



Evolution of a ‘Mega-community’

How the business sector in Saint John, N.B.
initiated a social capital network to fight poverty

By Mark Leger, University of New Brunswick, Saint John

Key Concepts

- **Mega-community:** a collaborative socioeconomic environment in which business, government, and civil society interact according to their common interests, while maintaining their unique priorities.
– Gerencser et al., *Mega-communities*
- **Initiator:** Mega-communities can be launched by government, civil society or business players, but are most often initiated by the business sector because of superior resources, both human and financial. - *Mega-communities*
- **Vertical Social Capital:** networks of social trust that are accessible and appropriable between and among various socioeconomic and cultural strata. - Joseph D. Lewandowski, *Journal of Social Poverty*, January, 2008

Poverty in Saint John

- Saint John is an industrial city, the largest in the province with a population of nearly 70,000. More than 20% live in poverty.
- The poverty rate is high, but has declined steadily over a 10-year period, from 27% in 1996 to 20.8% in 2006.
- The nationwide poverty rate in 2006 was 15.5%.
- Anti-poverty activists would like to see Saint John's poverty rate reduced to the 2006 national average by 2015.

Concentration of Poverty

- Poverty is concentrated in five inner-city neighbourhoods in Saint John. It has declined in most of them since 2001, but remains relatively high.
Crescent Valley: 61.6% (7.3% reduction)
Old North End: 46.8% (5.5% reduction)
South End: 37.5% (6.6% reduction)
Lower West Side: 31.5% (6.5% reduction)
Waterloo Village (56.1%, 5.4% increase).



Capital Investments

- **Financial:** The unemployment rate falls very much in line with the poverty rate. Unemployment is highest in the years after the local shipyard closed, which employed more than 3,000 at its peak. It begins to fall again during a call centre boom in the mid- to late-1990s.
1996: 14.3%
2001: 10.5%
2006: 8.6%
- **Human:** In 1997, an anti-poverty social capital network begins to form, and is still growing in size and scope 12 years later.

A 'Mega-community' is Born

- **The initiator:** Bill Gale, retired banker, launches the Business Community Anti-poverty Initiative (BCAPI) after a lunchtime conversation with a homeless person.



Focus on single mothers

- BCAPI commissions a study 2000 to determine its priorities. The organization decides to focus on single mothers with young children.
- Launched First Steps Housing in 2002. Provides a place to live for single mothers and their children, a daycare and an alternative education program.



Non-profit, government partners

- BCAPI doesn't provide or fund services. Researches needs; helps find funding, and organizations and government departments to deliver programming.
- Other major initiatives include youth resource centre; school mentorship program; and early childhood learning centre.



- Collaborative, multi-sector working groups with executive council led by businesspeople.

Vibrant Communities

- BCAPI partners with social service non-profits to establish Vibrant Communities Saint John. Vibrant Communities is a national anti-poverty initiative that also focuses on collaborative partnerships.
- VCSJ focuses on leadership development at the community level. Establishes neighbourhood groups in five 'priority' areas.
- Leadership Roundtable includes low-income residents, as well as businesspeople, non-profit employees and government bureaucrats.

Community-based leadership

- Establishes newspaper called 'Around the Block', produced by priority neighbourhoods.
- Vertical social capital is more evident. Leadership model is inclusive, broad-based.



‘Energy Hub’



- Government and industry promote development of ‘energy hub’.
- New oil refinery, nuclear facility and LNG terminal to compliment existing refinery and nuclear power plant.

Benefits Blueprint

- Federal, provincial, private sector program to ensure communities fully benefit from energy projects
- 16 initiatives designed to maximize economic and social benefits
- Many of them directed primarily at improving the economic and social conditions of low-income earners
- Employment, education, social housing, daycare
- Business community believes low-income Saint Johners are an untapped resource. Employment program designed to facilitate re-entry into workforce

Selfless or self-interest

- “We’re looking at an economic boom scenario. If we can’t help people take a step up now, when can we do it?” – *Benefits Blueprint staff person*
- “It is economic development, not just social development. They’re so intertwined. Money is being spent that’s not providing value other than sustaining poverty. We need the resources of people in poverty.” - *BCAPI staff person*

Mega-community Measures

Quantitative: Reduce Poverty Rate

- BCAPI: 'We Will Not Fail'
- Vibrant Communities: Reduce poverty rate to national levels by 2015

Qualitative: Social Capital Development

- Build vertical, as opposed to horizontal social capital networks
- Facilitate leadership development in priority neighbourhoods

