

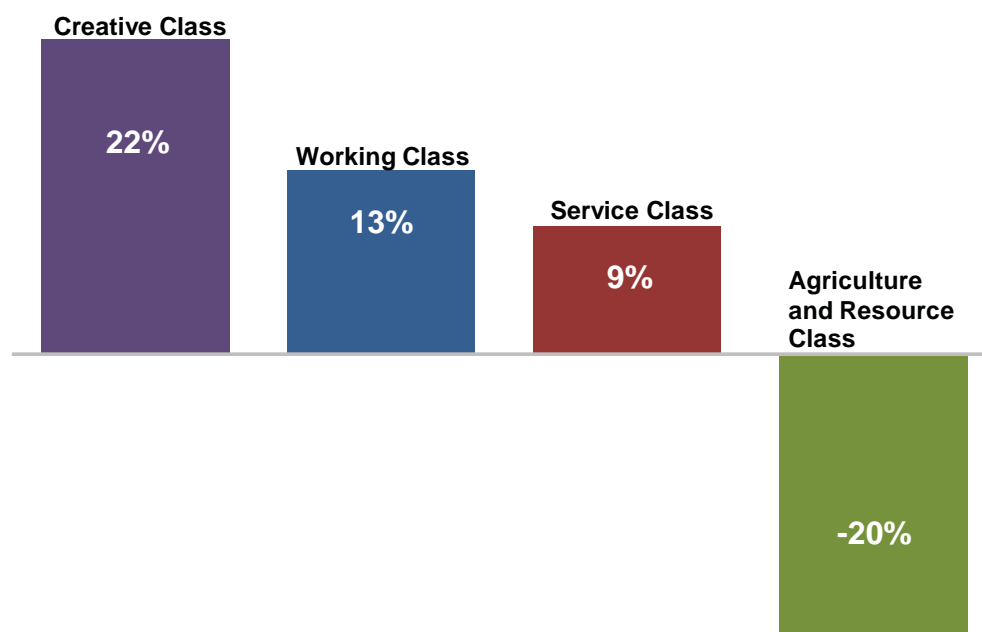
## Creativity in the Rural Economy: Challenges and Opportunities

It comes as no surprise that urban centres attract lots of attention from researchers and policy-makers interested in creative jobs and creative industries. The numbers tell us that these are the locations where they're concentrated and where they have the best prospects for future growth. But the potential of smaller centres and rural areas should not be overlooked.

Why does the creative economy matter to rural regions? There are two main reasons. First, a high proportion of creative class jobs – high-autonomy occupations where workers are paid to think like managers, scientists and designers – has been shown to be strongly related to higher wages and economic growth. Second, creativity is important to all industries. While some members of the creative class work in creative industries like web design or music, most work in more traditional industries like manufacturing or agriculture, adding value through creative problem solving and innovation.

A new report by Millier Dickinson Blais, AuthentCity, Dr. Greg Spencer and the Martin Prosperity Institute details the successes and challenges of a region aiming to grow its creative economy. As the chart below shows, job growth in rural Ontario in the decade between 1996 and 2006 was led *by far* by creative class workers at 22% – ahead of the working class at 13%, the service class at 9% and the agricultural and resource class, where the number of jobs actually fell by 20%.

### Rural Ontario Job Growth by Class, 1996-2006



Source: Martin Prosperity Institute analysis based on Statistics Canada, Population Census, 1996-2006

In the report, called *Canada's Creative Corridor: Connecting Creative Urban & Rural Economies within Eastern Ontario and the Mega Region*, rural Eastern Ontario identifies several assets:

- an educated workforce
- an innovative spirit, demonstrated across numerous industries
- amenities that contribute to a high quality of place
- a culture of environmental sustainability
- a regional economic development strategy that considers the creative economy.

Prince Edward County is a rural part of Eastern Ontario that has taken steps to capitalize on its potential. Building on local strengths in high-quality foods, the county has grown a successful agri-tourism industry and found economic opportunities in wine-making, regional cuisine, and specialty food products.

Another recent study elaborates on the creative potential of remote areas in resource industries. *Innovation and Creativity on the Periphery: Challenges and Opportunities in Northern Ontario* points to the creative synergies found in Northern Ontario's mining and forestry industries.

The report suggests that Northern Ontario's strengths in technology and entrepreneurship are often overlooked because they are situated within traditional resource industries. Not only are resource-oriented technology start-ups present in the north, but they actually benefit from close proximity to the leading customers and extraction sites found there. The region's heavy concentration of resource firms and talent acts as a natural competitive advantage, providing a savvy market that understands the value of innovations and supplies useful feedback on early-stage technologies.

Nonetheless, rural areas and smaller centres face several challenges:

- **Difficulty in recognizing assets and weaknesses** is an important hurdle to overcome. Communities must first become aware of the assets they possess before they can capitalize on them. And they must be strategic about selecting which assets to build on and which weaknesses to devote resources to.
- **Limited connectivity** with surrounding regions and urban centres. Faster, cheaper, and more frequent transportation helps to bring places closer together, connecting far-flung areas to larger markets and giving skilled workers greater mobility. Fast and reliable Internet service is also an essential connector that is still unavailable in many rural areas.
- **Natural resource complacency** means that when a natural resource sector is doing well, there can be a lack of urgency to innovate, diversify, and take other steps to move away from the boom-bust cycle.

Recognizing the potential of small towns and rural areas rather than seeing them as "less favoured regions" can strengthen the economy as a whole. To capitalize on the opportunities that exist in rural and small town communities, we must recognize the benefits of creativity across a much broader range of industries. The reports detailed here identify opportunities and challenges that apply to rural communities and smaller centres across North America and beyond.

## Further Reading

*Canada's Creative Corridor: Connecting Creative Urban & Rural Economies within Eastern Ontario and the Mega Region* by Millier Dickinson Blais, AuthentiCity, Dr. Greg Spencer, and the Martin Prosperity Institute (2009).

*Growing the Creative-Rural Economy in Prince Edward County* by the Queen's University Department of Geography (2008).

*Innovation and Creativity on the Periphery: Challenges and Opportunities in Northern Ontario* by Heather Hall & Betsy Donald (2009).

*From Kraft to Craft: Innovation and Creativity in Ontario's Food Economy* by Betsy Donald (2009).

*The Martin Prosperity Institute ([martinprosperity.org](http://martinprosperity.org)) at the [University of Toronto's Rotman School of Management](#) is the world's leading think-tank on the role of sub-national factors – location, place and city-regions – in global economic prosperity. Led by Director [Richard Florida](#), we take an integrated view of prosperity, looking beyond economic measures to include the importance of quality of place and the development of people's creative potential.*