

Avoiding boom and bust scenario Blueprint Irish model of growth inspires proper strategic planning

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SAINT JOHN - New Brunswick will be able to maximize the economic benefits of the pending boom in the energy sector if it is able to duplicate Ireland's Celtic Tiger experience.

The province and the city of Saint John, where many of the megaprojects will be based, could benefit from an initiative known as Benefits Blueprint, says Dave Hardy, the consultant who will guide the project.

Saint John is poised to experience unprecedented economic growth over a relatively short period of time and proper planning will allow the Port City to take advantage of the benefits, while the rest of the province shares in the wealth.

The first stage of the Benefits Blueprint initiative, announced at a press conference Thursday morning, will be funded by equal \$250,000 contributions from the federal government (through the Atlantic Canada Opportunities Agency), the province (through the Regional Development Corporation) and Irving Oil.

Hardy, principal with Toronto-based Hardy Stevenson and Associates, compares the growth anticipated here to the transformational economic change experienced by Ireland and says New Brunswick can avoid the boom and bust scenarios of the past with proper strategic planning.

"What we've been looking at very closely is the Irish model of growth," said Hardy, whose firm has helped manage growth in other communities that have undergone rapid economic expansion. "Ireland liberalized tax laws and really put a push on education and quality of life - the kinds of things we're pushing here.

"In New Brunswick, there's potential to use the Irish model to attract and retain a well-skilled workforce that has a good quality of life that will attract people from around the world to transform the economy and improve the quality of life."

Hardy's firm identified concerns during an October visit to New Brunswick, as its residents and business owners prepare to reap the benefits from billions of dollars of investment in the energy sector over the next few years.

"We had meetings right across New Brunswick in October - in Saint John, Fredericton, Grand Falls, Bathurst, Miramichi and Moncton," said Hardy.

"We found that the larger businesses are generally well prepared to make some transitional changes and participate in bidding for contracts and winning contracts. The smaller businesses are really very anxious to be able to take advantage of the contracts. The larger companies want to hire and to contract locally wherever possible, yet the smaller companies in the province need to get ready to compete for that work."

Hardy said the smaller firms say they need to get advance notice to try to attract a fully qualified workforce that meets all the requirements of the major projects. Some of these projects will attract bids from global firms, he explained, and New Brunswick companies have to prepare to meet the requirements to help level the playing field.

Benefits Blueprint will focus on seven core areas: poverty issues, training and education, business and supplier development, infrastructure, arts and culture, workforce planning and expansion and housing.

"We are seeing a population decline in the census figures," said Hardy.

"One factor is outmigration of youth and the second is aging demographics. What we see in the future is an ongoing decline of population, basically. These energy projects will help to start reverse those trends and kick-start demographic renewal - we'll see young workers in the 25-45 demographic and they'll bring their families. In addition, we'll have immigration and better retention.

Hardy said businesses in New Brunswick are wrestling with how to retain and recruit employees. He said Benefits Blueprint will help come up with a business case that helps with retention, immigration and recruitment. The problem, he says, is that places such as Alberta are offering higher wages, leading workers to migrate West. That makes it difficult to get them to return, even if wages improve back home.

Speaking on behalf of the province, Energy Minister Jack Keir said the initiative has plenty of promise and potential.

"This is an exciting new initiative that will provide the Greater Saint John area and other parts of the province with the roadmap to ensure that our community reaches its full potential as it enters a phase of major growth and transformation," said Keir. "It's a comprehensive plan regarding all facets of the economic and social sustainable growth in the community, for the region and the province. The energy hub will benefit all New Brunswickers in all parts of the province."

Fundy Royal MP Rob Moore, echoed Keir's thoughts.

"The work being undertaken through the Benefits Blueprint, particularly in the areas of supplier and workforce development, will create opportunities for economic growth throughout the province," said Moore, speaking for ACOA Minister Peter MacKay.

Irving Oil, which is proposing to build a second oil refinery, saw an opportunity to be part of an exciting initiative, said Jeff Landry, manager of business development.

"Since we shared with New Brunswick last October that we were seriously exploring the possibility of building a second refinery, we've met with many groups and individuals," said Landry.

"We're very excited to be part of the continuing dialogue about what energy projects can mean for the province, and we're looking forward to continuing to work with others to ensure that energy projects support New Brunswick's and the Saint John area's long-term goals and quality of life."