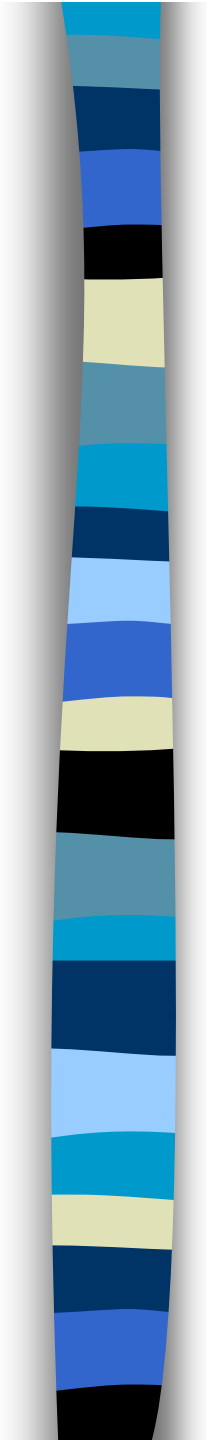


Site Selection Rationale

*Selecting the sample grid for the
New Rural Economy Project*



How were sites selected for the NRE Project?





Site Selection Rationale

- Exposure to Global Economies
- Adjacency to Metropolitan Centres
- Industries by Market Fluctuation
 - Local Capabilities
 - Leading and Lagging CSDs



Exposure to Global Economies

CSDs are classified into 2 types based on percentage of individuals who are employed in the industries as listed below

□ **High Global exposure is:**

agriculture and related industries
fishing and trapping
logging and forestry
mining (milling), quarrying, oil wells
manufacturing
communication and other utilities
finance and insurance
business services

□ CSDs with more than 40% of their labour force in industries exposed to global economies were classified as high (the 60th percentile in each case)

□ Total number of rural, high global exposure CSDs: 1855

□ **Low Global Exposure is:**

construction
transportation and storage
wholesale trade
retail trade
real estate and insurance agent
government services
education, health, and social services
accommodation, food, and beverage services

□ CSDs with more than 60% of their labour in industries exposed to local economies were classified as low (the 60th percentile in each case)

□ Total number of rural, low global exposure CSDs : 1855



Adjacency to Metropolitan Centres

CSDs are affected by the opportunities and institutions of nearby urban centres

CSDs are classified by the Beale code of the Census Division (CD) in which they are located

Adjacent CSDs are located in:

- CDs containing metropolitan centres of 50,000 or more
- CDs which contain urban centres of 3,500 or more and border on metro CDs
- rural CDs which border on metro CDs
- Total number of rural, metro adjacent CSDs: 1955

Non-adjacent CSDs are located in:

- CDs containing urban centres less than 50,000 which do not border metro CDs
- rural CDs which do not border metro CDs
- selected, very remote Northern CDs
- Total number of rural, metro adjacent CSDs: 2712



Industries by Market Fluctuation

CSDs classified by 2 types based on predominant industry or employment

□ **Fluctuating Markets are...**

agriculture and related services
fishing and trapping
logging and forestry
mining (milling), quarrying and oil wells
construction
finance, real estate and insurance

□ CSDs with 30% of their labour force in industries with fluctuating markets were classified as fluctuating

□ Total number rural, fluctuating CSDs: 1842

□ **Stable Markets are...**

manufacturing
transportation and storage
communication and other utilities
wholesale and retail trade
business, government and education services
health and social services
accommodation, food, and beverage services

□ CSDs with 71% of their labour force in industries with stable markets were classified as stable (the 60% percentile in each case)

□ Total number rural, stable CSDs: 1855



Local Capabilities

Responses to change depend to some extent on the local, social, and institutional infrastructure

Factor Analysis identified 3 major dimensions from 15 variables related to this infrastructure:

1- human capacity

2 - self employment related

3 - age-related

- **CSDs which are above the median on 2 or more of these dimensions were classified as high capability**

- **Total number rural, high capability CSDs: 2236**

- **CSDs which are below the median on 2 or more of these dimensions were classified as low capability**

- **Total number rural, low capability CSDs:2405**



Leading and Lagging CSDs

Factor Analysis of 17 variables results in 4 dimensions on which CSDs may lead or lag

- 1- income related
- 2- labour force related
- 3- marriage and housing costs related
- 4- housing tenure and low income related

□ CSDs which are in the bottom 25% of the cases on at least 2 of the dimensions are considered lagging

□ total number of rural CSDs lagging on at least 2 factors: 988

□ CSDs which are in the top 25% of the cases on at least 2 of the dimensions are considered leading

□ total number of rural CSDs leading on at least 2 factors: 1257