

Addressing Working Waterfronts as a Priority Coastal Issue in Nova Scotia

The May 2008 edition of the Marine Affairs Policy Forum highlighted some of the substantive and procedural elements affecting the success of Nova Scotia's long-awaited coastal management effort and the proposed Sustainable Coastal Development Strategy (SCDS). Six priority coastal issues were identified by the Province to be addressed, namely sea-level rise and storm events, coastal access, working waterfronts, water quality, sensitive ecosystems and habitats, and coastal development.

This edition of the Marine Affairs Policy Forum focuses on the priority issue of working waterfronts and is the third of a priority coastal issues "six-pack". The goal of this series is to provide an overview of some of the key factors and policy implications for effective management of coastal issues in Nova Scotia. Although each edition of the "six pack" will focus on a specifically identified priority issue, linkages between the priority issues will be highlighted to demonstrate the interconnectedness among them.

Introduction

A working waterfront consists of sites or facilities which provide physical access to the sea for ocean-dependent uses as well as related infrastructure and services, which may or may not occur at the water's edge. Therefore, the term "working waterfront" can describe a wide range of facilities and sites, including commercial ports, fishing harbours, wharves, lighthouses, etc. There are 247 wharves and working waterfronts and 160 lighthouses located in 93 communities in Nova Scotia. Working waterfronts are essential to the ocean-dependent industries that directly contributed an estimated \$2.6 billion to Nova Scotia's GDP (8.1% of total GDP) and supported an estimated 60,000 direct and spin-off jobs (13.9% of total employment) in 2006 alone. In addition to their economic importance, working waterfronts hold great social and cultural importance to many Nova Scotians. Information acquired by the Coastal Communities Network (CCN) has shown that they are centres of activity in most coastal communities, acting as meeting places, venues for community events and providing key infrastructure for a wide range of recreational activities.

Ports and harbours are the obvious preferred location for working waterfronts. Generally, larger ports such as Halifax and Sydney are financially self-sufficient and located in communities with broad economic bases that include a variety of both marine and non-marine dependent industries. Small craft harbours are smaller fishing and recreational harbours located in rural communities. These harbours, such as those identified in Figure 1 for Digby County, are critical to the fishing industry as nearly 90% of all landings from Canadian fisheries occur at small craft harbours. Unlike larger ports, these harbours are central to the

well-being of the local community because ocean-dependent industries are often the primary source of employment for local residents.

Since small craft harbours are so critical to the well-being of rural coastal communities and because they face the greatest challenges in terms of long-term viability, this paper focuses much of its discussion of working waterfronts around the subject of small craft harbours.

Where are working waterfronts an issue in Nova Scotia?

Despite the great economic, social and cultural significance of working waterfronts in Nova Scotia, there are a number of challenges associated with maintaining safe and efficient working waterfronts. A lack of funding and resources to operate and maintain wharves and other essential infrastructure has resulted in unsafe working conditions in many harbours. The Small Craft Harbours Branch (SCH) of Fisheries and Oceans Canada (DFO) is mandated to keep small craft harbours that are critical to the fishing industry open and in good repair. According to SCH, chronic rust-out at many small craft harbours means that 18% of SCH infrastructure is currently in poor to unsafe condition, with restricted user access at some harbours.



Figure 1. Digby County is home to ten of 187 fishing harbours in Nova Scotia, as well as the Port of Digby.

In response to the lack of funding and resources by the federal government to properly maintain harbour facilities, SCH aims to divest recreational, low-activity and derelict harbours. This will allow it to focus its efforts and investments on some 750 core harbours across the country that it deems critical to the fishing industry. The government's rationale is that funding that was previously used to maintain divested harbours can be re-allocated to the remaining core harbours, thus reducing the deterioration experienced at these core harbours. The majority of SCH's annual budget is spent on the maintenance of fishing harbours. SCH gives priority for maintenance funding first to operational

or safety-related repairs at core fishing harbours, then to investments or upgrades at core fishing harbours, and finally to urgent safety-related repairs at non-core harbours whose divestiture is pending. Divested harbours are offered, in order of priority, to other federal government departments, provinces, municipalities, local non-profit associations or First Nations, and finally through a tendering process to the private sector. Harbour structures are demolished if there is no local interest in them. Similarly, the Canadian Coastal Guard (CCG) plans to divest 47 of the province's 160 lighthouses.

Over the past decade, SCH has divested 242 recreational harbours and 133 fishing harbours across Canada. Over the same period, total annual expenditures by DFO on SCH programs have demonstrated an increasing trend, rising 37% from \$76 million (\$2009) in the 1999/2000 fiscal year to almost \$120 million (\$2009) in the 2008/09 fiscal year (Figure 2). In principle, this suggests that the available SCH maintenance funding for each core fishing harbour have increased substantially over the past decade. Despite this apparent increase in per capita maintenance, the overall condition of small craft harbours has remained relatively stable over the past three years. One possible explanation for this trend is that most wharves in small craft harbours are quite old and are thus increasingly expensive to maintain. Furthermore, SCH claims that maintenance funding is "based on an allocation formula designed to provide a fair and equitable distribution of funds that takes regional priorities and safety considerations into account". Therefore, increases in maintenance funding at the national level will not necessarily translate into improved conditions at all core fishing harbours. In Nova Scotia, all of its 29 recreational harbours have been divested since the divestiture program began.

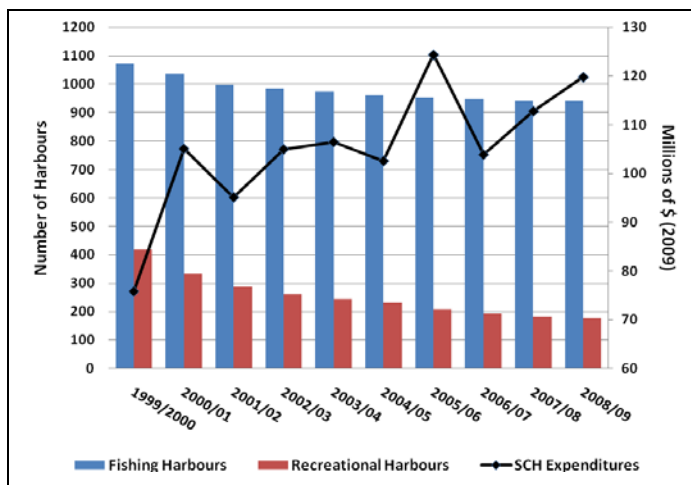


Figure 2. Total number of recreational and fishing harbours administered by SCH in Canada and total annual expenditures by SCH (millions of \$2009) between 1999/2000 and 2008/09. Source: DFO and Treasury Board of Canada Secretariat.

In addition to increasing maintenance costs for small craft harbours, another challenge facing many working waterfronts in Nova Scotia is the increased use of coastal land for uses that do not require a waterfront location. These uses are varied and in many rural coastal communities, frequently include tourism-related activity and the construction of residential and seasonal homes. Since the value of coastal lands are often assessed at a tax rate reflecting the highest possible use (e.g. residential development) and not the current use, members of coastal communities may be forced to pay higher taxes on working waterfront properties. Furthermore, competition by various user

groups for limited waterfront property can lead to increased conflicts. For example, marine-related commercial or industrial uses often associated with working waterfronts, may not be compatible with residential uses. In addition, many wharves are increasingly being used by larger commercial vessels and recreational vessels resulting in overcrowding and other safety issues. While it may seem unrealistic to discuss a possible increase in the number of working waterfronts when they are in decline in many areas of the province, the expansion of residential development along the shoreline also means fewer opportunities to revitalize old working waterfronts and forecloses options to build new ones in the future.

Not all coastal communities face the same challenges with regards to maintaining working waterfronts or are experiencing the same changes in the social, economic and demographic structure of their community. Therefore, one must be careful not to over-generalize this issue and carefully consider the various trends occurring in the province's coastal communities. A recent analysis conducted for the provincial government classified Nova Scotia's 93 working waterfront communities into four community types, using a suite of community variables for the years 1991 and 2006. The four community types included:

- **Healthy:** Well-off in the material sense and demographically robust;
- **Transitional:** Moderately well-off in a material sense, but showing significant declines in population;
- **Declining:** Less well-off in a material sense and experiencing significant declines in population; and
- **Statistical outlier:** Very poorly off in a material sense and experiencing a very significant increase in population.

Between 1991 and 2006, the percentage of Healthy communities rose from 28% to 33%, the percentage of Transitional communities fell from 29% to 0%, the percentage of Declining communities rose from 42% to 66%, and the Statistical outlier communities remained stable at 1%. The report concludes that communities with working waterfronts that retained their above average state of well being, or those that significantly improved, tended to be located:

- within a 60 minute drive of downtown Halifax;
- in areas with a strong lobster fishery, such as around Yarmouth; or
- in areas where strong fisheries and cultural and linguistic ties combined to encourage consolidation, such as the communities surrounding Cheticamp and Pubnico.

Who should be concerned and why?

Key interest groups associated with working waterfronts in Nova Scotia include the federal government, harbour authorities, coastal communities, municipal governments, the provincial government, the tourism industry and recreationists, private developers and the general public.

Federal Government: As described above, the SCH and CCG branches of DFO are responsible for maintaining a network of small craft harbours and lighthouses. These fishing harbours are essential to the nation's fishing industry, but increasing maintenance costs have made it difficult for DFO to keep all harbours open and in working condition.

Harbour Authorities: SCH retains ownership of the 187 core fishing harbours in Nova Scotia, but leases 165 of them to 139 Harbour Authorities who are then responsible for their management, operation and maintenance. Harbour Authorities are incorporated, not-for-profit organizations that have a Board

of Directors and members, who are representative of local interest groups and harbour users. For the most part, these individuals serve in a volunteer capacity. The Harbour Authority program has become essential to maintaining working waterfronts in many communities. However, Harbour Authorities also face a number of challenges including difficulty raising funds for capital improvements or expansion, fatigue and turnover among volunteers and local representatives, vessel overcrowding at harbours, difficulty collecting and enforcing berthage fees, and abandoned/derelict vessels. To facilitate greater communication between Harbour Authorities and DFO, a National Harbour Authority Advisory Committee (NHAAC) was established to provide advice to SCH on matters of national interest related to small craft harbours.

Coastal Communities: Approximately 28% of the province's population lives in rural coastal communities, many of whom are employed in ocean-dependent industries that rely on working waterfronts. Working waterfronts also have great social and cultural significance to these communities.

Municipal Governments: According to SCH, municipalities have generally shown the most interest in assuming responsibility for divested harbour facilities and are in a good position to determine what services should be offered at harbours. Municipalities are also responsible for land-use planning and can use zoning as a tool to ensure coastal lands essential to ocean-dependent industries are not used for other purposes. For example, certain areas of the Halifax Regional Municipality are designated as Fishing Industry Zones or Fishing Villages in order to "support the continuation of the fishing industry and those activities directly related to the industry."

Provincial Government: Working waterfronts are essential facilities for several important industries in the province including commercial fisheries and ocean tourism that bring in billions of dollars and employ tens of thousands of people. The provincial government is also responsible for the growing aquaculture industry which also requires working waterfronts. Thus the government has great interest in keeping working waterfronts safe and open.

Tourism Industry: Historic and active fishing towns and villages such as Lunenburg and Peggy's Cove attract thousands of

tourists each year and images of these working waterfronts are commonly used in the industry's promotional material (Figure 3). This past summer, tourists and business owners complained that the lighthouse at Peggy's Cove looked "terrible" and "neglected" because of peeling paint, rust stains and crumbling concrete. DFO initially declined to fund the needed repairs due to its cost of \$25,000 and because there were other lighthouses "in similar or worse condition". This decision was controversial, prompting a debate in Parliament. Shortly after the story was reported by local media, the decision was reversed and the lighthouse was repaired, although the timing of the repairs during the peak tourist season then generated its own level of dissatisfaction. As this example illustrates, deteriorating conditions in the province's working waterfronts has the potential to negatively impact the tourism industry and is a concern among tourism operators and the public.

Private Developers: There are a growing number of commercial and residential development projects along the province's coastline that do not require waterfront access. Management actions aimed at maintaining waterfront access for ocean-dependent uses could potentially limit where these types of development can occur. It is also possible that some private developers may be interested in purchasing harbour facilities from SCH or building new wharves and access facilities.

Recreationists and the General Public: In the past, working waterfronts were primarily used by those involved in commercial fisheries and other ocean-dependent industries. However, they are increasingly being used as launching facilities by the general public and many require upgrades in order to accommodate this demand for public access. HRM's Municipal Planning Strategy for Eastern Shore West calls for the municipality to look into ways it can work with SCH to improve public access to government wharves and upgrade facilities in the planning area.

Policy Implications

Working waterfronts are essential to Nova Scotia's lucrative ocean-dependent industries as well as the social and economic well-being of the province's coastal communities. While funding for maintenance and capital improvements is still a concern, there is some good news for Canada's small craft harbours. Under Canada's Economic Action Plan, the 2009 federal budget provides up to \$200 million on a cash basis to dredge the approaches and accelerate the repair and maintenance of core fishing harbours across Canada, including:

- \$3.87 million for harbour development at the Lower East Pubnico Harbour, and
- \$2.90 million for the construction of a 45-metre-long marginal pilework wharf, a 145-metre finger wharf, floating docks and electrical services in Pictou Landing.

The provincial government recently committed \$124,000 over two years to initiate a project that would see a major wharf extension, new marina and harbourfront improvements in the community of Annapolis Royal.

A cooperative approach involving all levels of government is necessary for finding solutions to the problems facing working waterfronts. This call is supported by the wide diversity of stakeholders having an interest in this matter who fall under one level of authority or another. For example, the federal government has the primary responsibility for maintaining the majority of working waterfronts in Nova Scotia, while the municipal government has responsibility for land-use planning in the coastal zone. However, there are a number of actions which



Figure 3. In addition to being a working waterfront, the fishing village and lighthouse at Peggy's Cove make it a popular tourist destination, attracting thousands of visitors each year. Source: St. Margaret's Bay Regional Tourism Development Association

can be taken by the provincial government in the developing Sustainable Coastal Development Strategy to protect the province's working waterfronts. For example, under the *Municipal Government Act*, the provincial government can establish a Statement of Provincial Interest which outlines the province's interest in land and water resources, the development of communities, and provides guidance on land use issues that cross municipal boundaries. Currently, there is a Statement of Provincial Interest on Agricultural Land designed to protect agricultural land in order to maintain a viable and sustainable food resource base. A similar statement of provincial interest requiring municipal planning strategies to specifically address working waterfronts could help protect working waterfronts by ensuring land uses that do not require waterfront access are directed to more suitable locations. Other jurisdictions, such as New York State's Division of Coastal Resources, have developed guidebooks to help and encourage coastal communities to develop local waterfront revitalization programs.

During a June 2008 workshop hosted by MAP, coastal management experts from the Atlantic region recommended socioeconomic, human use and settlement pattern criteria as essential for identifying the extent of coastal management areas that would be adequate to address the issue of working waterfronts in Nova Scotia. Additionally, experts at the workshop offered the following advice:

- Setting the landward boundary of a coastal area to address working waterfronts requires attention to existing usage, current zoning and planning requirements, jurisdictional authorities and community values. It was acknowledged that considerable data already exist to assist with zoning for working waterfronts.
- There is a need to recognize that usage of waterfronts can range from single to multi-use and determination of appropriate usage requires understanding of the cumulative impacts of activities and the risk factors associated with these activities, relative to some desired state or performance measure.
- A seaward boundary is difficult to set as it would depend on existing or proposed usage. Participants suggested a fixed distance of approximately 3 nautical miles could serve as an appropriate distance in the interim.
- Finally, participants noted that a coastal zone definition for working waterfronts must take into account all management objectives, including those related to other coastal management issues.

There are some direct linkages between working waterfronts and the other priority issues identified by the provincial government that should be considered for the Sustainable Coastal Development Strategy. First, coastal hazards are a growing threat to working waterfronts and put further strain on the government's budget for repairs and maintenance to small craft harbours. According to SCH, a severe storm in the Maritimes during the fall of 2001 damaged harbour facilities and negatively impacted their ability to achieve their annual performance targets. Second, working waterfronts are increasingly being used by the general public to access the water for recreational purposes. There is potential for the public to lose these access points as working waterfronts are privatized or demolished. Third, working waterfronts can be a source of pollutants such as oil, garbage and sanitary wastes in coastal waters. It should be noted that SCH requires Harbour Authorities to create and implement an Environmental Management Plan (EMP) to ensure that its activities are carried out in an environmentally friendly

manner. Currently, 95% of core harbours have an EMP in place. Finally, as described earlier, the increasing use of coastal land for purposes that do not require waterfront access can create conflicts between those who rely on working waterfronts and other user groups.

Concluding Comments

The poor condition of some of the province's working waterfronts is a symptom of larger problems facing coastal communities in Atlantic Canada. It can be argued that shifts in federal fisheries policy that favour consolidation and privatization of the fishery, along with the poor state of some fisheries resources, are some of the main drivers behind the population declines seen in many of Nova Scotia's coastal communities. A recent GPI Atlantic report that looked at the age profile of workers in Nova Scotia's fishing industry found that the proportion of older fishermen has increased since 1931, while the proportion of younger fishermen has decreased. This finding suggests an aging fishery and, along with the outmigration trends observed in many rural areas of the province, is evidence that there are fewer opportunities for younger generations of Nova Scotians to make a living in rural coastal communities than there were in the past. A recent review conducted for the provincial government provided further evidence of the strong linkage between the health of the fishing industry and the health of its coastal communities, as a strong lobster fishery was found to be positively correlated with community health. While it is important to pursue strategies that ensure Nova Scotia's working waterfronts are kept in safe, working condition, it is also necessary to tackle the broader social and economic issues facing the province's coastal communities. The federal government's divesture programs have demonstrated that they have limited interest and/or ability in maintaining low-activity working waterfronts. Therefore, working waterfronts can only survive into the future if there are sustainable ocean-dependent industries to provide employment and income to those living in coastal communities.

From a policy perspective, some of the outstanding questions that are in urgent need of addressing include:

- What can be done to promote social and economic development and the diversification of livelihoods in rural coastal communities?
- What is the role of the provincial and municipal governments in ensuring working waterfronts are kept in safe, working condition and what strategies can they use to achieve this objective?
- How vulnerable are the province's working waterfronts to coastal hazards and what can be done to protect them from damage?

The CCN also raised an important question that has yet to be answered:

- "In small craft harbours where there is potential for expanding the user base in terms of recreational boating, tourism and other sectors, is there a need for a new model for harbour management that would accommodate the interests of the primary users while bringing more stakeholders into the picture?"

This document is based on research undertaken by Christopher Burbidge and Lucia M. Fanning at the Marine Affairs Program, Dalhousie University. To enhance readability of this publication, references used to prepare the document are not included but are available upon request. Contact marine.affairs@dal.ca for details.