

Bracing for the boom

Renaissance Study showing Saint John area energy mega-projects will be an influx of work and wealth for entire province

Telegraph-Journal

Published Friday April 4th, 2008

Appeared on page A1

SAINT JOHN - A new study predicts the looming energy boom will create 33,000 jobs and inject more than \$44 billion into the New Brunswick economy, the Telegraph-Journal has learned.

The study, to be released at a news conference in Fredericton today, paints a portrait of a province on the cusp of an unparalleled economic renaissance - if it is properly prepared to cope with the myriad of issues the boom will present.

A renowned consultant who specializes in preparing communities to handle the demands of sudden and spectacular growth has presented government and community leaders with detailed data on how he expects the Saint John will be transformed.

Premier Shawn Graham, federal cabinet minister Greg Thompson and other dignitaries will be at the University of New Brunswick today as highlights from the findings from David Hardy, president of Hardy Stephenson and Associates, a Toronto consulting firm which specializes in studying the impact of large-scale economic projects.

The release of the main findings is expected to kick-start work by local, provincial and federal officials in preparing the Saint John area for the sudden influx of work and wealth.

Bob Manning, the chairman of both Enterprise Saint John and the Benefits Blueprint project helping to prepare the city for growth, says the study shows that energy mega-projects will be a boon to the entire province but work must begin without haste in preparing for it.

"It is very obvious that this is something that can benefit all New Brunswickers," Manning said Thursday while briefing the Telegraph-Journal editorial board. "Now it's imperative that we move forward with execution."

While Manning and other officials involved would not speak publicly to any details in the study, the consultant examined the impact that will be made by energy projects now underway or on the drawing board for the Saint John area: the liquefied natural gas plant and pipeline, the reburishment of the Point Lepreau nuclear reactor, the new potash mine in the Sussex area, and a possible second refinery.

Hardy said a team of economists used standard economic formulas to calculate that 33,000 jobs will be created. That number includes direct jobs, indirect jobs (parts suppliers, etc) and induced jobs (restaurants, laundry facilities, etc).

Growth doesn't come without challenges, he said. That's why the Benefits Blueprint will focus on seven core areas: poverty issues, training and education, business and supplier development, infrastructure, arts and culture, workforce planning and housing.

It's no secret that communities facing a boom have challenges, but most communities aren't proactive about addressing them, Hardy said.

"Most large projects are kind of behind the curve," Hardy said. But this plan is very integrated, he said. "It's one of the very best I've seen."

The plan is an attempt by community leaders to help Saint John prepare for the future, a boom that will see challenges such as increased demand for child care, a housing crunch, increases in crime and prostitution and a demand for training and educational options.

By planning ahead and preparing for the challenges, we can mitigate most risks, Hardy said.

The looming labour shortage is an issue that will likely be addressed in detail the recommendations laid out by the Benefits Blueprint.

A member of the working committee with the Benefits Blueprint, Randy Hatfield of the Human Development Council, said that the recommendations regarding communities are excellent. "We know there are certain social issues that flow from super-heated economies that are large-project based," he said.

"This has identified the issues and given us a blueprint. It has identified the huge windfall to the government with taxation. To go forward will require political will."

Energy Minister Jack Keir said he commissioned the report because of the huge impact energy will have on the whole province. "This is a provincial opportunity, not just a southern New Brunswick opportunity. We don't want to leave anybody behind. There's more to this than just economic development opportunities, there's social development opportunities that we don't want to lose either."