



4 September 2020

Dear [Party Leader],

In advance of the 2018 New Brunswick election, six business organizations collaborated to provide our province's party leaders with a clear list of focus areas titled "**We Choose Growth**" that we believed would create a sustainable economy for the benefit of all New Brunswickers.

Now more than ever, with the global impact of the COVID pandemic, New Brunswick is poised to grow its way to prosperity. In the early stages of re-opening the economy, New Brunswick has led the country, however, the fundamental economic weaknesses that existed prior to COVID remain and will continue to negatively impact our economy: a declining and aging population, low productivity, digital divide and weak economic growth for the past decade.

COVID-19 has made space for New Brunswickers to think about and discuss how we can build a strong economy and resilient communities in the years ahead.

Our ten organizations hosted a virtual conference called Turning Point NB in May and June 2020 that was the start of an important conversation about the province's post-pandemic future.

There were nearly 800 people engaged in the live conversation with a diverse audience both in regional distribution, age, and sectors across the province. Hundreds more viewed the conference or downloaded the podcasts after the events were concluded.

The virtual conference covered eight themes:

1. Fiscal realities: Can we sustain our high-quality public services?
2. Regional collaboration: Communities and regions around the province taking more control over their destiny moving forward.
3. The state of the New Brunswick economy: Can we get back to solid economic growth?
4. Demographics and the labour market: How can we ensure the economy has enough workers to meet labour demand in the years ahead?
5. Education, training and employment: What is the role of the post-secondary education system to support the post-pandemic economy in New Brunswick?
6. Strategic sectors: What sectors are critical to the success of our economy and what is on the horizon that could support economic growth in the years ahead?
7. Entrepreneurship: How do we foster a positive environment for entrepreneurship post-Covid 19?

8. Social economy: Can our social sector play a larger role in helping to solve some of our biggest challenges?

One of the common themes arising from the Turning Point conversation was related to the dire need for economic growth. The ten undersigned organizations presenting the conference are of the view that a return to moderate to strong economic growth in New Brunswick will be key to our future prosperity.

In addition to the necessary focus on economic growth - there was also some commentary and discussion that our province must also focus on solving social problems, addressing environmental challenges and building a stronger social safety net. We agree and we are of the mind that these areas of interest and concern cannot be separated from a growth economy and can only be supported by and impacted in a climate of economic growth.

**Growth is the Foundation to Stronger Services and Social Cohesion: Sharing the Dividends of Economic Growth for All New Brunswickers**

Moderate to strong economic growth in New Brunswick will help create the space for us to tackle the broader social, community and environmental challenges we face. In fact, it is a strong economy that can ensure the foundation to care for our population's most vulnerable and be the basis for effective programs and services to improve the wellbeing of all New Brunswickers.

A weak economy and shrinking population in the years ahead could lead to chronically underfunded public services, a lack of investment in public infrastructure, and negatively impact the quality of life of all of our citizens from our youth in public education to seniors requiring care.

New Brunswick needs a sustained level of economic growth – in the form of wages, profits, investments, etc. – to sustainably fund its public services and to ensure that our communities can offer a high quality of life to residents in the years ahead.

Gross Domestic Product (GDP) growth is only the proxy we use to determine if the economy is growing or not. Some people have the mistaken view that economic growth only benefits a few corporations or high-income investors/individuals.

On average, every dollar of provincial GDP in New Brunswick results in 57 cents of labour income. If we can boost investment and economic activity in most sectors of the economy, most of the benefits will end up in the pockets of New Brunswickers.

## **Economic Growth at this time and place is critical for NB.**

Consistent with the “**We Choose Growth**”, our organizations and regional economists agree that there are **three actionable priorities** for a sustainable economy in our province that benefits all citizens in the long term:

1. Increase our population through immigration: a growing population base increases the overall size of the tax base, local consumer spending and brings new investment and entrepreneurship to our economy;
2. Policies that support Significant Productivity Gains in our Labour Force and Businesses: traditionally New Brunswick has lagged behind in technology adoption to increase productivity and we need to create a better culture of connection between education and employers in our province and narrow the digital divide;
3. Business Policy that promotes Investment and Growth in New Brunswick: Create competitive tax and regulatory policy that enable companies to be export-ready and grow from here and develop our natural resources in a sustainable manner that balances environmental sustainability, community wellbeing and the economy.

The provincial government is the primary entity that can influence the trajectory of the economy moving forward by creating the right conditions for growth.

But the provincial government is not the only player on the field. Local government has an important role to play. The post-secondary education sector will be key. The business community, represented by organizations such as chambers of commerce and business associations, have a vital role to play, as do community groups and other non-governmental organizations.

There are **four recommended actions** from the ten organizations that sponsored the Turning Point virtual conference. These actions are to be taken in conjunction with government partners and other stakeholders with an interest in fostering, **together**, a strong economy in the years ahead.

The four actions are:

1. Deliberately work to foster a broad public consensus in support of what growth means for New Brunswick now and for the next 15-20 years. This will involve making the case more broadly for why it matters and how it will be accomplished.
2. Encourage communities and regions across the province to develop local growth plans. A growing disparity in economic outcomes around the province will cause increasing tension and resentment. Not all villages, towns and cities can be expected to grow at the same pace, but all have strengths, assets and attributes that can be leveraged for growth. Collaboration within the community will strengthen outcomes.

3. Place a particular focus on entrepreneurship. This is a serious challenge right now as a result of COVID-19. Over the next decade we will need thousands of New Brunswickers and newcomers to step up to invest capital and create employment to sustain our shared goal of wellbeing for all.
4. Create an ongoing forum/space to debate ideas on how to sustain a moderate level of economic growth with a focus on entrepreneurship, new industries, the attraction of talent, digital economy, innovation, etc. The province would benefit from more focused thinking in these areas – outside the confines of government departments or institutions.

The organizations that are signatories to this letter are eager to work with the next provincial government to action these priorities and recommendations.

This election, coming amid a global pandemic and after a decade of sluggish provincial growth, is a true Turning Point for New Brunswick. We are delighted that you have agreed to speak with New Brunswickers on September 8th and 9th as part of the Chamber series 2020 Political Leadership Series. We are hoping that you will address our three priorities for economic renewal and outline your plan to emerge as a strong, vibrant province that balances social and economic wellbeing for all.

Respectfully and with gratitude,

Adrienne O'Pray, CEO, New Brunswick Business Council

Alex LeBlanc, Executive Director, New Brunswick Multicultural Council

Gaetan Thomas, PDG, Conseil économique du Nouveau Brunswick

Ron Marcolin, Divisional Vice President, Canadian Manufacturers & Exporters

Sheri Somerville, CEO, Atlantic Chamber of Commerce

Krista Ross, CEO, Fredericton Chamber of Commerce

John Wishart, CEO, Chamber of Commerce for Greater Moncton

David Duplisea, CEO, Saint John Region Chamber of Commerce

Cathy Simpson, CEO, TechImpact

Karina LeBlanc, Executive Director of the Pond Deshpande Centre