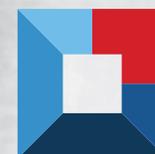




**ECONOMIC
DEVELOPMENT**
PLAN • 2019-2021



**ECONOMIC
DEVELOPMENT**

GREATER SAINT JOHN



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FRAMING OUR FUTURE

WE'VE WORKED DILIGENTLY over the past year examining how we work, what we could do better, and we've learned a lot.

The time is right for change – a new name and visual identity will help us move forward and better serve our communities; our new colour palette is inspired by the municipalities we represent; and the square in our logo represents our desire to frame our region's future differently.

Moving forward, all of our economic development efforts will flow through our areas of focus – designed to address our region's biggest challenges – which will be measured against strategic goals.

Greater accountability will be achieved through more frequent public reporting activities, which will also provide opportunity to course-correct if required.

Working together with our partners, municipalities and investors, we will help ensure jobs are created; we will help bring more people to our region; and we will ensure Greater Saint John becomes a more attractive place to do business. A full list of our partners – including the members of our Board – can be found on our new website: www.EDGSJ.com.

As you read further, refer to this plan's appendix for additional context surrounding the economic realities of Greater Saint John.

With the new strategic activities identified for implementation in this plan comes a need for new project-specific funding. A financial status quo would allow our agency to continue with the same work we've been doing for the past five years; new and important activities will need to be properly funded in order to see the light of day.

Everyone would like to see our region doing better. We strongly believe that this plan will help bring about the positive change needed for Greater Saint John to succeed.



VISION

Consistent, long-term economic growth for Greater Saint John region.



AREAS OF FOCUS

Building on our regional strengths, we must focus on workforce development, entrepreneur development, business investment and innovation, and marketing Greater Saint John to grow the economy.



ALIGNMENT IN ECONOMIC DEVELOPMENT

This is a plan to guide our efforts, but it is meant to be a galvanizing vision and set of goals that will impact multiple economic development organizations.



ACTION

The intentional actions of the plan will drive measurable outcomes towards strategic goals.



AREAS OF FOCUS

- 1 WORKFORCE DEVELOPMENT**
Attract and retain talent to support the growth of our existing companies and attract new companies to our region.
- 2 ENTREPRENEUR DEVELOPMENT**
Build the Saint John entrepreneurial ecosystem with a focus on scalable start-ups.
- 3 BUSINESS INVESTMENT & INNOVATION**
Promote the value proposition for investment and support companies in being globally competitive.
- 4 MARKETING GREATER SAINT JOHN**
Tell the Greater Saint John story to attract people, investment, and support the growth of our companies.



STRATEGIC GOALS 2019 – 2021

INCREASE IN EMPLOYMENT

2.5% increase per year
(from 62,500* to 67,305)

INCREASE IN LABOUR FORCE

2.5% increase per year
(from 66,600* to 71,720)

INCREASE IN GDP

0.5% greater than provincial GDP
(average 1%)

INCREASE IN CONSUMER CONFIDENCE

by 1 index point per year
(average of 99.1)

*Average of the Monthly Seasonally Adjusted Labour Force and Employment Numbers – by Statistics Canada. (2018)



EXECUTIVE SUMMARY

A silver bullet solution to Greater Saint John's economic reality does not exist. What does exist is a community of collaborative partners who want to drive tangible change for our community.

WE EMBARKED on the process of creating a new economic development plan for Greater Saint John in the spring of 2018. Our research included meetings with a dozen community business leaders, and 10 focus groups. In total, more than 300 people were consulted during this initial project phase.

During this process it was determined that a re-brand was in order, which has resulted in our new more inclusive and mandate-specific name: Economic Development Greater Saint John.

Many of the community's business leaders were interviewed to gather input on challenges and opportunities, and how we can all work together to drive the economy forward. In addition to one-on-one interviews, there were multiple group sessions with agency staff, board members, local politicians, partner organizations and other industry leaders.

We also conducted research involving our region's history, population and immigration trends, labour market and industry trends, as well as economic data.

All of this research combined to form the foundation of our new economic development plan.

This plan will guide our agency's efforts and also provide a galvanizing vision for our community.

COLLABORATION

A plan by Economic Development Greater Saint John on its own cannot effectively leverage the many organizations that are involved in our region's economic development activities.

To be successful, we will continue to align and collaborate among all of our partners including the City of Saint John, the towns of Grand Bay-Westfield, Rothesay and Quispamsis, and the Village of St. Martins. Engagement

of public and private sector leaders will help this plan to make a significant impact, which will be monitored and measured through the leadership of Economic Development Greater Saint John.

We've highlighted in this plan how key collaborations amongst organizations and municipalities in different areas of focus will ensure Greater Saint John moves forward towards a more prosperous future.

HOW TO USE THIS PLAN

Economic Development Greater Saint John has restructured its everyday approach to operations through the development of four focus areas for all work that takes place within the agency.

- Workforce Development
- Business Investment and Innovation
- Entrepreneur Development
- Marketing Greater Saint John

With the aim of creating consistent, long-term economic growth for Greater Saint John, we have identified actions critical to improving Saint John's trajectory. Our four focus areas provide a streamlined approach to encapsulating and categorizing each of these actions, and approaching them via strategic, measurable goals.

This economic development plan is the starting point for a collaborative, targeted approach to reversing Greater Saint John's poor economic performance. For each of the four focus areas, a specific plan will be developed that identifies how each action will be completed. These upcoming plans will assign responsibilities, outline timelines, identify measurable goals and prepare for evaluation once goals are achieved.

A year from now, we encourage you to return to this plan to see how successful we were in our action plans for each area of focus. More importantly, do you sense a positive change in people's perceptions about the Greater Saint John area?

HOW THIS PLAN IS DIFFERENT

A silver bullet solution to Greater Saint John's economic reality does not exist. What does exist is a community of collaborative partners who want to drive tangible change for our community.

This plan is different from previous documents, studies and initiatives in several ways; namely, in our resolve to collect better data and research, and maintain a clear focus on strategic goals with more easily understandable measurement and public reporting practices.

Economic Development Greater Saint John will lead this cause with our partners and ensure we take a position ahead of the curve when it comes to information of importance to our region. We will champion momentum, and ensure everyone remains connected and on-track between big wins.

Our focus on four key areas will allow us to attack the workforce gap, hone-in on key sectors, grow our culture of entrepreneurship and change the Greater Saint John narrative. We all want to see more jobs, more people working and a more attractive business environment.



AREAS OF FOCUS

1

WORKFORCE DEVELOPMENT

The shrinking labour force across the region is arguably the most significant barrier to growth. When we solve this, it will mean more opportunities for companies in Greater Saint John to grow and attract new investment to the region.

We need to significantly increase the flow of people into the region, expand the labour force and provide the talent for industry and for new entrepreneurial ventures.

It is important to clearly define the role for Economic Development Greater Saint John as there are many organizations involved in workforce development. All our actions will be done in partnership with our collaborators.

THREE-YEAR GOAL

Build an integrated community model that ensures Greater Saint John companies can attract and retain talent.

YEAR ONE TARGET

Work with 30 companies to fill 350 stagnant jobs (posted for at least 90 days and still unfilled).

COLLABORATORS

- PETL
- ACOA
- ONB
- UNBSJ
- NBCC-SJ
- NBIF
- MUNICIPALITIES
- SETTLEMENT SUPPORT AGENCIES
- TRAINING SECTOR
- INDUSTRY GROUPS
- TECHIMPACT

KEY ACTIONS (2019-2021)

- Empower employers to adapt to new workforce realities and new methods of attracting and retaining talent.
- Increase the effectiveness of connecting employers to talent and talent to employment.
- Build the talent pipeline for jobs-on-offer and near-term industry needs.
- Support newcomers in accessing meaningful employment.
- Develop digital and innovation skills in our youth, connect them with the business community, and increase retention rates.
- Be the 'go-to' organization for insights and context on shifting workforce trends.
- Support UNBSJ/NBCC-SJ efforts to increase and retain their student population.
- Promote employment opportunities and benefits of living in Saint John and surrounding areas to newcomers, youth, graduates and potential residents.

2

BUSINESS INVESTMENT AND INNOVATION

Greater Saint John needs to attract more business investment to create more sustainable growth. This investment can come in the form of new business ventures, the expansion of existing firms, and the attraction of national and international firms to our region. There needs to be a clear and compelling case for this investment. Businesses will not invest without the expectation of a good return on their investment. We need to recognize that global competition for this investment is more intense than ever before.

We also need a renewed and collaborative commitment to support innovation within the private and public sectors. It will mean increased productivity, driving new product and service development, encouraging more investment from outside our region.

A. BUSINESS INVESTMENT

Economic Development Greater Saint John and its partners have an important role to play in framing the value proposition for investment, and in communicating that value proposition to potential investors locally, nationally, and internationally. Economic Development Greater Saint John and its partners also need to ensure our export-oriented companies can continue to grow in Saint John by addressing barriers and identifying new opportunities in our region.

THREE-YEAR GOAL

Working closely with ONB, the region will have secured significant investment in the Cybersecurity, Energy, Digital Health and Logistics sectors.

YEAR ONE TARGET

300 jobs created through investment attraction.

COLLABORATORS

- ONB
- ACOA
- MUNICIPALITIES
- SAINT JOHN ENERGY
- PORT SAINT JOHN
- SAINT JOHN AIRPORT
- DEVELOP SJ
- ATLANTICA CENTRE FOR ENERGY

KEY ACTIONS (2019-2021)

- Develop compelling promotional materials that highlight Greater Saint John's important sector opportunities and related competitive advantages, including our Foreign Trade Zone.
- Seek targeted investment opportunities where Greater Saint John has distinct competitive advantages & Economic Development Greater Saint John and partners can directly influence growth.
- Leverage the Foreign Trade Zone for new investment and expanded trade opportunities.
- Leverage our International head office base to attract investment and work to address key business barriers.
- Work with Port Saint John and Saint John Airport to improve market access for our companies.
- Work closely with ONB on internal investment opportunities and targeted external investment.

B. INNOVATION

New Brunswick firms, educational institutions and governments need to be more innovative to better compete in the modern, highly competitive global economy. Innovation is an important contributor to economic development.

THREE-YEAR GOAL

Public, private and non-profit organizations invested in development of an Innovation District in Uptown Saint John.

YEAR ONE TARGET

Develop concept, test feasibility and secure partner buy-in for an Innovation District.

COLLABORATORS

- UNBSJ
- NBCC-SJ
- ONB
- ACOA
- GNB
- RDC
- SAINT JOHN ENERGY
- ATLANTICA CENTRE FOR ENERGY
- NBIF
- TECHIMPACT
- CYBERNB
- HORIZON HEALTH
- INDUSTRY LEADERS
- MUNICIPALITIES

KEY ACTIONS (2019-2021)

- Confirm and exploit the top research and development opportunities in our region (i.e. Additive Manufacturing, Industry 4.0, Digital Health, Energy, Logistics) to attract investment and drive innovation.
- Build the innovation ecosystem to support research and development and commercialization within selected opportunity areas:
 - Create an Innovation District in Uptown Saint John.

- Expand Provincial and regional research and development organizations to Greater Saint John.
- Leverage Saint John Energy as an important regional asset in developing innovative energy solutions.
- Identify and make the case for more university/college-based research and development in Greater Saint John institutions.
- Develop and attract start-ups and existing companies to the ecosystem.
- Attract investment.
- Work with CyberNB and TechImpact to identify areas where our local IT companies can innovate with industry.
- Provide leadership for companies and organizations to solve problems and develop solutions using data and connected technology.
- Provide opportunities to develop innovation skills within companies.
- Seek opportunities to support intrapreneurship within our larger companies to solve business challenges and create new growth opportunities.



3

ENTREPRENEUR DEVELOPMENT

Having a strong entrepreneurial ecosystem is becoming increasingly important to economic development. This is especially important to Greater Saint John as it has experienced a below-average output of start-ups compared to its peers in Atlantic Canada. Building a mature local pipeline of entrepreneurs with exportable ideas will support an increase in the number and quality of start-ups. Economic Development Greater Saint John and its partners have built a strong foundation of programming and support services for entrepreneurs; however, a critical next step is enhancing our efforts by making meaningful connections and leveraging resources from within the broader Atlantic regional entrepreneurial ecosystem to support scale-ups.

THREE-YEAR GOAL

A strong entrepreneurial pipeline, industry engagement and post-secondary partnerships driving a new level of growth in Saint John start-ups and scale-ups.

YEAR ONE TARGET

Support the launch of 30 start-ups and 60 new jobs.

COLLABORATORS

- PETL
- ACOA
- RDC
- UNB
- ONB
- NBCC
- CONNEXIONWORKS
- BRILLIANT LABS
- ANGLOPHONE-SOUTH SCHOOL DISTRICT
- TECHIMPACT
- NBIF

KEY ACTIONS (2019-2021)

- Continue to deliver high-value programming and coaching to entrepreneurs in Greater Saint John.
- Grow our incubator for high potential businesses to collaborate and access resources for growth.
- Continue to provide small business financing and business skills training to new entrepreneurs.
- Continue to deliver experiential learning opportunities for youth to build entrepreneurial skills and a pipeline of future entrepreneurs.
- Partner with UNBSJ to build an entrepreneurship hub where students and faculty use applied research to support start-ups and growth of existing companies.
- Attract entrepreneurs with exportable ideas to launch and grow their start-ups here.
- Align efforts with Atlantic Canadian incubators and accelerators to ensure firms can access resources for scaling start-ups. We need a few to become the next generation of industry leaders in Greater Saint John.
- Refine and promote existing entrepreneurship programs (e.g. Venture Validation Program, Impact Loan, Tech Incubator, Kick Start Your Business, Entrepreneurial Pipeline).



4

MARKETING GREATER SAINT JOHN

More than at any point in our history, the success of the Greater Saint John economy is tied to global supply chains, investment flows and people migration. It is imperative that Greater Saint John is known both internally and externally as an excellent place to live, work, start a business, invest, attend school, and visit.

THREE-YEAR GOAL

Cultivate a positive image of the community and its opportunities internally/externally, which leads to more people attracted to living & investing in the region.

YEAR ONE TARGET

Collaborate with agencies/municipalities to create a shared marketing tool box, complete an economic development marketing plan for Greater Saint John and acquire resources to implement the campaign.

COLLABORATORS

- UPTOWN SJ
- DISCOVER SJ
- DEVELOP SJ
- ONB
- PETL
- MUNICIPALITIES
- LOCAL MEDIA
- RESIDENTS

KEY ACTIONS (2019-2021)

- Change the Greater Saint John narrative with authentic stories and examples to develop a positive regional image.
- Market the region using a mix of earned media, social media, and traditional media.
- Focus on local, regional, national and international markets:
 - Remind people of Greater Saint John attributes – leverage the mix of a strong urban core and the region’s natural assets.
 - Reintroduce Greater Saint John as a major regional urban centre with strategic importance to the national economy. Promote Saint John’s strengths and competitive advantages for business.
 - Partner with other levels of government to position Greater Saint John as a great place to live and invest with a bright future for ambitious people and companies.



EVALUATION

EVERY SUCCESSFUL plan includes an evaluation phase, which should be built-in from the very beginning to help guide actions throughout the process of implementation. We have identified quarterly progress updates – in addition to our Annual Report – as our preferred tools for regularly reporting on the economic development plan’s status. Various metrics will be examined and used to create these updates, such as:

MACROECONOMIC METRICS

- Economic growth
- Labour market trends
- Municipal tax base

ACTIVITY-BASED METRICS

(Economic Development Greater Saint John and Partners)

- Newcomer attraction and retention
- International student attraction and retention
- Local firm expansions
- Business and investment attraction
- Entrepreneurship
- Research & development
- Marketing



MOVING FORWARD

GREATER SAINT JOHN has many foundational strengths that can be leveraged to get back to a sustained level of economic growth and foster a positive future.

- A vibrant uptown urban core
- The head offices of multiple large multinational corporations
- A rapidly-growing IT cluster with three of the largest IT firms in Atlantic Canada
- A large insurance and back office cluster serving North America
- Strategic transportation infrastructure
- Energy infrastructure and support capabilities
- A demonstrated ability to attract talent
 - 12,500 living in Greater Saint John in 2016 that did not live here in 2011)
- A history of overcoming challenges

A STRONG GREATER SAINT JOHN ECONOMY IS ONE WHERE:

- The region's strengths, assets, and attributes are being leveraged by local entrepreneurs and multinational companies to foster economic growth.
- Companies are adapting to highly competitive markets through product and service innovation.
- The talent pipeline supplies workers for industries across the labour market spectrum.
- People attracted to Greater Saint John are coming for economic opportunities (employment and entrepreneurial) aligned with their skills and interests.
- Significant effort is made to ensure newcomers are engaged and putting down roots in a welcoming community.
- A positive attitude is helping to strengthen the environment for investment and people attraction.



APPENDIX: ADDITIONAL CONTEXT

OUR POPULATION PROBLEM

We need more people living and working in the Greater Saint John area.

Boosting the number of people attracted to, or retained in, Greater Saint John will be critical to establishing a workforce supporting economic growth in the years ahead. For the first time ever, in 2017, the number of deaths in Greater Saint John surpassed the number of births. This highlights the critical importance of increasing our region's population.

Although there are fewer people living in Greater Saint John than there were 25 years ago, the population has held fairly steady for the past decade, at approximately 128,540.

While the number of total residents has been consistent, the age distribution is shifting; the number of residents under the age of 20 in Greater Saint John has dropped by 15 per cent since 2001, and the number aged 60 and older has risen by 50 per cent. In other words, the size of the population that will be joining the workforce in the coming years is shrinking, and the population exiting the workforce is rising fast.

The Greater Saint John area was among only four large urban Canadian centres that saw a decrease in population under the age of 20 between 2001 and 2017. Growth in the number of people over age 60 is not the problem; it's the lack of young people in the population to provide balance and sustain the labour market in the years ahead. Local demographics could be the biggest barrier to economic growth moving forward.

AS GOES GREATER SAINT JOHN, SO GOES NEW BRUNSWICK

Over the past two decades there are many examples of New Brunswick's economic performance mirroring that of Greater Saint John.

Between 1998 and 2008, Gross Domestic Product (GDP) growth in New Brunswick averaged 2.7 per cent per year. Based on estimates from the Conference Board of Canada, GDP growth in the Saint John Census Metropolitan Area (CMA) averaged 2.8 per cent during the same period. For more than a decade, the GDP in New Brunswick and in Greater Saint John grew at almost exactly the same rate.

Between 2008 and 2017, average annual GDP growth in the Greater Saint John area dropped to just 0.4 per cent. It was only 0.5 per cent across New Brunswick. Again, the economies of New Brunswick and Greater Saint John moved almost in parallel.

Another way to look at this is that 20 years ago, the Saint John CMA accounted for 19.7 per cent of New Brunswick's GDP. In 2017, it accounted for almost the same share, at 19.6 per cent.

Based on the last two decades of data, it is unlikely that New Brunswick will get back to robust GDP growth without a renewal of strong economic growth in Greater Saint John. The economic performance of all communities in New Brunswick matters. However, as an example, Greater Moncton's economy grew more than three times faster than the Greater Saint John economy between 2008 and 2017, but it wasn't enough to foster overall robust provincial economic growth.

Greater Saint John is too large and too important not to have its economic challenges addressed. If we want sustained economic growth for the province, then we need a strong Greater Saint John.

EMPLOYMENT IN SAINT JOHN

All economies have industries that are in decline and those that are growing. Successful economies are those where the growing economies significantly outpace the declining industries.

The Greater Saint John economy has faced much more upheaval in recent years than most other urban economies in Canada. Consider Greater Saint John's ratio of net jobs lost in declining sectors versus net jobs gained in growing sectors.

Between 2006 and 2016, Saint John lost nearly 6,800 jobs in declining industries. During the same period, growing sectors added a net 7,225 jobs. This means that for every job lost, 1.1 jobs were gained in the Greater Saint John area.

Table 2.1: Change in total employment between 2006 and 2016 – declining and growing sectors

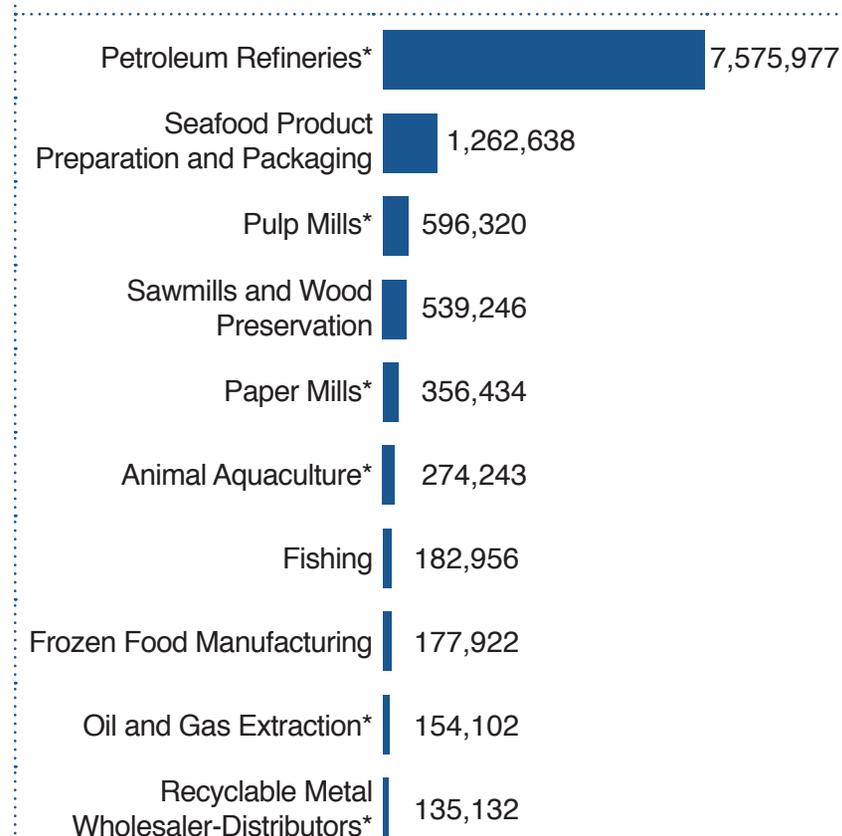
Urban Centre	Declining sectors: Net jobs lost	Growing sectors: Net jobs gained	Ratio of jobs gained to jobs lost
Saint John	6,745	7,225	1.1
St. John's	5,565	20,810	3.7
Charlottetown	1,615	6,305	3.9
Halifax	10,910	22,685	2.1
Moncton	3,415	11,155	3.3
Fredericton	2,870	8,875	3.1
Canada	734,270	2,145,335	2.9

Based on 3-digit NAICS industries.

Derived using Statistics Canada 2006 and 2016 Census labour market data.

The Greater Saint John economy is one of the most reliant on international export revenue than any urban centre in Canada. The following table shows the top 10 merchandise exports by detailed industry for New Brunswick in 2017. Six of these industries, including four of the top six by value, are located in Greater Saint John. This heavy reliance on export markets is both an advantage and a challenge for the economy.

Figure 1.5 : Value of international exports from New Brunswick (\$000s) - 2017



* Concentrated in Saint John. Source: Statistics Canada.

The Greater Saint John economy has a very high concentration of employment in petroleum refining and wholesaling, paper manufacturing, utilities (mostly electricity), and a high concentration of employment in insurance and other back offices or contact centres, health care and telecommunications.

Table 1.6: Industries with high employment concentration, Saint John CMA

Industry (3-Digit NAICS):	LQ Value (CAN = 1.00)
412 Petroleum and petroleum products merchant wholesalers	13.88
324 Petroleum and coal products manufacturing	8.63
322 Paper manufacturing	4.26
221 Utilities	2.45
524 Insurance carriers and related activities	1.66
561 Administrative and support services	1.59
517 Telecommunications	1.55
622 Hospitals	1.53
417 Machinery, equipment and supplies merchant wholesalers	1.31
452 General merchandise stores	1.29
623 Nursing and residential care facilities	1.28
444 Building material and garden equipment and supplies	1.26
446 Health and personal care stores	1.25

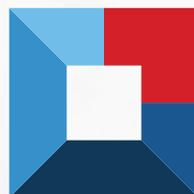
Despite the challenges in many trade-exposed industries, several new industries are emerging strong in our region.

- Insurance sector employment up 89 per cent between 2006 and 2016.
- Information Technology employment up 50 per cent.
- Architectural, engineering and related services employment up 21 per cent.
- Professional services overall up 16 per cent.
- Accommodation services employment up 11 per cent.

Greater Saint John is too large and too important not to have its economic challenges addressed.

The image features a blurred crowd of people in a blue-tinted environment. A diagonal line splits the image from the bottom-left to the top-right. The text 'EDGSJ.COM' is centered in the middle of the image, flanked by two light blue square brackets. The overall aesthetic is modern and professional.

EDGSJ.COM



ECONOMIC DEVELOPMENT

GREATER SAINT JOHN

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