

**Canadian Regional
Development**
A Critical Review of Theory,
Practice, and Potentials



**Développement régionale
canadienne**
Un examen critique du théorie, de
pratique et des potentiels

INNOVATION CASE STUDY

St. Anthony Basin Resources Incorporated (SABRI): Expanding Regional Social and Economic Benefits

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Figure 1: SABRI Logo



St. Anthony Basin Resources Incorporated (SABRI) is located in St. Anthony on the Great Northern Peninsula (NL), but it represents the communities from Big Brook to Goose Cove (see Figure 2). This not-for-profit social enterprise was created in 1997 following a major increase in the total allowable catch of northern shrimp issued by the Department of Fisheries and Oceans. The mission statement of SABRI is:

To administer a 3000 metric tonne allocation of Northern Shrimp on behalf of the communities from Big Brook to Goose Cove, in a manner resulting in expansion of the region's economic base and improved employment opportunities in harmony with a rural setting and lifestyle¹

Figure 2: SABRI Region



As a social enterprise, SABRI invests profits back into the creation of new industries, social and economic development. It also has a unique opportunity to participate in regional development initiatives as well as work with local industries. For example, SABRI often partners with government departments and local firms to secure resources for ongoing projects.

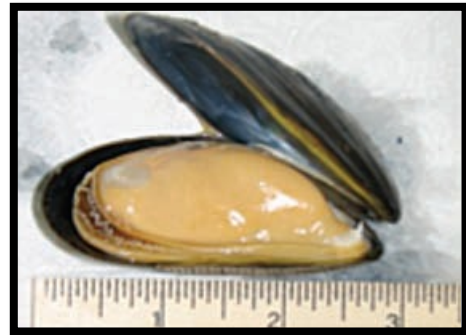
The organizational structure of SABRI includes seven committees that focus on individual sectors and ongoing projects. These committees include: the Executive, Fisheries, Economic Development, Finance, Hiring/Scholarships, Aquaculture, and Community Development. These committees work with government, researchers, members of the private sector, and community members to address regional opportunities. SABRI employs three full-time and three part-time staff, while the board of directors is made up of volunteers. The members of SABRI share a commitment to improving the social and economic conditions of the region for the benefit of the people who live there.

Since 1997, SABRI has led several notable initiatives in the region including an oral history project, a mussel-farming project, and a cold storage facility. The oral history initiative started in 2008 and was funded through a partnership with Service Canada. A researcher was hired to conduct research and document stories with cultural and historical significance to the region. This included stories about life in the region, traditional foods/remedies, labor practices, and stories specific to the individual communities. These stories and photos are available on the SABRI website and they provide a rich history of the region that is accessible to the public. The goal of this project was to increase interest in the region and ultimately tourism.

¹ SABRI. (2012). St. Anthony Basin Resources Incorporated. Retrieved from: www.sabrinl.com

Another SABRI led initiative includes a mussel-farming project, which began in 2000. After conducting research into the mussel farming industry, SABRI acquired their first license in 2002 and two additional licenses in 2003. The farm provides employment for three seasonal workers and an aquaculture specialist. It also provides a unique setting for training and education. For example, since 2008 SABRI has employed College of the North Atlantic (CNA) students, which provides invaluable experience and engages youth in a regional industry. The overall goal of this project was to achieve mussel production that will support primary and secondary processing in the region. Despite operating the farms at a financial loss due to the competitive nature of the industry, SABRI maintains the mussel farming initiative because it creates local employment and provides the local and tourist market with a desired product.

Figure 3: SABRI Mussel



A third initiative includes the construction of a cold-storage facility in the region. This \$7.5 million project was led and financed through SABRI using a \$3 million interest free loan from ACOA. The construction phase provided employment for 25 to 30 people while operating the facility employs approximately 30 people. The cold storage facility is the first of its kind in the region and it has become the destination for many vessels making trans-Atlantic voyages. In July 2005, EIMSKIP – an international container shipping company – made its first stop in St. Anthony to pick up containers from the cold storage facility. Since that time, the company has made regular stops at St. Anthony Cold Storage while en route to Europe. This makes St. Anthony the second international container port in the province.

Some of SABRI's current projects include: examining the potential for a salt fish industry, improving community infrastructure, and partnering with the port authority to purchase new marine equipment. The salt fish project was inspired by the weak salt fish market in Newfoundland and an announcement from Iceland that salt fish markets in Newfoundland may double in the future. In order to redirect benefits of this market to local firms, SABRI worked with local fish harvesters and processors to gauge the feasibility of a year-long salt fish season. This strategy would involve the sale of all salt fish to one processing plant, which would then be able to operate year-round. This project is still searching for a local processor and as result the project is at a standstill.

A second project involves improving community infrastructure and contributing to the tourism potentials of the region. One aspect of this community work involves replacing the dock in St. Anthony to accommodate increasing activity of marine industries. Another aspect involves forming a partnership with ACOA, IBRD, Parks Canada, and Norstead Viking Village to erect a Leif Ericson statue in L'Anse aux Meadows. This will contribute to existing tourism infrastructure and recognize the regions historical roots.

A third ongoing project involves building on a partnership with the St. Anthony Port Authority. Recently, SABRI contributed to the purchase of a marine hydraulic lift that enables the movement of marine vessels on the port. Since its purchase, SABRI staff have identified the need for a marine ramp to make the hydraulic lift more efficient. This port infrastructure is significant because it makes the St. Anthony port more appealing and accessible to foreign fleets that require servicing.

Despite their multiple ongoing initiatives, the SABRI staff are constantly seeking new project opportunities and improvements that could be made to the region's infrastructure. For example, with the recent discovery of oil potential off the coast of Labrador, St. Anthony could become a major service port for the oil industry.² SABRI is looking to build partnerships related to other industries that will benefit the region.

A critical component in SABRI's innovative capacity is their emphasis on learning and interaction between individuals and gaining insights on initiatives happening elsewhere. SABRI staff attend workshops and seminars which enhance their skill-sets and introduce new knowledge into regular operations. SABRI staff also reflect on previous initiatives in order to self-evaluate their performance and better understand how they can improve their operations in the future.

Since their foundation, SABRI has partnered with a number of provincial and federal partners. For example, ACOA and the Department of Innovation, Business, and Rural Development (IBRD) have partnered with SABRI on tourism initiatives that resulted in the expansion of infrastructure, marketing endeavors, and potential tourism destinations. As discussed above, SABRI actively partners with the provincial Department of Fisheries and Aquaculture and the federal Department of Fisheries and Oceans on marine-based initiatives. These Departments are not only funding partners but also possess the resources to research specific aspects of ongoing projects. Another example is Service Canada, which has contributed to SABRI's projects by assisting in funding new employees and student experience programs. A key component in regional innovation is the partnerships between government and firms/social enterprises. Government partners provide valuable financial resource but also knowledge from working on similar projects in other regions.

SABRI has encountered a number of challenges to innovation that impact their organization as well as the entire region. This includes a lack of entrepreneurs and entrepreneurial spirit. SABRI often fills this void by connecting government resources and academic expertise with regional actors. A second issue pertains to the location of the region in the provincial context. The remote location prevents extensive services, such as broadband Internet, from existing in the region. Without these amenities, attracting new people to the region is difficult. The Northern Peninsula is also faced with youth out-migration and a declining population.

² For more information on the oil potentials in Labrador see A, Fitzpatrick. (2013). NL: Three offshore basins discovered near Labrador. *The Telegram*, 1 February.

Despite these challenges and those associated with living in a rural context, SABRI has demonstrated a commitment to economic and social development in their region. Their ability to spread the benefits gained from the shrimp industries is an example of effective industrial governance whereby benefits from one industry are used to improve the entire region. Regardless of the regional challenges, SABRI has contributed to the industrial development of the region and they continue to search for new methods of improving the social and economic conditions for the people who live in and around St. Anthony.

For more information on SABRI and their work visit www.sabrinl.com

References

Interviews conducted with members of St. Anthony Basin Resources Incorporated

Fitzpatrick, A. (2013). NL: Three offshore basins discovered near Labrador. *The Telegram*, 1 February.

SABRI. (2012). St. Anthony Basin Resources Incorporated. Retrieved from: www.sabrinl.com

Figure 1 retrieved from: <http://www.sabrinl.com/>

Figure 2 retrieved from: <http://www.sabrinl.com/sabrireregion.html>

Figure 3: <http://www.sabrinl.com/Documents/Newsletters/2011%20Newsletter.pdf>

Figure 4: <http://www.sabrinl.com/Documents/Newsletters/2011%20Newsletter.pdf>