

# **The Way Forward on Aquaculture**

A case study on the Government of Newfoundland's co-development process

## **1 History**

### **1.1 Introduction**

The mandate of the government of Newfoundland and Labrador ("the NL government") includes actively looking for new ways to foster and expand growth in the Atlantic region. Three industries were identified as key investment opportunities: forestry, aquaculture, and agriculture. This case study focusses on the Way Forward on Aquaculture: a process of shared ownership in the future of the aquaculture industry between the Newfoundland and Labrador, industry associations and the federal government. For this case study, information was gathered from interviews with one representative of the NL government and three federal public servants who participated in the Way Forward plan.

The Aquaculture Sector Work Plan includes actions that each of the partners will take to achieve the collective goal of growing the aquaculture industry and stimulating private sector employment. The government initiated the process in June 2017 and the work plan was published online in September 2017.

### **1.2 Why work in this way?**

In their initial conversations on how to stimulate growth in the region, the NL government found that industry shared many of their economic priorities. Industry associations and academic institutions expressed their willingness to collaborate, examine issues from a diverse range of viewpoints, and collectively support actions that could achieve these shared priorities. The engagement approach the NL government pursued emphasized equal partnership, and building and strengthening relationships. The overarching goal was to encourage economic growth by working hand in hand with industry and other organizations to achieve mutually developed and agreed upon targets.

## **2 People and Context**

### **2.1 Who was included**

The Way Forward brought together members representing various levels of government, academic institutions, and established industry organizations, including mussel growers and fin fish farmers. The named partners include the Government of Newfoundland and Labrador, Newfoundland Aquaculture Industry Association, Government of Canada, Fisheries and Marine Institute, Memorial University and the College of the North Atlantic.

Many industry proponents and government agencies were aware of the project prior to the formal announcement and receiving an invitation. In Newfoundland, the regional offices of federal departments work frequently with the provincial government. Both governments have close connections with the many actors working in the region, so members were familiar with each other and held a shared interest in seeing this project come to life. There were some federal agents who participated that were not frequent actors in the region, along with new industry proponents and academics.

2.2 The partners created a committee and jointly developed its terms of reference; a unique set of terms was made with each implicated partner so each they could define what their involvement in the project would look like. To ensure all levels of government would be coordinated in their efforts, the government went out to industry organizations and asked them who they specifically interacted with on a regular basis from federal, provincial, and municipal government departments and ministries. They then invited those officials or a departmental representative to join the committee. The terms of reference set out that any member could propose new members that they thought would be beneficial to the process, provided all committee co-chairs consult with one another before extending an invitation to join the committee to another group. This practice gave other levels of government and industry the opportunity to expand their networks and collaborate with organizations outside of their specific field on an issue of shared interest. Funding

Because the outcomes of the work plan are joint, each organization, institution, or government organization was responsible for funding their member's involvement on the committee, including travel expenses. The NL government was clear about this from the outset, describing it as a true partnership model; organization, planning, finding and managing resources throughout the process was also a joint venture. They did provide teleconference services to all members at no cost for bi-weekly meetings.

### 2.3 Context

There was a lot of skepticism from industry associations at the outset of the project. Communities in Newfoundland are very close knit, and collaboration on economic projects is an integral part of day-to-day business. However, the Way Forward was a major policy driven initiative that intended to use the same collaborative approach on an unprecedented scale; there was a need to establish trust between all parties involved to support the process and realize success. To build this trust, the government committed to keeping communication lines open and transparent. There were 40 people on the steering committee for the Way Forward on aquaculture, and open and equal communication between them.

The Atlantic Canada Opportunities Agency (ACOA) provided a support mechanism for the work plan commitments, providing funding where asked. They also performed an advocacy role on behalf of the project to the rest of the federal government, as well as other ACOA clients such as international investors in aquaculture who were not involved directly with the Way Forward.

Organizations that comprise the membership of this committee all came to the table with a strong desire for this plan to succeed. There is too much at stake, and members acknowledge the role they must play in advancing sector growth, addressing declining fish populations and labour shortages in the aquaculture industry. Success for the project means supporting healthy and growing communities.

## 3 Goals and Objectives (Policy)

The overarching process asked members: how do we envision our province over the next five years? What do we want to achieve? Which industries are strong, which have potential to grow, and where is there interest, both nationally and internationally, to expand in aquaculture? All members were invested in building on this awareness, interest and potential to support growth in Newfoundland. The

goal was clear: attract investment, retain economic initiative and domestic workforces and support growth in new businesses and communities.

To achieve these goals, they set specific, measurable, growth targets. To determine these targets, officials from the Department of Finance and the Department of Fisheries and Land Resources collected the necessary data and presented it to members at their meetings. The committee then looked at growth trends over time; from there, they determined what could be achieved in the next 2-5 years, and considered actions that would have a measurable effect. They used consensus-based decision making to define reasonable targets to be achieved by member organizations and governments. Members spoke freely when they thought a target was attainable and where they felt it was unachievable, and so they were able to arrive at numbers that all parties felt were reachable.

Each member of the committee communicated with their constituents throughout the development of the work plan.

Some of these targets included:

- Increase commercial salmon production to 50,000 MT (from 25,411 MT, valued at \$263 million in 2016) and commercial mussel production to 10,750 MT (from 3,211 MT, valued at \$13.6 million in 2016) by increasing the water area available for development in 2018;
- Generate 1100 person years of employment, upon attainment of the salmon and mussel production increases targeted above; and,
- Support Newfoundland and Labrador to increase its food self-sufficiency to at least 20 per cent by 2022 (from approximately 10 percent at present).

There are two kind of actions in the work plan that support the achievement of these targets: housekeeping actions and “game-changing actions”. Whereas housekeeping actions keep operations running smoothly, game changing actions will have an effect on overall economic trends.

#### **4 Methods and Tools**

Partners either met in-person or through teleconference. In-person meetings were designed for 40 people to engage in open dialogue with one another. The Newfoundland government’s Public Engagement Office within the Executive Council served as meeting facilitators. Each meeting centred on a particular theme related to aquaculture opportunities. Meetings would begin with a presentation that related to the theme, and then all members had the opportunity to respond in turn to the presentation, and then engage in general discussion. Members perceived the meetings to be well organized and well facilitated. There were different ideas brought forward and different mandates were introduced for particular members to take the lead on achieving targets. In addition to presentations by the Department of Finance, an online discussion forum was established that all members could access to post questions and comments during or after the meetings. Discussion boards were mostly used to share copies of documents that were raised during the meeting. It also served as a place to post meeting summaries and update members that could not attend.

#### **5 Engagement Process**

The process was initiated by the NL government's Cabinet Committee on Jobs. The Planning and Coordination Office as secretariat support to the Cabinet Committee on Jobs did the initial outreach with industry stakeholders on ways to stimulate economic growth. From these meetings, they established the working level committee comprised of industry, researchers, the NL government, and federal representatives to identify key challenges and opportunities related to aquaculture production; human resources and labour; research, innovation and diversification; market access and development; and, business development and risk management. The first official meeting was held on June 19<sup>th</sup>, 2017.

The steering committee met bi-weekly via teleconference to discuss what specific activities needed to be done to move an action item forward and reach the targets they had collectively set, and who was best placed to move that item. The official action plan items were derived from these discussions. Over the course of project plan development, they also had two full day meetings with all members: at full day meetings, there would be presentations with time after each presentation for all members to ask questions to the presenters and larger group. In addition to presentations from the Department of Finance, the committee heard from members of the Newfoundland Aquaculture Industry Association, Marine Institute, Canadian Food Inspection Agency, ACOA, and other organizations who had some impact on the aquaculture. Through this process, members learned more about the diverse range of actors in the industry, their respective roles and the impact the Way Forward project would have on their activities. Blinders were widened, and many perspectives were heard.

It took about 3 months to draft and agree on the 28 action items included in the Aquaculture Sector Work Plan. The timeline was necessarily short, and members perceived this kept people focussed. The amount of time it took to develop other Sector Work Plans varied depending on how long the members needed to get through all the items. Following the problem identification stage, challenges and opportunities were addressed one by one. They worked quickly because investment opportunities were being negotiated as the project was happening, and they knew they had to prepare for the incoming growth. While the membership was predicated on collaboration, the Way Forward was also a top-down process that had been mandated by the province. As such, it was given a priority status which helped move things forward; having senior official support meant they could advance their priorities quickly.

The diverse membership on the committee represented the multitude of considerations that had to be made to advance growth. The Way Forward went beyond looking at aquaculture from simply an economic perspective. It considered its relationship to population growth, education, tourism, community development, telecommunication enhancements, environmental impacts, technology, and other facets of Newfoundland life. Employment and population were major considerations of the Way Forward. If set targets were met, it would potentially triple growth in the region. The objectives could only be met if there was a large enough workforce to support the industry. Newfoundland has an aging population, so industry growth had to include plans to increase retention capacity for existing employees, and create attractive employment opportunities that would incentivize skilled workers to move to the region. Aquaculture is a high-skilled area, which requires specific training and specialized knowledge. The role of colleges and universities who are members of the Way Forward is to build capacity to get more young people into skills programs that focus on the aquaculture industry, and provide adult education courses and advanced skills training to support the existing workforce that could transition to aquaculture as the industry grows.

Meanwhile, as large national and international corporations begin bring their operations into Newfoundland they will also bring a significant workforce and set of operations with them. ACOA has taken on the role of doing a scan to see what functions these corporations need to fill with domestic talent, then finding existing and new companies in Newfoundland to take them on.

To support newcomers and growing populations, the committee understood that communities would need new infrastructure to accommodate the expansion. This meant a greater provision of services that support growing families, and investments to increase the number of primary, secondary, and post-secondary institutions and services.

The finalization of the work plan occurred at a July 26, 2017 summit hosted by the NL government, with the Premier and Ministers, industry organizations and federal representatives present. Prior to the summit, committee members had been working with their organizations to vet the work plan actions through their internal processes and ensure the entire organization was on board. For example, The NL government's representatives reported through the Cabinet Committee on Jobs to garner support and assure the action items committed by the NL government were feasible.

Whereas the steering committee was comprised of working level members of governments and organizations, at the summit their CEOs and high-level government officials, as well as the Premier and Ministers of the Cabinet Committee on Jobs, were all present together for the launch of the Aquaculture Sector Work Plan.

The committee took a holistic approach to understanding the diverse opportunities and impacts of the aquaculture sector on all aspects of life in the province. Within its membership, there is a strong commitment to accountability; everyone is on the hook for actions they committed to, and members continue to provide regular progress reports on where they are at in terms of achieving targets. For rural communities, aquaculture is a means of survival. They need the sector to grow to survive and succeed. Committee members are not only responsible for producing actions that support the economy, but they are also part of these communities, so they share a long term vision for communities to thrive.

## **6 Analysis**

Once the action plan was in place, progress towards targets is monitored. There is an interdepartmental team responsible for coordination, and providing progress reports on a monthly basis. Six and 12 month progress reports are provided by members who committed to an action item when the full membership meets. Looking at the three industries addressed in the complete Way Forward plan, some sectors chose to take on more risk than others depending on the unique conditions of each industry. These reports provide achievements to date, as well as challenges they have encountered. At follow-up meetings, committee members have the opportunity to raise challenges they are facing in meeting their action items so the larger group can discuss them, offer support or propose alternatives. By discussing them in the larger group, alternative paths can be considered and agreed upon by all the project partners.

If something was not initially in the terms of reference, a member can suggest changes by bringing it forward for the committee to discuss. The dialogue remains open to adaptation and change.

## **7 Perspectives on the collaboration**

Both federal and provincial government departments and agencies are closely connected with industry organizations in Newfoundland, and regularly collaborate with them and the communities they serve. However, there was a perception from industry that the Newfoundland government was not involved in frequent ‘formal’ consultation. As a result, the Way Forward was considered a new way of doing business which provided a shift in thinking and reoriented the government towards working more effectively with others and themselves.

The level of provincial coordination internally to collaborate on this project was attributed significant value by other members. At all levels of government, individual departments or ministries may engage or consult with non-government entities, but they don’t always work together. As a result, there is a cited problem of stakeholder fatigue and a perception of lack of coordination from outside actors who are routinely asked for input by ‘the Government’. This process took a holistic and multi-faceted approach to looking at the aquaculture sector, and brought together the Departments of Fisheries and Land Resources, Finance, Municipal Affairs and Environment, and Tourism and Culture, Labour, and Innovation to examine shared issue areas together. The Way Forward brought everyone around the table, and from the perspective of federal and industry members, they saw a level of collaboration between provincial ministries that was unprecedented.

Federal counterparts perceived a noticeable culture change in government, which allows for increased inter-jurisdictional collaboration. In the past, federal departments stuck to a mandate and rarely deviated from it. If an invitation to participate in an initiative like this has come up, if federal departments felt they weren’t particularly active in the space and didn’t have much to offer, they wouldn’t participate. Now, there is an increasing tendency towards open minds and attitudes, and a benefit attributed to participation to strengthen relationships and make new contacts. There is perceived value in network building and maintenance.

## **8 Communicating back**

The published work plan breaks down initiatives into sections, including research and development, growth accommodation strategies such as waste management, and risk mitigation. It is comprehensive and considers both the goals for the process as well as the potential impacts (positive and negative).

To see the elements of the work plan, please consult here:

<https://www.flr.gov.nl.ca/aquaculturesummit/pdf/Sector-Workplan-Online.pdf>

## **9 Next Steps**

All project partners for all sector Work plans- government, industry, and academia own the process. These projects are considered continuing partnerships, and provincial, federal, and industry members have established relationships of trust that allows for open conversations. Everyone has a strong desire to see aquaculture and other industries operating in the region achieve success.