding new members is difficult or very difficult.

As communities evolve so too do their needs and opportunities. In many cases new community-based organizations form in response to these. We asked each of our key informants, representatives of institutions, and event coordinators to identify any new organizations which formed in the past five years. In 7 of the 8 leading communities and in 11 of the 12 lagging communities there were in fact new organizations formed to meet needs and act on opportunities. (Table 20) Although there were some differences between the various respondents within each community about the number and type of organizations formed (based on individual memory, networks, and experiences), together they paint a picture of vibrant community life. New organizations form for a variety of reasons. In some communities, an existing organization may have folded due to decline in membership, and a new organization was formed, with a new mandate or mission, and new members, to fill some or all of the gap left by the old group. In other cases, there have been organizations formed in response to specific community issues. For example, in one community a citizen group formed to save the local health clinic. In another, a volunteer group formed to develop economic diversification strategies for the community in light of economic downturn and job losses. The individual situation in each community colours the reasons for forming a new group.

The most common among new groups in leading communities are those related to the environment, economic and employment activities, arts and culture, and sport and recreation activities. Within lagging communities more organizations related to education and youth development, arts and culture, and employment and economic activities have formed.

Table 20 Creation of New Community Organizations in Past 5 Years

Type of group which formed	Leading (n=8)			Lagging (n=12)		
	Inform.	Instit'ns	Events	Inform.	Instit'ns	Events
Yes, new groups formed	6	7	6	10	10	11
Education and youth development	1	1	1	6	10	5
Employment & economic interests	4	2	4	6	7	3
Arts & Culture	3	3	4	6	5	6
Environment & Wildlife	3	4	2	4	0	1
Health	0	4	2	4	2	2
Sports & recreation	4	4	0	1	2	2
Society & public benefit	2	1	0	4	2	6
Multidomain	2	0	3	4	1	1
Religious organizations	2	0	1	1	0	1
Social services	1	1	0	1	1	0
Law & Justice	1	1	0	0	0	1

On a related note, we asked about the loss or closure of community organizations over the past five years. Most communities have lost organizations: 7 of the 8 leading communities and 9 of the 12 lagging communities have experienced a loss. (Table 21) The most common groups to have folded in leading communities are related to society and public benefit, education and youth development, and employment and economic activities. Within lagging communities the most common are related to society and public benefit, and employment and economic activities. These organizations have folded for a variety a locally-based reasons, but in most cases the root causea have been significant decline in membership, lack of leadership, and lack of funds to keep programs going.

The fact that society and public benefit groups seem to have been most common among those which ceased to function implies that general, broad groups such as these may be falling out of favour in terms of community interest and participation. There appears to be more interest in groups with specific mandates or objectives, such as those related to arts and culture, environment and wildlife, and employment and economic. For CED processes and activities, it is useful then to think about the organic nature of these organizations. Indeed, a group with a very narrow mandate or purpose might be formed to take on a specific, fixed term activity or project resulting from a CED process, then disband once the task is accomplished or it is taken over by another, more appropriate group for management purposes.

Table 21 Loss of Community Organizations in Past 5 Years

Type of group which ceased	Leading (n=8)			Lagging (n=12)		
	Inform.	Instit'ns	Events	Inform.	Instit'ns	Events
Yes, groups have folded	6	5	7	9	6	8
Society & public benefit	3	0	4	4	3	5
Employment & economic interests	2	3	1	4	2	3
Education and youth development	1	3	3	3	2	1
Sports & recreation	2	2	1	4	0	1
Multidomain	2	0	1	4	0	3
Health	1	1	1	2	0	0
Religious organizations	1	1	0	1	0	0
Environment & Wildlife	1	0	0	1	1	0
Social services	1	0	0	1	0	0
Arts & Culture	0	0	0	0	0	0
Law & Justice	0	0	0	0	0	0

4.3.2 Community Events

Community events often rely on a small group of individuals or a particular organization over a number of years to ensure the annual success of the event. In both leading and lagging communities, 75% of community events have been organized and managed by the same organization or key group of core individuals. For three of the events (each in a lagging community) there was a real crisis of leadership for the event which resulted in a last minute "save" by individuals or an organization to take on full responsibility for organizing the event. In these cases the original leaders or groups were no longer interested in or were unable to plan the event and make it happen. Others in the community saw its value and stepped in.

Looking at the past ten years, almost half of the events (9 of 20) in leading communities have experienced problems with attendance, financing, programming, or management. Slightly more than one-third (11 of 30) of those in lagging communities have experienced similar problems. However, the fact that these events are active today is a testament to community commitment and the important role they play in community life.

In all 8 of the leading communities and in 5 of the 12 lagging communities, at least one important event which used to run in the community no longer happens. (Table 22) In most cases

this has been the result of volunteer burnout or a lack of resources to successfully plan and work the event. In a few other cases there was poor attendance or lack of interest from the community. General events, which had a range of activities and programs, are the most common type of event no longer happening, especially in leading communities.

Table 22 Types of Events No Longer Running in Communities

Of the communities where an event has ceased, the types are:	Total % (n=13)	Leading % (n=8)	Lagging % (n=5)
General	77	100	40
Arts/culture	46	38	60
Sports/Recreation	46	38	60
Other	54	38	80

4.3.3 Mobilizing Resources

A key issue related to the startup and closure of community groups is the willingness and desire of the community as a whole to respond to opportunities and deal with crises; in other words, its social cohesion. The perceptions about this are examined in Table 23. We asked our interviewees about their community's capacity to mobilize resources and to work together. The results clearly show two things. First, in all types of communities there is a strong positive feeling that the community can mobilze resources and work together. Second, this positive perception is more widely held among those in leading communities. The largest differences of opinion are on the issue of working together, with those from leading communities responding more favourably. These findings suggest that there is a high degree of social captial and social cohesion, and subsequent potential for opportunities in community economic development action.

Table 23 Perceptions About Capacity to Mobilize Resources and Work Together

	Leading (%)			Lagging (%)		
	Inform. (n=42)	Instit'ns (n=18)	Events (n=20)	Inform. (n=56)	Instit'ns (n=32)	Events (n=30)
Community capacity to mobilize resources						
Good or Very Good	85	100	95	73	85	77
Neutral	10	0	0	11	9	10
Poor or Very Poor	5	0	5	16	6	13
Community capacity to work together						
Good or Very Good	91	94	95	59	59	75
Neutral	7	6	5	27	28	17
Poor or Very Poor	2	0	0	14	13	10

4.4 Intangible Community Elements

There are many "intangible" elements which characterize a community: how it functions, its "feel" or atmosphere, and the things which are longstanding in the community such as prevailing attitudes or attributes. We asked interviewees about the typical or usual "process" by which action is taken in the community to make important decisions or to get things done. Generally speaking there was a wide range of responses in both leading and lagging communities from among key informants, representatives of institutions, and event coordinators. (Table 24)

It was universally recognized that an informal, small group approach (where individuals with ideas start the ball rolling) is more common, with less emphasis on moving through formal channels or waiting for elected officials to act on issues. Event coordinators in both leading and lagging communities were most likely to identify this approach. Interviewees noted that teamwork, in the sense that different organizations or partners would come together, or that there was a spirit of cooperation, was also a common process. Key informants and institutional representatives, particularly in leading communities, were more likely to identify this approach often using phrases such as "the same people and groups are always involved", or "a few people take the lead and involve others where needed". It is also important to note that this was not always identified in a positive light. While this process or approach may be common, many lamented that others did not get involved, or that the same people who usually get involved tend to ignore others or discourage their participation.

The identification of a specific institution to take a leadership role, usually the municipal government or a key voluntary organization, was mentioned less frequently. Finally, political

"intervention", particularly by a provincial or federal representative, was noted in some cases by key informants (particularly in lagging communities) and by representatives of institutions (particularly in leading communities). While there is a wide range of opinion about "how things get done", influenced in large part by the specific issues at hand, it is clear that an informal approach involving a small group of key individuals in the community is most common.

Table 24 Process for Taking Action in Communities

Percent of interviewees identifying the following processes:	Leading (%)			Lagging (%)		
	Inform. (n=40)	Instit'ns (n=18)	Events (n=17)	Inform. (n=52)	Instit'ns (n=30)	Events (n=28)
Informal, small groups	40	33	53	35	57	71
Teamwork	35	33	29	25	30	11
Community institutions	18	17	12	4	10	14
Political intervention	8	17	0	21	3	0
Other	0	0	6	15	0	4

Interviewees were asked to identify some of the long standing strengths of their community. Most commonly they identified, in both leading and lagging communities, that individual citizens were generally good people who were always willing to help out or rally around a cause, and that there was a sense of identity or "cohesion" within the community. (Table 25) These were commonly described in phrases like "our determination to survive" and "our ability to come together in tough times, a common cause will draw people together". Event coordinators in leading communities were much more likely to identify this second strength. Fewer of the interviewees identified some aspect of community processes or teamwork (e.g. the willingness to work together), economic-related items (e.g. "the forest has provided many jobs for our people"), or specific community institutions (e.g. a good municipal council or an important organization in the community). The general patterns of responses suggests few important differences between leading and lagging communities. It also suggests that individuals are willing to get involve, and that there is a shared sense of identity or purpose. Both are important and necessary ingredients for successful CED processes.

Table 25 Community Strengths

Percent of intervieweews identifying these strengths:	Leading (%)			Lagging (%)		
	Inform. (n=38)	Instit'ns (n=18)	Events (n=18)	Inform. (n=53)	Instit'ns (n=29)	Events (n=28)
Individuals	32	39	22	28	24	29
Community identity	24	22	56	32	31	18
Community processes/teamwork	21	11	6	6	10	18
Economic-related	11	17	0	13	17	14
Community institutions	5	6	17	13	7	18
Social-related	3	6	0	2	7	4
Politics	0	0	0	0	3	0
Other	5	0	0	6	0	0

The most commonly identified weaknesses in both leading and lagging communities are economic related. People identified lack of jobs, lack of businesses, or people from the community not willing to shop locally as examples of this weakness in their community. (Table 26) Another important weakness, identified more frequently by those in leading communities, are social related. These include items such as low levels of education, out migration of youth, and the aging population. On a related note, a number of interviewees (particularly in lagging communities) identified more specific individual behaviour issues, such as lack of tolerance for newcomers, negative attitidues towards the community, and personal grudges or inter-family conflicts. This is directly related to the findings in Table 23, where there was a relatively lower level of agreement by all interviewees in lagging communities that there was capacity in the community to work together. It is interesting to note that politics and community institutions were rarely identified by interviewees. However, slightly more of those in lagging communities did identify issues such as too much dependence on government to solve problems, or a prevailing style of "old leadership" among those in decision-making positions.

Table 26 Community Weaknesses

Percent of intervieweews identifying these weaknesses:	Leading (%)			Lagging (%)		
	Inform. (n=38)	Instit'ns (n=17)	Events (n=15)	Inform. (n=54)	Instit'ns (n=30)	Events (n=28)
Economic-related	26	35	47	24	33	25
Social-related	29	29	20	17	7	11
Individuals	13	6	13	24	23	18
Community processes/teamwork	13	6	7	9	10	21
Community identity	5	18	7	15	10	14
Politics	5	0	7	6	10	4
Community institutions	0	6	0	2	3	4
Other	8	0	0	4	3	4

Tables 27A, 27B, and 27C summarize interviewee impressions of the most important organizations in their community. These would be the organizations seen to have important impacts, "presence" in the community, "recognizable", or which carry some other intangible element which makes them stand out as being important.

Society and public benefit organizations are identified most frequently by all types of interviewees as being most important. Generally speaking they are identified more frequently by those in leading communities. However, this does not necessarily fit with the findings in Table 21, which showed that these types of organizations were the most frequent type to have ceased to function in the past five years, particularly in lagging communities.

A group of four different organizations generally appear as the next most important groups. These include those related to economic and employment activities, sports and recreation, religious, and education and youth. There is very little difference in their relative importance within leading and lagging communities. However, it is interesting to note that many more event coordinators in lagging communities, and many more representatives of institutions in leading communities, identified sport and recreation groups as being important.

The responses from interviewees is likely clouded somewhat by their sphere of activitiy and knowledge. For example, organizations involved in social service related activities are not mentioned at all by key informants and rarely by event coordinators, but much more frequently by representatives of instritutions. These institutions often have partnerships or other relationships with such groups and more readily sees their relative importance within the community. (Table 14)

Table 27A Key Informant Impressions of Most Important Community Organizations

	Total % (n=92)	Leading % (n=38)	Lagging % (n=54)
Society & public benefit	68	79	61
Employment & economic interests	43	50	39
Religious organizations	35	32	37
Multidomain	28	24	31
Sports & recreation	22	21	22
Education and youth development	17	18	17
Arts & Culture	11	8	13
Environment & Wildlife	9	8	9
Health	3	0	6
Law & Justice	1	0	2
Social services	0	0	0

Table 27B Event Coordinator Impressions of Most Important Community Organizations

	Total % (n=48)	Leading % (n=20)	Lagging % (n=28)
Society & public benefit	52	65	43
Sports & recreation	46	25	61
Education and youth development	31	50	18
Religious organizations	29	20	36
Multidomain	23	20	25
Employment & economic interests	19	25	14
Arts & Culture	19	15	21
Environment & Wildlife	13	15	14
Health	6	5	7
Social services	4	5	4
Law & Justice	0	0	0

Table 27C Institutional Representative Impressions of Most Important Community Organizations

	Total % (n=46)	Leading % (n=16)	Lagging % (n=30)
Society & public benefit	46	63	37
Employment & economic interests	46	50	43
Sports & recreation	33	50	23
Religious organizations	24	19	27
Education and youth development	22	25	20
Social services	20	31	13
Health	15	6	20
Multidomain	13	13	13
Arts & Culture	13	6	17
Environment & Wildlife	4	13	0
Law & Justice	2	0	3

4.5 Critical Challenges for Community Institutions

The voluntary sector continues to face a number of challenges as it continues to provide inmportant services and programs for the community. Lack of members especially in lagging communities, and little or no funding (for both operations and programs) are the most pressing problems. (Table 28) Low levels of participation by their members, psychological burnout (especially in leading communities) and lack of new leadership are also frequently identified. The lack of new members and the lack of new leadership is also identified by many more of the older organizations (62% and 43% respectively) compared to the newer organizations.

Very few identify that there is a problem with management, or a problem with their objectives being too ambitious. This suggests that voluntary organizations have the capacity and the will to provide an appropriate range of services and programs to meet the needs of their communities, espcially if they are provided appropriate funding to do so.

Table 28 Current Challenges for the Voluntary Sector

	Total % (n=156)	Leading % (n=70)	Lagging % (n=86)
Lack of members	56	46	64*
No funding	54	50	58
Little participation by members	41	40	42
Psychological burnout	37	46*	29
Lack of new leadership	35	37	33
Lack of local support	25	19	30
The need to revisit our objectives	21	27	16
Communication problems	19	24	14
Lack of partners or outside networks	17	20	15
Lack of meeting space	9	9	9
Poor management	9	9	9
First objectives were too ambitious	8	7	8
Other	35	34	35

* Difference between leading and lagging communities is significant at 0.05 level.

The primarily challenge facing each of the institutions in our sample is related to increasing pressures on their budgets. (Table 29) These budgetary issues are a problem for more of the education and health institutions in leading communities. Staff related issues are also problematic for education and health institutions, and local governments in lagging communities. For the first two types of institutions, these problems are associated with budget limitations to hire more staff, and it is related to retaining existing staff and recruiting to fill vacancies. For local governments the issue is more closely associated with their fiscal capacity to provide services. Regionalization is only an issue or challenge facing local governments, and primarily in lagging communities. This issue is primarily around working with other municipalities to share services on a regional basis in a cost effective manner. For a few of the local governments the issue is also defined by a potential threat at the provincial government level to force amalgamation. From a CED perspective, if institutions are strapped with these challenges and pressures, it may be more difficult for them to effectively participate in CED processes as a stakeholder.

Table 29 Current Challenges for Institutions

	Type of Challenge	Total %	Leading %	Lagging %
Health (n=16)	budget related	50	67	40
	staff related	56	100	30
	regionalization	7	17	0
	service reduction	31	17	40
	other	38	0	60
Education (n=17)	budget related	53	67	45
	staff related	53	33	64
	regionalization	6	0	9
	service reduction	29	50	18
	other	41	50	36
Local Government (n=16)	budget related	56	40	64
	staff related	16	0	18
	regionalization	31	20	36
	service reduction	38	40	36
	other	44	100	18

5.0 Comparison of Leading and Lagging Status of Communities

Looking at those variables which are statistically significant at or near the 0.05 level (most significant), or where these is about a 20% difference in the response, we identify that within leading communities compared to lagging communities:

- there is a greater concentration of voluntary organizations related to society and public benefit, education and youth issues, and social services;
- voluntary organizations are more likely to be involved in providing care and support;
- voluntary organizations are more likely to suggest that other existing volunteer groups could step in and fill gaps if they were to cease operations;
- health care institutions decreased the services they provide within the past five years, but education institutions have increased their services;
- representatives of voluntary organizations and business people are each more likely to participate as workers at community events;
- more of the leading communities have events which are longer in operation;
- there is a greater perception that the community has the capacity to work together to act on opportunities and to solve problems;
- voluntary organizations are more likely to identify individual and collective burnout as a pressing challenge.

In lagging communities compared to leading communities we note that:

- voluntary organizations are more likely to be involved in collecting and serving food;
- voluntary organizations are more likely to suggest that local government could step in and fill gaps if they were to cease operations;
- more community events were started for economic purposes;
- "other" community events, often more narrow in their purpose and scope of activities, are more likely to be identified as "defining" events for a community;
- voluntary organizations are more likely to be partners with an institution in the community, usually for the purpose of delivering programs or services;
- health institutions are more likely to be partners with local organizations and governments;
- education institutions are more likely to be partners with local businesses and organizations from outside of the community;
- local government is more likely to be partners with local businesses, local organizations, and organizations from outside of the community;
- businesses are more likely to contribute cash to community events;
- voluntary organizations identify that finding new general members is difficult or very difficult, but at the same time many more of these groups have experienced a net gain in membership in the past year;
- more voluntary organizations related to education and youth activities, and employment and economic interests, have formed in the past five years;
- voluntary organizations are more likely to identify lack of members as a pressing current challenge;
- local governments are more likely to face budgetary problems or pressures.

6.0 Institutions and Community Economic Development: Policy and Research Issues

Institutions in rural communities play an important role in building social capital and social cohesion, and provide the fundamental building blocks for community economic development processes in communities. Voluntary organizations provide a range of services and programs, and serve as important partners for civic institutions. However, they also suffer from lack of funding and membership challenges. Community events provide important social and economic spinoffs, including helping to build the identity and self-esteem of the community. Civic institutions provide important services and programs for citizens, but are challenged with budgetary reductions and changes in service delivery.
What are the policy and research issues emerging from the findings of this study? Several items are worth noting:

- Voluntary organizations collectively identify that the most important work they do is the supervision or delivery of events, programs, and services. They also identify fundraising and sharing of information. Volunteer groups are also frequent partners for civic institutions to provide a full range of programs and services in the community. At the same, they also identify as their critical challenges lack of members and lack of funds. They also identify that there would be substantial impacts if their organization ceased to exist, with little or no capacity for others to fill the gap that would be left. The problems associated with these "capital" issues are real. From a policy perspective, all three levels of government must review the type of financial relationship they have with these critical partners. Adequate renumeration for the ongoing operational costs of voluntary organizations must be included in any financial arrangement for delivery of programs and services.

- On a related note, in lagging communities there seems to be a weaker network of voluntary organizations, based on the comments from the voluntary sector interviewees about who could potentially fill the gaps in their organization ceased to exist. There is a danger that local delivery of some programs and services might not continue if such an event were to occur. Civic institutions and all levels of government should review their partnerships with these organizations to determine what measures of support are required for the continuation of the partnership.

- New voluntary organizations to address the needs of seniors and youth were most frequently identified in all types of rural communities as a need. With an aging population there will be a need for more community based networking and support. As youth are challenged by changing economic opportunities, fragmented households, and less extended family networks, more community based programming will be required. Communities must spend some time planning for the short and long term needs in these areas, and appropriate strategies to respond.

- Among community events, those with a focus on arts and culture and on sports and recreation tend to be more visitor oriented and offer a higher level of potential economic

return on investment. These events must be supported with appropriate community and government contributions to maximize economic impacts. Furthermore, community events in general have been characterized as critical elements in building the social fabric and cohesion within the community. Local institutions, organizations, businesses, and general citizens must be made aware of the social and economic impacts of these events, and be encouraged to support them more fully where possible.

- Finding new board members has been problematic especially among older voluntary organizations. At the same time, most groups readily admit that they do not have a strategic approach to recruitment. There are many resources available on this subject. A role for the federal government (perhaps through its Rural Secretariat and through its Voluntary Sector Initiative) could be to coordinate the sharing of this information.

- Half of the voluntary organizations identified that they have little or no funding to do the work they want to do. At the same time, there are many foundations and government programs which have funding to address some of these concerns. There are some commercial ventures which provide a detailed service in helping community groups identify these funding sources. There may be an opportunity for the federal government to provide more and better information about these opportunities. Furthermore, local government (and possibly others) could subscribe to, or offset the costs associated with the purchase of, commercial information services about funding opportunities. This could be done for the community as a whole, and shared by all of the volunteer groups in the community.

- We know a great deal from the voluntary sector itself about what they do. This information could be supplemented with information from individuals and households, and the perceptions and relationships with volunteer groups in their community. This might provide clues about relative social cohesion within the community, and about programs and services that citizens might be looking for from such groups.

- On a related note, more than half of the voluntary organizations identified the need for additional organizations to be formed in the community to meet a variety of needs. More information is needed to identify the specific needs within communities, to map the community assets or resources, and to examine what partnerships or other arrangements might be possible to meet some or all of the identified needs.

- The voluntary sector is a key partner with civic institutions. More information is needed to explore the full extent of the partnerships, the models and conditions under which these partnerships best function, and the “value” of the voluntary sector in providing a partnership role.

To conclude, voluntary organizations and civic institutions provide important services and programs in their communities. There is a high degree of social and economic impact from the work of voluntary organizations and from the community events which happen locally. Communities value the work of their voluntary organizations, especially those with a general

mandate related to society and public benefit. They also most readily identify with general community events as being important in the community. These suggest that there is a high degree of social capital and social cohesion in communities.

There is also a high degree of networking and partnership within rural communities, particularly between voluntary organizations and civic institutions. However, some of these partnerships may be placed in jeopardy as voluntary organizations struggle with membership and funding issues, and as institutions themselves work in more difficult budgetary constraints.

Finally, rural communities benefit from a high degree of informal and teamwork approaches to making things happen and achieving results. While the circle of participation is sometimes small, we note that rural people are characterised by their individual willingness to pitch in and help out particularly in times of crisis, and by a strong sense of community identity. Although in lagging communities there is less certainty about the community's capacity to work together, it is these "social capital" elements which suggest there is a strong foundation for commuity economic development action in rural communities.

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