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TITLE
THE SOCIO-ECONMIC IMPACTS OF CF BASES AND STATIONS ON THEIR HOST COMMUNITIES: A
STUDY OUTLINE

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THE SOCIO-ECONOMIC IMPACTS OF CF BASES
AND STATIONS ON THEIR HOST COMMUNITIES:
A STUDY OUTLINE

BY

S. B. BROWN

LOUIS PARAI

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TABLE OF CONTENTS

	Page
TABLE OF CONTENTS	i
EXECUTIVE SUMMARY	1
INTRODUCTION	1
AIM AND SCOPE OF THE STUDY	1
PROPOSED METHODOLOGY	3
DATA REQUIREMENTS	5
TIMETABLE	6
TABLE I PROPOSED TIMETABLE FOR STUDY	7
SELECTED REFERENCES	8

THE SOCIO-ECONOMIC IMPACTS OF CF BASES AND STATIONS
ON THEIR HOST COMMUNITIES: A STUDY OUTLINE

EXECUTIVE SUMMARY

This note outlines the study, with the above title, which is being undertaken at the request of the Director Economic and Social Policy. The proposed methodology, data requirements and timetable are briefly set out. The study is to be completed by the end of March, 1992.

INTRODUCTION

1. The purpose of this note is to outline the study which the Directorate of Social and Economic Analysis (DSEA) is being tasked to do by the Director Economic and Social Policy (DESP) under ORAE Project No. 45738-4.¹ Director of Infrastructure Planning and Coordination (DIPC) also has expressed an interest in this study. This note sets out the framework and time span within which this study will be carried out.

2. This note consists of four parts. The first part sets out the aim and scope of the study, part 2 summarizes the methodology to be used, part 3 discusses the data requirements, and part 4 presents the proposed timetable for this study.

AIM AND SCOPE OF THE STUDY

3. The aim of this unclassified study, as its title indicates, is to assess the social and economic impacts of each of the Canadian Forces (CF) bases and stations on its host community.

¹ See [3] of Reference.

DESP will provide a list of the bases and stations to be included in this study, but it is expected that most, and quite likely all, of the approximately 40 will be included. The study is scheduled to be completed by the end of March, 1992, and to utilize up to one person-year of professional time.

4. There have been quite a few base/station impact studies done over the years by DSEA. These have ranged from rather extensive study of the regional impact of one base that took a number of months of work to complete,² to relatively summary study of the impacts of a number of bases on their host communities that was completed within a few weeks;³ no study has been undertaken previously of all existing bases and stations. Given the time and resource constraints within which the proposed study is to be completed, this study will by necessity consist of relatively concise analyses of each of the bases and stations and their host communities rather than detailed studies of each; however, should more detailed study of the socio-economic impacts of a limited number of these bases/stations be desired, DSEA could be tasked later on to undertake such analyses.

5. As presently foreseen, the completed study would be structured as follows:

INTRODUCTION

- . Aim and scope of the unclassified study set out.
- . Study placed within the context of earlier base/station studies done within DSEA.
- . Study outline.
- . Participation acknowledged of all those contributing to study.

² For example, Reference [1].

³ For example, Reference [5].

ANALYTICAL APPROACH

- . Summarize methodology being used, including discussion of what social and economic impacts are analysed and why.
- . Summarize data used, their sources and limitations.

BASE/STATION IMPACTS

- . Each base/station and its host community are individually reported in a separate section of likely 8 to 10 pages.
- . Base/station and its host community are briefly described.
- . Socio-economic impacts of the base/station on its host community presented.

SUMMARY AND CONCLUSIONS

- . Socio-economic impacts of each of the bases/stations grouped into broad categories, ranging from relatively large to quite small.
- . Recognition of the major reservations of the study and the resulting conclusions, with an indication of any other additional analysis that would be worthwhile undertaking.

APPENDIX: DATA

- . Reasonably detailed discussion of data sources and limitations.
- . Detailed statistical tables.

PROPOSED METHODOLOGY

6. The preferred approach for analysing and quantifying the economic impacts would be to use an input-output (I/O) model which would capture the direct, indirect and induced spending and employment impacts of the base/station activities on the host community. However, although such a model is currently being

developed for use within DSEA,⁴ it will not be operational within the time frame of the proposed study. Accordingly, the collected base/station expenditure data will be set out to show the direct spending impacts of the base/station, while available provincial I/O tables (along with information about the host community) will be used to indicate the likely indirect impacts of the spending; it will not be possible, however, to estimate quantitatively the full multiplier impact of the base/station on the host community, but qualitative indications may often be made. Employment and labour force data will also be analysed.

7. The social impacts, as was done most recently,⁵ will include the contribution of the base/station to the demographic structure of the host community, and thereby the likely impacts on the housing market and local schools. Earlier studies sometimes considered the extent of involvement of base/station personnel in community activities; such information can often best be obtained from on-site visits, which will not be possible for this more extensive study, and accordingly this aspect will be considered only where such information is readily available.

8. The initial step in the analysis will be to identify the appropriate host community (or region) of each base/station. For statistical purposes, this will have to coincide with an appropriate census tract. A literature search will be undertaken to identify appropriate earlier studies within DSEA which

⁴ See [4] for details, including a discussion of the shortcomings of Statistics Canada's existing I/O model which preclude computing the full multiplier even if Statistics Canada were contracted to do the I/O analysis.

⁵ See Reference [5].

can provide required information and data. Information from within DND on the history and role of each of the bases/stations will be obtained. Within the time constraints of the study, qualitative descriptive information on each of the host communities will also be sought.

DATA REQUIREMENTS⁶

9. Data of two major types will have to be collected: on bases and stations, and on their host communities. The exact data to be collected have yet to be determined and will be done as part of the study.

10. As in past studies, a great deal of the data on bases and stations will be sought and obtained from Director Costing Services (D Cost S) and Director Financial Services (D Fin S). However, some of the more detailed information (including expenditures allocatable into I/O commodity groupings) will very likely be available only from the bases and stations, and an appropriate questionnaire will have to be put together;⁷ such a questionnaire will have to be initially tested before it is used, and this can best be done in conjunction with a visit to a representative base close to Ottawa.

⁶ Compiling the required data comprises a major part of this study. The resulting data will be an important part of another ORAE Project (No. 45732-1, Development of an Economic Database), but the study being outlined here is not formally part of this database project because broader considerations pertaining to database requirements and management are not being included in this proposed study, nor are the others interested in database issues now being consulted.

⁷ The most recent study [5] relied totally on D Cost S and D Fin S for data on bases and stations, but this was because of both the severe time constraint and the need for the confidentiality of this study. Earlier studies, for example [2], also obtained information from bases and stations.

11. The basic detailed data for the host community will have to be drawn from the census which, until at least late 1992 or early 1993, will be that for the year 1986. The census data will have to be augmented by additional information from various sources, including local school boards for enrolment numbers and quite likely Canada Manpower Centres (CMC) for updated labour force data. These additional sources will likely best be reached by mail, but in some instances it could be done by telephone. Visits to all the host communities will not be possible because of the time constraint.

TIMETABLE

12. The only real crucial date is that of the completion of the study by the end of March, 1992; all the other dates are approximate bench marks to provide guidelines to ensure successful attainment of this goal. However, it is important to understand that the proposed schedule is a tight one, and can only be realized if no changes to the proposed study contents are made part way through the indicated timetable.

13. The proposed timetable is set out in Table I (page 7). It is assumed that DESP will (1) provide the list of bases and stations to be studied, along with the order for the analysis to be done if it so wishes, by the end of May; (2) indicate before mid June what other specific impacts (if any) it desires to have analysed, additional to that done in the preceding study^a or indicated in this note.

14. The collection of the required data for all bases and stations will be done at the same time. However, the subsequent

^a Reference [5].

analysis of the bases/stations can be done in whatever order according to the operational needs of DESP and others within DND having an interest in this study.

TABLE I
PROPOSED TIMETABLE FOR STUDY

OBJECTIVE	COMPLETION
Complete literature search of DSEA studies of base/station impacts.	Mid June, 1991
Define host community (region) for each of the bases and stations.	Late June
Determine user requirements of data from each base, station and host community.	Late June
Determine in detail the methodological framework for the data collection and analysis.	Early July
Complete questionnaire to collect data from bases/stations.	Mid July
Test questionnaire, including a visit to a base/station (near Ottawa).	End July
Define database format, and determine hard copy layout.	Late July
Data collection -- bases/stations and host communities -- including 1986 census data for host communities.	End September
Analysis of impacts of each base/station, and writing of the Project Report.	End March, 1992

REFERENCES

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- [3] Operational Research and Analysis Establishment, Department of National Defence. Operational Research and General Analysis Program 1991, ORAE Report No. 110. Ottawa, March 1991.
- [4] Peterson, G. A. A Review of the Use of Input-Output Modelling, DSEA Staff Note 4/91. Ottawa, May 1991.
- [5] Truscott, S., M. Denomy and G. Hodgins. Social and Economic Impact of Base Closure on Host Community, Project Team Report for Director Economic and Social Policy, DND. October 1990.

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