

STRATEGIC PLAN

For

THE MIRAMICHI REGION

Prepared by P.K. Consulting

February 28, 2007

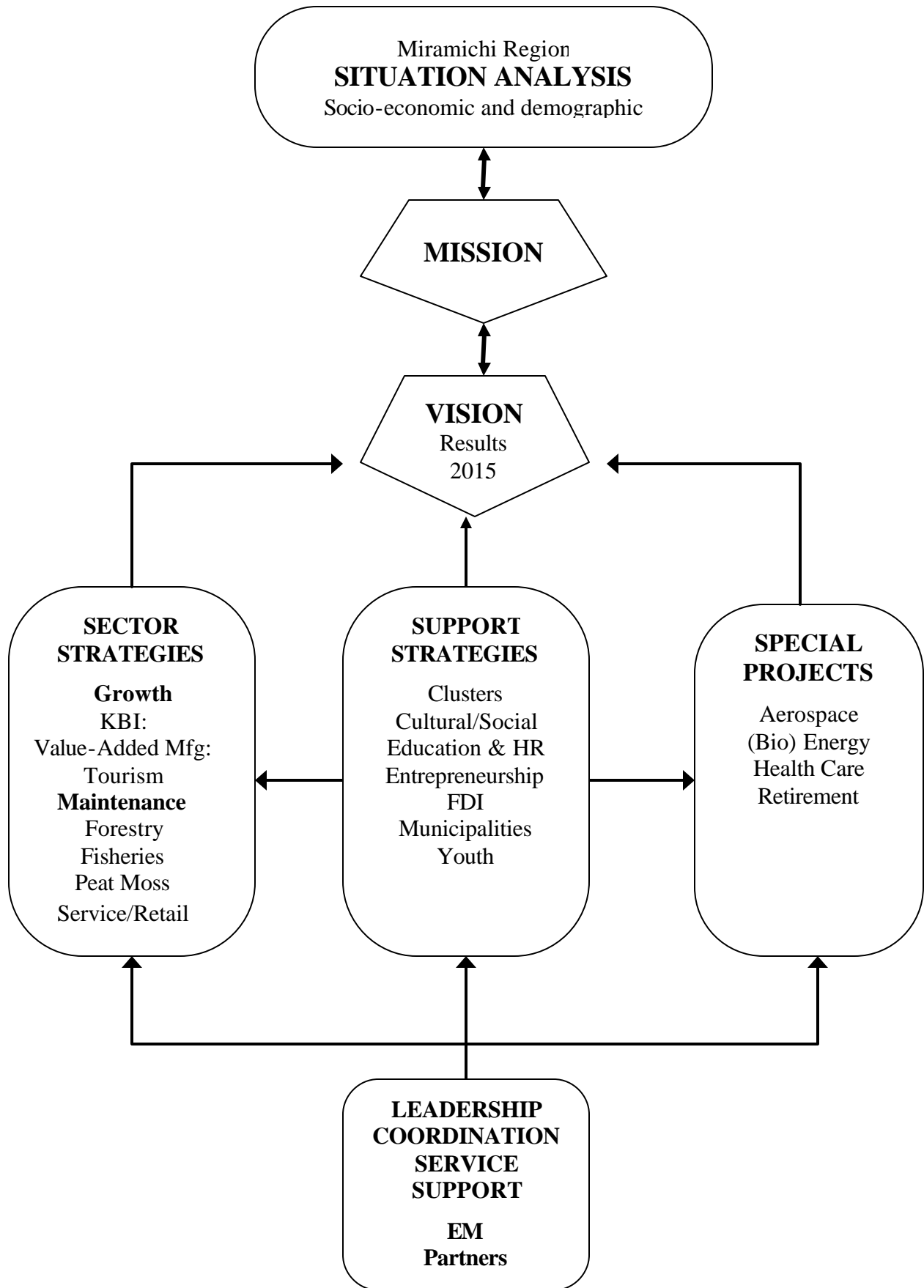


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1.0 INTRODUCTION

1.1 Background

This paper presents the Strategy to guide the economic development of the Miramichi region over the next three years; i.e. from April 1, 2007 to March 31, 2010. The Strategic Plan is designed to ensure the Miramichi region is positioned to maximize its full economic development potential so as to improve the region's standard-of-living. The plan is to be a living document that may be changed as circumstances and conditions warrant.

Enterprise Miramichi (EM), which is one of fifteen Enterprise Agencies (EA) in the Province of New Brunswick with a mandate to foster community-led economic development in their region. The principle responsibility of EM is to provide leadership that will give people and communities a more active role in shaping their economic future based on their region's unique needs and advantages. The EA framework is designed to engage all three levels of government in an integrated approach to regional economic and human resource development. An important EM responsibility is to involve all partners and stakeholders at the regional level.¹

EM is the lead agency in fostering economic development and soliciting real and meaningful input from municipalities and community representatives in both rural and urban Miramichi. EM has a responsibility to ensure that the business community is fully engaged in the planning and development process. As well, EM is to encourage and coordinate community participation and government commitment in the planning process. A most important entity to provide for community input and participation will be the EM Advisory Forum.²

Developing a strategic plan for a region such as the Miramichi requires the input of all the key stakeholder groups that comprise the community. The EM Board of Directors³ is extremely thankful to the dozens of people who participated in the process and gave so generously of their time and energy. This, therefore, is the community's Strategic Plan – a plan for and by the people of the Miramichi.

¹ Partners: These are local and government agencies with and through whom EM must work to successfully plan and implement its strategic plan; e.g. BNB, RDC, PSET, ACOA, HRDC, the City's Economic Development Officer, Community Business Development Corporation – Northumberland, and member Municipal Councils, are considered full partners in the EA structure.

² Advisory Forum: This is a body of fifty or so representatives from Miramichi business and community organizations, MP, MLA's, mayors, councilors and LSD presidents - a stakeholder group in the regional community

³ See Appendix A for list of EM Board members and the Regional Planning Group (RPC) responsible for this report.

1.2 The Strategic Planning Process

Strategic planning is a disciplined effort to help organizations and communities determine their future direction and to establish how they intend to realize their goals and aspirations. Strategic planning aims to work on the big canvas, to paint in broad strokes. An important part of the process is to explore what we are now, to affirm or renew our central mission as a development agency, and to develop a clear vision of how we see our region's future in the context of that mission.

The process involves examining the opportunities and threats the region is facing as well as its internal strengths and weaknesses for meeting such challenges and exploiting opportunities. The plan presents a series of goals and objectives, and delineates strategies and an action plan, together with a timetable, for achieving these outcomes.

This Strategy document is an update of the Strategic Plan for the Miramichi Region (2003). The economic development planning process that led to the preparation of this report was part of a much larger Community Growth Strategy (CGS) development initiative which addressed four areas of development in the Miramichi: economic, social, cultural and environmental. The planning process thus led to the development of two separate documents; namely the CGS and this report (Economic Development Strategy for the Miramichi (2007)). The planning process involved broad-based, community consultations that were driven from the bottom up.

Responsibility for the planning process (and the production of the two above mentioned reports) belonged to Enterprise Miramichi. To this end, a Regional Planning Committee (RPC) was established by the EM Board to oversee the planning and consultation process. The Committee is being assisted in its work by Paul Daigle, AMEC. Planning commenced with an initiation meeting of the RPC on November 7, 2006.

Under the direction of the Regional Planning Committee interview guides/survey questionnaires were prepared by the consultant for data gathering purposes:

- Interview Questionnaires were sent to all municipalities, Local Service Districts (LSD) and First Nations (FN)
- Groups interviews were held with municipalities:
 - City of Miramichi
 - Doaktown
- Input from Regional Development Committee was provided throughout the process
- Input was received from the various economic sector groups consulted by EM Staff
- Comprehensive research (quantitative) analysis of performance in the region's "economic base" over the past three years was undertaken by the consultant with the assistance of EM staff
- An Advisory Forum Workshop was held on January 13, 2007 at the Rodd Miramichi to receive their input and recommendations
- An EM Board of Directors workshop, that served to complete the planning process, was held at the Wharf Inn on January 27, 2007.

2.0 MISSION / VISION / OPERATING PRINCIPLES

2.1 Mission Statement

Our Mission is to provide leadership for economic growth and prosperity in the Miramichi region.

2.2 Vision Statement

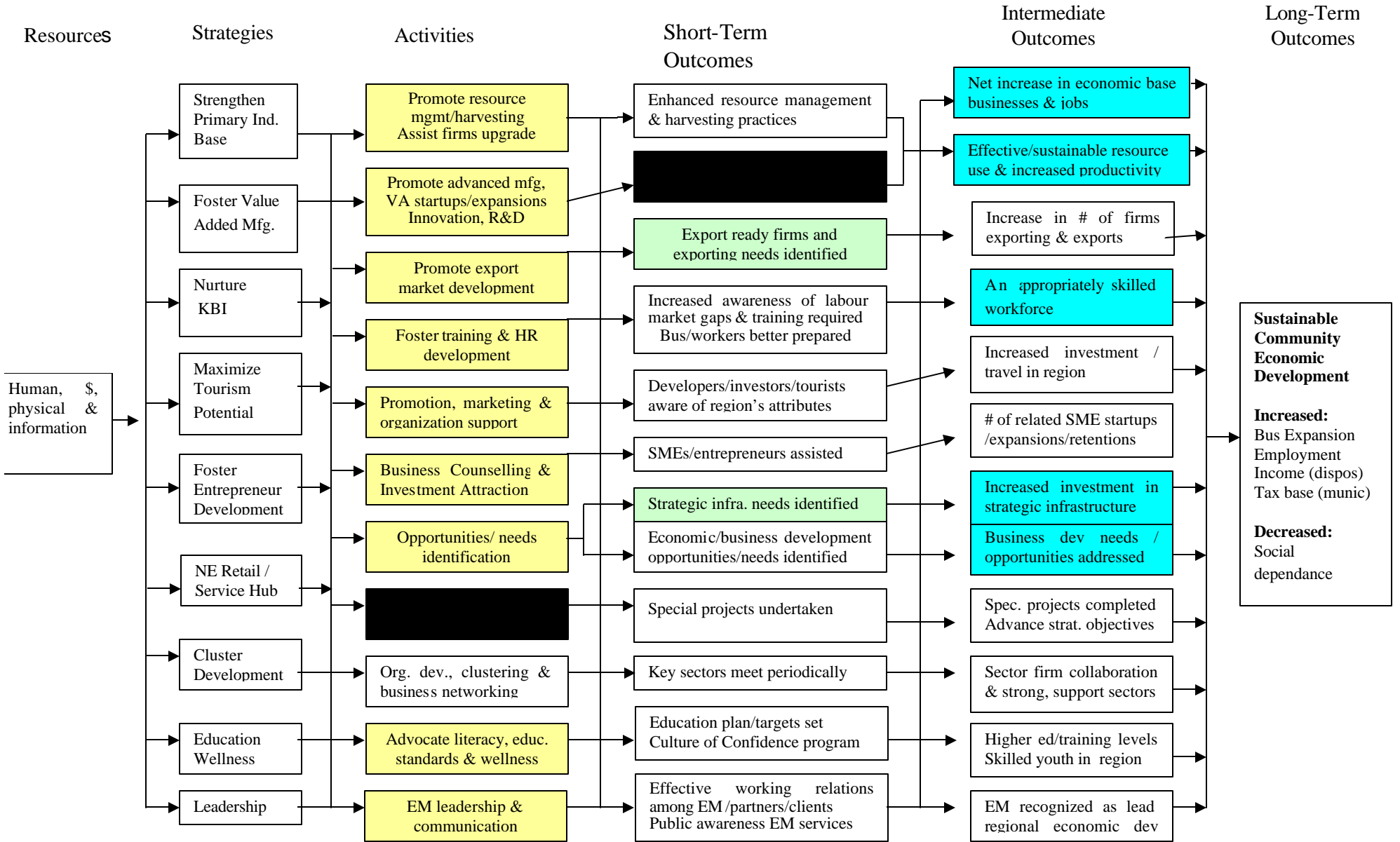
A sustainable Miramichi economy achieved by a proud, friendly and growing community.

2.3 Values/Principles

Enterprise Miramichi, Board members and staff, will undertake to conduct their affairs in keeping with the following principles:

- *Ethical*
- *Respectful*
- *Regional*
- *Shared Skills*
- *Industrious*
- *Collaborative*
- *Integrity*
- *Forward Thinking*
- *Leadership*
- *Sustainable*
- *Accountable*

2.4 Enterprise Miramichi Logic Model



3.0 The MIRAMICHI ECONOMY

3.1 *The Economic Base*

The Strategic Plan recommends placing priority attention on the region's *economic base* and the industries and businesses that comprise this segment of the Miramichi economy. The *economic base* is the external sector of the local economy, that is, the economic sector for which demand is independent of local level activity. More than anything else, the performance of the *economic base* defines the long-term performance of the economy. Why is it so? The demand in the non-basic sector of the economy (retailing, services, etc.) is dependent on the level of local economic activity. Thus it is constrained in its growth by the local demand, whereas the basic sector is not subject to such a constraint. Thus, by growing, the *economic base* creates jobs and raises the level of local economic activity, allowing the non-basic sector to grow. The engine of economic development in a region is therefore the basic sector of the economy.

Any determination of what belongs to the *economic base* involves a certain amount of arbitrariness. Usually, the availability of data dictates some rules of classification to which a purist might object. In our analysis we should use a particular definition of the *economic base*, which leads to a manageable survey of the local jobs in the *economic base*. Included in our definition of the Miramichi region's *economic base* are the following establishments:⁴

- all primary processing establishments
- all manufacturing establishments;
- all transportation and warehousing establishments with significant non-local business;
- all distribution centers servicing more than the Miramichi region;
- all regional and head offices of businesses with establishments outside the area;
- NBCC Miramichi
- all government units with Provincial, Maritime or Atlantic jurisdiction; e.g. gun registry, prison, HRDC Investigation Centre, etc.

Part of the economic analysis entailed an assessment of employment growth in of the *economic base* of the region over the past three years – March 31, 2003 to March 31, 2006. A list of the sectors and sub-sectors that comprise the *economic base* in the region, including minimum and maximum employment levels of the firms in these sectors is attached in Appendix B.

3.2 *Economic Performance (2003-06)*

Assessment of the regional economy over the past 3 years – the period covering the “Strategic Plan for the Miramichi Region” (2003) timeframe - indicates that the Miramichi has experienced net positive growth despite a number of serious challenges. Such challenges included apparent continuing youth out-migration, loss of jobs in the primary industries due to continuing rationalization, education and health constraints and the out-migration of skilled labour, largely to Western Canada.

⁴ For our purposes, “all” of the firms have a qualification. We only included those that export, to any amount, outside the region; i.e. the Miramichi region.

A detailed analysis of performance in the region's "economic base" indicates the following:⁵

- There has been positive net employment growth in the local economy that totaled some 256 net jobs in the region's economic base across all pertinent sectors;
- Metal fabrication is an emerging manufacturing sub sector which has experienced strong positive growth in employment;
- The Animation sub sector of KBI has been very successful producing close to 70 net jobs over the period;
- There is evidence that the region is starting shift more so from primary to value-added, which is noticeable in the wood sector;
- Business growth and the make up of the local economy is becoming more diversified;
- A cluster development Strategy was completed for the region and sector groups formed with which EM is continuing to work. The Forestry Cluster group (which includes manufacturing) in particular is quite well established and active. It is viewed as provincial model;
- A joint Tourism association was established in the region.

Employment Growth in the Economic Base (Job change by sector group 2003-06)

Table 1

Economic Base Sectors	Targets (2006)	Actual (2006)
Primary (agriculture, forestry, fishing)	33 ⁶	- 7
Peat (mining)		30
Manufacturing (value-added)	136	-90
KBI (includes CCCs & private college)	13	116
Trucking (service)	64	88
Gov't Services (inc. NBCC Miramichi)	No targets set	119
Total:	246⁷	256

Though the total growth in the region's "economic base", as defined in the 2003 Strategy", exceeded adjusted projections, this was substantially assisted by increased employment in the public sector (federal and provincial) in the region; i.e. plus 119 net jobs.

⁵ For a more comprehensive "snapshot" of the region and EM performance, see At-a-Glance, Appendix C

⁶ This included mining (peat) when the target was first set.

⁷ The original target was for 400 net jobs over 4 years. This was based on a preliminary assessment of employers and employment in the economic base that was later updated with more reliable numbers as recommended in the Strategy.

The most concerning number was the dramatic reduction in the region's manufacturing sector that was largely the result of the UPM Kraft Mill closure (400 jobs) as well as the loss of 40 jobs at Cassidy Beverages during this period.

Most promising was the positive growth in the KBI sector that included Animation and Customer Contact Centre expansion in the region. However, given offshore competition at the low end, there is a very real need to move the CCC upscale if the region is to continue to grow this sub sector.

Another concern with the KBI is the lack of critical mass and the general fragility of this sub sector; e.g. only two firms are in the business of animation in the region.

4.0 A DEVELOPMENT STRATEGY FOR THE MIRAMICHI

Strategy is simply the selection from among alternatives to accomplish goals more effectively. The goal pursued is the economic growth of the Miramichi region. The means at hand are, first the resources of Enterprise Miramichi and its Partners, and second, the willingness of the Miramichi business community to get involved in the economic development of the region.

The essence of strategy is to focus attention and resources on a few key areas and to impact them in such a manner and to such a degree that they spin off development in other areas of the economy (synergy).

4.1 The Strategy

The growth of the Miramichi economy will rest first and above all, on the dynamic character of its business community. The success of the business community will be enhanced substantially by the timely, focused collaborative and cooperative support efforts of EM and its partners. The region's business community will be encouraged and supported to direct their talents and energies on proactively growing the region's economic base (and companies comprising that base) through sector specific strategies as a priority focus. This will involve:

- Focusing priority attention on three principle sectors: KBI (animation & Customer Contact Centres); Value-added Manufacturing (metal fabrication and value-added wood); and Tourism (principally supporting the MRTA to play its lead role);
- Undertaking "project based" initiatives that include: aerospace, (Bio) energy, Health Care and Retirement;
- Seeking to maintain the region's strength (and to build on it where opportunity exists) in the primary sector (forestry, fisheries, peat moss) as well as in service/retail, on a project specific basis;
- Aggressively promoting/supporting exports and exporting
- Strengthening the entrepreneurial base of the region
- Utilizing clustering and business network strategies
- Elevating the region's educational standards and job-related knowledge & skill levels
- EM providing the necessary leadership to make things happen

Key elements of the Strategy are depicted in Table 2:

Table 2

EM Strategic Focus (2007-10)

Growth		Maintenance
Sector Based	Project Based	Project Based
KBI <ul style="list-style-type: none"> • Animation • Customer Contact Centres (up scale) Value-added Manufacturing <ul style="list-style-type: none"> • Metal fabrication • Value-added wood, seafood, peat moss Tourism (help strengthen MRTA)	Aerospace (Bio) energy Health Care Retirement	Forestry Fisheries Peat Moss Service/Retail

4.2 The Goals and Objectives

The overall goal to be pursued by this Action Plan is to stimulate the development of the *economic base* of the Miramichi and to diversify it. Goals are always more functional when they are quantified, for they become measurable and the review exercise becomes much more significant. As the saying goes, “you usually get the results for which you measure.” On the other hand, there are many factors independent of Enterprise Miramichi, or Miramichiers for that matter, which will affect the performance of the local economy, and which can diverge significantly from the set objectives without reflecting on the specific performance of Enterprise Miramichi. Arguments of this nature are often advanced by those who object to quantified objectives.

To set aside such arguments (which have certain validity), it is useful to consider the set objectives as quantitative benchmarks against which the outcome will be assessed. Numerous factors could then be advanced to explain deviations between the benchmark and the actual outcome, the performance of EM being one. It is the responsibility of those involved in the review process to assess the importance and contribution of each factor.

***Employment Growth Targets in the Region’s Economic base (2007-10) are set at:*⁸**

2.5% increase in net economic base jobs over the next 3 years; i.e. 127 net maximum and 96 net minimum (42 and 32 net maximum & minimum per annum respectively)

These are overall targets that will need to be broken out for the various sectors. Appendix D and E present a set of Charts to assist EM Management in further detailing anticipated employer and employment growth over the next three years and thus track change and performance. Annual objectives will be set in yearly Annual Work Plans. A more comprehensive set of measurements is set out in Section 5 of this report.

⁸ The measurement period will be from April 1, 2007 to March 31, 2010 (a three-year timeframe which lags the old and new strategies by one year).

4.3 Action Plans

Two general types of activities can be found in the proposed action plan. Some fall under responsibilities of the development organizations (EM and the Partners) and those to be undertaken by the business community, either through existing organizations, ad hoc committees or through individual initiatives. Thus, the proposed action plan embraces much more than EM resources. However, the leadership of EM, together with the active support and involvement of the key business organizations in the region, is essential to ensure that the challenges underlying the action plan are addressed.

The Plan is focused on three principles strategies: Growth Sectors, Maintenance Sectors and Special Projects. As well, there are a number of “support strategies” or initiatives that will serve to enhance or support development efforts across the entire regional economy, especially the economic base.

4.3.1 Growth Sectors

KBI

Enterprise Miramichi will proactively focus on two key sub sectors:

1. Animation:

- Prepare and implement an Animation growth plan for the region
- Develop a strategy to engage BNB effectively in attracting Foreign Direct Investment to the sector
- Implement the Broadband Readiness initiative
- Explore Serious gaming opportunities

2. Customer Contact Centres:

- Prepare a plan to help regional Customer Contact Centres move upscale
- Work collaboratively with BNB to attract new higher end Call Centres to region
- Continue close collaboration with the Miramichi Community college in supporting this sub sector.

Value-Added Manufacturing:

Enterprise Miramichi will proactively focus on two key sub sectors:

1. Metal Fabrication:

- Continue working with the manufacturing sector through the “cluster group”
- Promote Lean Manufacturing for those companies that require it
- Identify HR training requirements sector firms and provide help to those companies that require it
- Encourage/support export market development across this sector
- Promote the development of “export market ready” firms in the region
- Support collaborative efforts especially with respect to export market development
- Establish a Process Control program at NBCC Miramichi
- Support project specific initiatives by firms that will serve to strengthen the sector

2. *Value Added Wood:*

- Seek to identify and foster the development and expansion of value-added wood product firms
- Help value-added firms secure the necessary wood supply to meet their higher end product needs
- Support value-added wood firms to become “export market ready”
- Support high end value-added firms assess the benefits of being part of the NNNP Export (Artizan Design Centre) consortium to ease their entrance into the export (New England) marketplace
- Support the establishment of the proposed Pellet Mill
- Support value-added companies to modernize and adopt the necessary technology to be competitive
- Identify the training requirements for such value-added firms and ensure these are being addressed
- Seek to attract a higher level of Foreign Direct Investment into this sub sector.

Tourism:

Enterprise Miramichi will undertake to:

- Support the establishment of paid help for local tourism association
- Establish a Project Fund to help tourism businesses with marketing needs
- Support MRTA sub-committees and projects
- Support Sport Tourism activities
- Implement the Bays and Rivers strategy
- Explore the potential for more winter tourism
- Complete Super Host training
- Build rapport with players in the provincial Department of Tourism

4.3.2 Special Projects

(Bio) Energy:

- Complete and implement “Bio-energy study

Retirement Community:

- Work with retirement Miramichi to launch their Phase 2 program

Pilot Recruitment:

- Continue work with the Miramichi Airport Commission to attract Pilots to the local airport – Phase 2 of the Chinese Students initiative

Wellness Centre:

- Support the establishment of a Wellness Centre locally

4.3.3 Maintenance Sectors

Primary Processing (forestry, fisheries, peat moss)

- Work with sectors on a project basis
- Work with sectors to improve productivity, training, value-added opportunities
- Continue to work with and support sector groups where interest and opportunity are manifest
- Lobby to ensure an adequate share of wood supply (mostly higher quality hardwood) is being secured by companies endeavoring to move up-scale into more value-added manufacturing; i.e. government policy and practice regarding supply/access/management of wood supply
- Explore value-added in peat and fish

Regional Service/Retail:

Continue to support development of the region as a retail hub
Examine the Retail labour pool to determine needs

General (across all sectors):

- Work with sector groups to help assess their needs (opportunities and constraints) utilizing the Enterprise Miramichi Growth Strategy Matrix (see Appendix F)
- Utilize resulting data for purposes of upgrading sector plans as analysis suggests.

4.3.4 Support Strategies

Clustering, Networking, Strategic Alliances:

EM and its Partners will continue to place major importance on working to assist companies through the sector-based approach as proposed in the 2003 Strategy, particularly where member firm interest and opportunity present themselves. Coupled with this will be an approach that stresses strategic alliances, business networks and clustering as well as the establishment of the necessary support infrastructure (organization & electronic) to enable such industry collaboration to happen cost-effectively.

Collaboration, cooperation and strategic alliances are, increasingly, becoming important ways of doing business around the world. Businesses of all sizes are using various forms of “joint venture” and networking arrangements to help them reduce costs, increase efficiencies and market more effectively.

Entrepreneur Development:

The importance of gaining greater local control of the regional economy was cited as a long-term goal. A critical means to gain increased control over the local economy is through fostering entrepreneurship so that aspiring entrepreneurs might be motivated and prepared to establish and grow successful local businesses. Thus, locally owned companies are more likely to establish their corporate offices (presence) in the Miramichi where the maximum benefits are returned to the economy through reclaimed profits, executive salaries, R&D, re-investment, etc.

Entrepreneurship and business counseling is an important part of the program offerings of EM's offerings and this will be continued. However, it is important to understand that fostering entrepreneurial development is a slow, long-term process for building a vibrant regional economy. By itself, entrepreneurial development will not allow the Miramichi region to scale up sufficiently, on a timely basis, to meet economic development aspirations in the short run. Complementing entrepreneurial development with a program of fostering local business expansion and attracting (FDI), especially in the region's priority sectors, must be an important aspect of the Strategy.

- Explore opportunities for retiring entrepreneurs to see continuity of their businesses
- Works with local financial institutions to help improve entrepreneur development
- More effectively support successful local entrepreneurs. This should be high on the "must-do" list.⁹
- Leverage the early retired group for business opportunities
- Develop a package for ex-patriots Miramichier's (of all ages) to lure them back.

Foreign Direct Investment

Given the lack of critical mass in a couple of the key sectors and the need to ramp up development in these particular areas to achieve growth targets, it will be important to attract outside investment including firms that will bring with them appropriate corporate resources and infrastructure to help firm up the industry sector base which is small and somewhat fragile in some areas.

The attraction of such investment capital, often referred to as "seek & find", is the role of BNB. However, EM cannot afford to be passive in this regard. A strategy will be required to effectively engage the province to direct disciplined efforts in attracting FDI to those key sectors which EM has identified as strategic.¹⁰

Education, Human Resource Development and Training

The relatively low level of education and job-ready skill-sets among Miramichi residents were identified by the Advisory Forum as a very serious handicap to a region that continues to experience high levels of job attrition through business rationalization.

The human resource development and educational needs of the region are far more generic than that which can be addressed on a sector basis alone and relate, as well, to: a) basic literacy and numeracy; b) bilingualism; and c) basic computer skills. Addressing these more fundamental requirements will be crucial to the future economic success of the region as well as the social enjoyment and fulfillment of individual Miramichi residents. Definitive actions will be required to begin to address these important regional needs.

Proposing anything more than a broad set of recommendations - to help draw attention to the seriousness of this regional shortcoming and thus begin an effective remediation effort - is beyond the scope of this

⁹ The Miramichi has a fairly solid base of such successful business leaders whose firms are exporting outside the region. Some of these players, in interviews with the consultant, have expressed the perceived lack of local support and the absence of a positive business environment. These leaders must be afforded encouragement and support in future as they can substantially help to grow the local economy.

¹⁰ The City of Miramichi's Economic Development Director's primary role is "seek & find". EM should endeavor to align with their efforts as well as with BNB.

report. Enterprise Miramichi should and can help to initiate what might be termed an “educational revolution” in the region. However, any sustained campaign (which this will undoubtedly require) to meaningfully address this area of need should be considered well beyond the realm of EM’s program efforts and responsibilities.

Cultural/Social

Enterprise Miramichi will:

- Support the establishment of a Wellness Centre
- Support activities to increase education levels
- Support cultural group activities (language and arts)
- Assist and further support the Multi-Cultural Association
- Further work on a Culture-of-Confidence in the Miramichi
- Help develop a youth maintenance and repatriation strategy
- Support the establishment of a conference facility in the region
- “Brand” the area with the partners
- Engage a marketing person to assist organizations with their needs.

City, Villages and First Nations

Enterprise Miramichi will:

- Work with City, Villages and First Nations to attract businesses
- Work cooperatively with City of Miramichi Economic Development Officer directly
- Assist Up-river and Down-river groups with at least one project annually
- Support the City Transportation Study
- Address the Industrial Parks issues
- Work with and support its partner organizations (Chamber, Council, Downtowns)

Leadership and Communication:

EM clearly has the responsibility to lead economic development in the Miramichi region; i.e. to be the lead agency for fostering, promoting and coordinating economic development in the region and liaising with senior levels of government in this regard. As such, EM must not only lead, but be seen to lead. An important aspect of such leadership is the establishment and management of a solid, respected public (read media) profile in the region.

EM Miramichi must be prepared to communicate clearly its economic development plans and programs to the regional community and to speak up on economic development matters that affect (or threaten to affect) the region. It must provide the community with a clear and confident sense of where the region is heading and how it intends to get there. Failure by EM to play this important role leaves a vacuum into which others, sometimes less informed and accountable, will gravitate. This can cause problems for the region and serve to confuse residents (including the media) on what should or needs to be happening to move things in a positive direction.

It needs to be accepted, however, that some aspects of Enterprise Miramichi’s work will and must be confidential; e.g. dealing with business clients, prospects, and investment.

Finally, the Advisory Forum raised the issue of “branding”. They spoke of the importance of developing and articulating a clear, positive, respected and consistent “Miramichi” brand. To build brand equity, a region needs to do two things: first, distinguish its “product” from others in the market; second, align what it says about its brand advertising and marketing with what it actually delivers”

Board of Directors – Action Items:

The following initiatives were identified as EM Board member responsibilities with respect to implementing the Strategic Plan:

- Lobby for trade certification:
 - High Schools
 - Colleges
- Establish Advisory Group to act as liaison between municipalities and EM Board:
 - To build better partnerships
 - To focus efforts (try to ensure everyone shares same regional priorities)
- Proactively promote and communicate EM’s role/services
 - Have Open House and invite public
 - Use newspaper to get message out on EM & its role/services
- Establish Priorities:
 - Take a (public) position on important regional economic issues
 - Speak with a common voice
 - Identify and push 2 or 3 priorities
- Seek & Find:
 - Board should lobby to have EM play larger role (have happen)
- Infrastructure:
 - Lobby for highways 8 and 108 improvements (see ADI Report)
- Communities:
 - Role of EM
 - Present Strategic Plan update
 - Offer more services (budget)
 - More effective partnerships with municipalities

4.3.5 Conclusion

A chart, to list all intended Actions together with associated timelines, resource requirements, lead and partnering responsibilities, is presented in Appendix G to assist EM staff complete the Action Plan for implementation purposes.

5.0 Measurement Framework

Measuring performance in the regional economy is crucial to success. It is important to identify where progress is occurring (or not) with respect to implementation of the Strategic Plan. Such performance measurement will allow for adjustments to strategy and programming to be made on a timely basis so as to maximize the region's prospects for success.

The EM Board of Directors has identified the following as possible indicators or measures of performance:

- Employment (job) growth in the region's economic base;
- Business expansion by sector;
- # of youth and aboriginal entrepreneurs;
- Exports:
 - # of companies exporting
 - # of export ready companies
 - # of new exporters
 - volume of exports from the region
- Average salaries (for KBI - Customer Contact Centres)
- ROI: both internal (firm) and external (tax base);
- Productivity:
 - # of companies adopting-adapting new technologies (e.g. e-business)
 - # of companies adopting lean manufacturing processes
 - # of companies with improved products (innovation)
 - # companies involved in R&D
 - Dollar amount firms invest in R&D
- # of Tourists;
- Employment growth at fixed-roof accommodation units and occupancy rates;
- Employment growth at major tourism attractions in region;
- Happiness:
 - Level of client satisfaction with EM services
 - Level of local businesses satisfaction with Miramichi business climate.
- Birth rates in region
- School enrollment by grade

These indicators have been considered by the study team and are reflected in the Results-Based Management and Accountability (measurement) Framework (an outgrowth of the Logic Model) located in Appendix H. This measurement tool will be used to assess and track the region's economic performance with respect to implementation of the three-year strategy plan.¹¹

¹¹ Not all measures may be appropriate. The EM Board must determine which of the proposed measures to use.

6.0 Conclusion

The Miramichi region has experienced net positive employment growth in its economic base during the past three years. This represents a significant improvement in economic performance when compared to the previous 20 years (characterized by a continuous decline). Though positive, the regional economy is still at risk of a continual rationalization of its traditional industry base and an associated loss of jobs.

The Miramichi can and should work to stem any such loss of employment. However, such effort will not serve to significantly improve the region's economic prospects nor help it move effectively towards realizing its "vision" of a self sustaining economy. New approaches and a sharply focused strategy that seeks to build on the region's strengths and opportunities are required. This will mean changing how people think and do business.

This paper proposes such an approach – a strategy. It is based on a fairly extensive examination of the local economy (and its performance over the past three years) and the input of dozens of Miramichiers. The Strategy proposes that EM focus priority attention on three key economic sectors (KBI, value-added manufacturing and tourism) in seeking to move regional development forward. This, by definition, implies an emphasis on helping and encouraging companies to expand their exporting efforts. The strategy further proposes directing efforts at other defined initiatives (including the maintenance of traditional primary industries) on a "project basis". As well, it recommends proactively assisting those firms, in the key sectors that are judged to have the most potential for growth and expansion.

The strategy emphasizes the importance of collaborative action and continuing with the nurturing of cluster development strategies and business networking practices, especially in the region's key growth sectors. It points, as well, to the need for placing greater strategic attention on attracting Foreign Direct Investment, especially to support scaling up in the priority sectors on a timely basis.

The Plan stresses the importance of EM providing the necessary economic leadership for which it is mandated. It underscores the importance of EM taking the necessary steps to ensure that it is unquestionably the single, most respected voice for economic development in the region. As well, the need to establish a positive Miramichi brand, under which to market the region as a whole, was posed and a recommendation made to attend to its development and the image of the region generally.

Community Economic Development does not operate in an economic vacuum. Social, educational, cultural, environmental, and health issues are also important and must be considered in the overall scheme of things. The report identifies a number of areas of social concern, especially education levels that will need attention and improvement in the interest of the overall wellbeing of the region.

In the interest of achieving results, it will be necessary to focus on a few key areas, if residents are to have confidence in transforming the region's economy and providing a base for improving its standard-of-living and quality-of-life. This, the Strategy aims to do. In the world of tomorrow, a healthy, safe, secure, free, open, caring and welcoming society is the more likely to succeed. Should this be the case, the Miramichi could be facing a promising future.

ENTERPRISE MIRAMICHI

BOARD OF DIRECTORS & STRATEGIC PLANNING COMMITTEE

Name of Board Members	Board Executive Position	Appointing Agency	Geographic Location
Brian Bowes		Municipal	Miramichi – Northumberland Co.
Jack Christie	Treasurer	Provincial	Miramichi – Northumberland Co.
Ken Clark		Provincial	Miramichi – Northumberland Co.
Richard Hare		Municipal	Miramichi – Northumberland Co.
Nikki Hilton		Federal	Miramichi – Northumberland Co.
Mary Leslie		Federal	Miramichi – Northumberland Co.
Ron Morrison		Municipal	Miramichi – Northumberland Co.
Stephen Rae	Secretary	Federal	Miramichi – Northumberland Co.
Susan McEvoy		Municipal	Blackville – Northumberland Co.
John Stewart		Provincial	Blackville – Northumberland Co.
Clifton Durling		Provincial	Doaktown – Northumberland Co.
Wayne Fowler		Municipal	Doaktown – Northumberland Co.
Gordon Scott	Vice President	Provincial	Boiestown – Northumberland Co.
Andreas Avenriep	At-large representative	Federal	Baie Ste. Anne – Northumberland Co.
Pam Ward	President	Federal	Metepenagiag – Northumberland Co.

Regional Planning Committee

The Regional Planning Committee is made up of the following:

Pam Ward, EM Board (Committee Chairperson)
 Andreas Avenriep, EM Board
 Jack Christie, EM Board
 Steven Rae, EM Board
 Gordon Scott, EM Board
 Claude Innes, BNB
 Gerald Fournier, Department of Local Government
 Michael Lavigne, ACOA
 Brian Donovan, EM Staff
 Paul Daigle (consultant/facilitator)

Employment in the Economic Base (2003-06)

Insert spreadsheet here

**Enterprise Miramichi Economic Performance (2003-06)
At-a-Glance**

Insert spreadsheet here

THREE YEAR EMPLOYMENT OBJECTIVES				
	Actual 2006	Objectives		Performance 2006-2009 changes
		2009	Changes	
<u>Primary Processing</u>				
- New firms				
- Dynamic and high potential firms				
- Other firms				
Sub-total				
<u>Manufacturing</u>				
- New firms				
- Dynamic and high potential firms				
- Other firms				
Sub-total				
<u>Knowledge Based Industry</u>				
- New firms				
- Dynamic and high potential firms				
- Other firms				
Sub-total				
<u>Tourism</u>				
- New firms				
- Dynamic and high potential firms				
- Other firms				
Sub-total				
<u>Transportation & Warehousing</u>				
- New firms				
- Dynamic and high potential firms				
- Other firms				
Sub-total				
<u>Educational Services</u>				
- New Educational entities				
- Dynamic and high potential entities				
- Other entities				
Sub-total				
<u>Public Administration</u>				
- New Public Administrative Offices				
- Current entities				
Sub-total				
Total				(Estimate)

NEW ESTABLISHMENTS		
	ACTUAL 2006	New Firms Objectives 2006-2009
<u>Primary Processing:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Manufacturing:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Knowledge Based Industries (KBI):</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Tourism:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Transportation & Warehousing:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Educational Services:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Public Administration:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
<u>Other:</u> <ul style="list-style-type: none"> - Local firms - Non-local firms Total 		
Total		

Enterprise Miramichi Growth Strategy Matrix									
Economic Growth Sectors	Current Business Capacity	Education, Training & Skills Strengths	Productivity/Competitive Advantage	Infrastructure / Service Constraints	Clustering / Networks / Alliances	Exports & Exporting – Degree & Potential	Foreign Direct Investment (FDI)	Business Climate	Gap
Value-added Manufacturing									
Knowledge-based Industry									
Tourism									
Maintenance Sectors									
Primary Processing									
<ul style="list-style-type: none"> • Forestry • Fishery • Mining/Peat 									
Other Sectors									

Appendix H

MEASUREMENT FRAMEWORK				
Strategies	Activities	Outcomes		Measuring Performance
		Short-term	Intermediate	
		<i>General: Net increase in economic base employers & jobs</i>		
Strengthen Primary Industry Base	<ul style="list-style-type: none"> ○ Cluster Development ○ Assist firms modernize / upgrade ○ Promote adv mfg, v-a startups/ expansions, innovation, R&D ○ Promote export market development ○ Foster training & HR development ○ Promotion, marketing, organization support ○ Pursue investment attraction ○ Identify/pursue/address firm/ sector opportunities/needs ○ SME diversification initiative 	<ul style="list-style-type: none"> ○ Sector groups meet periodically ○ More collaborative initiatives ○ Firms adopt new technologies processes & practices ○ Export market ready firms and export needs identified ○ Labaour market gaps & training req'ments identified ○ Bus/workers better prepared ○ Developers/investors/tourists aware of region's attributes ○ Sector infrastructure needs identified ○ Economic/business dev. opportunities/needs identified 	<ul style="list-style-type: none"> ○ Sector firms colloborating ○ Joint projects/initiatives ○ Increased productivity ○ Increase in firms exporting ○ Increase in vol of exports ○ Appropriate skilled workforce ○ Increased investment & travel in region ○ # of SME start -ups/expansions ○ Increased investment in strategic infrastructure ○ Business development needs/ opport. addressed 	<ul style="list-style-type: none"> ○ # of sector meetings ○ # of joint sector firm projects ○ # of firms adopt-adapting new technologies ○ # of firms adopting lean mfg ○ # of firms with improved products (innovation) ○ # firms involved in R&D ○ \$\$ amount firms invest in R&D ○ # of firms exporting ○ Volume of exports ○ # of export ready firms ○ # of new exporters ○ Average salaries in KBI ○ Emp. growth at major attractions ○ Employment growth at fixed-roof accommodation & occupancy rates ○ Amount FDI in key sectors ○ Level satisfaction w bus environ.
Foster V/A Manufacturing				
Nurture KBI				
Maximize Tourism Potential				
Foster Entrepreneur Development	<ul style="list-style-type: none"> ○ Business counselling ○ Promote entrepreneurship 	SMEs & entrepreneurs assisted Entrepreneur promo programs	# of entpreneurs assited # of programs/services offered	<ul style="list-style-type: none"> # of clients & approvals \$\$ amount funding approvals # youth entrepreneurs # of aboriginal entrepreneurs # of programs/participants
Establish Region as NE Service/ Retail Hub	<ul style="list-style-type: none"> ○ Support D'town Dev efforts ○ Support City Econ. Dev role ○ Support strategic investments ○ Opport/needs identification 	New developments/expansion in regional business services/retail center activities	Net new service & retail establishments serving customers outside region	<ul style="list-style-type: none"> # of new establishments (net) # of net jobs in sector
Special Projects	Project planning & implementation	Special projects underway	Special projects completed or on-track	# of projects completed satisfactorily
Education/Wellness/Confidence	Advocate literacy, education standards, wellness/pride	Ed plans/targets set Culture-of-Confidence program	Higher education/skill levels More skilled/employed youth	<ul style="list-style-type: none"> ○ Literacy & ed. levels rise relative to nation & province ○ Birth rates ○ School enrollment by grade
Leadership	EM leadership & communication	Effective working relations among EM/partners/clients Awareness of EM role/services	EM is recognized/respected as lead Economic Agency	High level client, partner, public satisfaction with EM