



PEOPLE
INNOVATION
CAPITAL
INFRASTRUCTURE
AGILITY

New Brunswick Growth Opportunity

**Marijuana research,
production and
value-added services**



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Province of New Brunswick
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Message from the Minister

New Brunswick has a longstanding history of success and prosperity in the traditional industries of forestry, mining and aquaculture which have shaped our province's foundations and trajectories in economic development. As well as building on our longstanding strengths, it is important that as a province we capitalize on new opportunities and emerging markets to ensure that New Brunswick is a source and a destination for talent, entrepreneurs and growth capital, retaining our citizens and attracting new investment and migration.

The economic growth plan, built in consultation with thousands of New Brunswickers, set out the framework for driving the New Brunswick economy forward. It is a directional plan, outlining how government will mobilize to ensure there is a coordinated, complementary effort to improve New Brunswick's economy and realize maximum benefits. A focus of the New Brunswick Economic Growth Plan involves targeting economic development efforts in areas where there is real potential for growth. One of the identified opportunities is the development of the marijuana sector in New Brunswick.

New Brunswick has many assets and attributes that set us apart from the competition and we need to leverage these strengths to develop new opportunities and to benefit from new markets. Medical marijuana is currently used by more than 70,000 people across the country, with ample opportunity for industry growth. We want New Brunswick to be able to capitalize on new industries, such as the medicinal marijuana industry, which is why we have chosen marijuana as an economic growth opportunity.

This opportunity is being led by Opportunities NB and numerous other private and public sector partners. The province has also struck a committee of key stakeholders to study the public safety challenges as well as potential economic development opportunities stemming from the marijuana industry.

Francine Landry
Minister of Opportunities NB



The New Brunswick Economic Growth Plan

Focusing our economic development efforts

The New Brunswick Economic Growth Plan is the result of valuable consultation with hundreds of community and business leaders across the province. It provides the framework for the provincial government to improve and increase economic growth in New Brunswick.

The plan also outlines the role of government – including all departments, agencies and related organizations – in working to ensure there is a co-ordinated, complementary effort to improve New Brunswick’s economy and establish a strong foundation for the future. Growing our economy will provide the fiscal stability needed/required to ensure our province continues to be a great place to live and work.

The New Brunswick Economic Growth Plan is based on five key areas:

- **PEOPLE** – We will grow our workforce by significantly expanding the number of new and returning New Brunswickers building their careers in the province, and by increasing/improving our targeted training and skills alignment efforts.
- **INNOVATION** – We will foster an innovative economy by investing more in research and development, supporting high growth potential entrepreneurs, and transforming government through new and innovative technologies.
- **CAPITAL** – We will boost private-sector investment by strengthening our business climate and addressing key challenges that are impeding opportunities for growth.
- **INFRASTRUCTURE** – We will expand investment into economic infrastructure that ensures industries continue to invest here, and help us attract talent from around the world.
- **AGILITY** – We will increase the speed at which government interacts with the business community and we will strive to build a stronger partnership with industries to move the province ahead within a sustainable fiscal framework.

Pursuing Growth Opportunities

The New Brunswick Economic Growth Plan is focused on leveraging the province's key industries, assets and attributes to create a strong value proposition for business investment. The global marketplace has never been more competitive; New Brunswick needs to focus its efforts and identify and define its strengths to gain a competitive edge and emerge as a leader on the national and international stage.

Government will work with subject-matter experts in all departments, as well as with private sector and community-based partners, to uncover potential growth opportunities. A growth opportunity is one that will lead to incremental business investment and jobs, leading to a sustained boost in GDP and tax revenue. Opportunities will be based on:

1. the scope and scale of the opportunity, we need to boost GDP;
2. the time to impact (we need growth in the short term to stimulate the economy);
3. a clearly defined and relevant role for government and the resources required (not all opportunities for business investment require government involvement– some may require just a nudge); and
4. a defined return on taxpayer investment (we need to show that public investment in opportunities will increase tax revenues).

Growth Opportunity: Marijuana research, production and value-added services

The marijuana industry presents ample opportunity for interested parties and stakeholders, due in part to the industry's size and market demand. We believe that New Brunswick has a strong value proposition in developing and managing the required infrastructure for the marijuana industry in Canada.

New Brunswick has large and available buildings, an educated and skilled workforce and a multimodal transportation system connecting us by port, rail and road to central Canada, the Atlantic Provinces, the United States and overseas.

In Canada, marijuana is legal to possess, consume, and grow for medicinal purposes, and it is estimated that the number of medical marijuana prescriptions in Canada will increase by 30 percent each quarter. In July 2016, there were approximately 70,000 prescriptions in Canada. This in itself is a significant market opportunity for producers and those providing services to the sector.

New Brunswick is already leading the marijuana industry in Atlantic Canada with several organizations involved in research and development. Fredericton-based RPC is the country's leading tester of medical marijuana with additional testing capacity, Organigram in Moncton is in possession of a medical marijuana license, with two other companies at the pre-license phase of the application process, International Herbs Medical Marijuana Inc. (Zenabis) in Atholville, and Tidal Health Solutions Inc. in St. Stephen. All applications are subject to final inspection by Health Canada once they have completed all necessary infrastructure improvements, security requirements and demonstrated they can produce safely. As these opportunities continue to develop we will see more production, research and training opportunities around the province.

In addition to Opportunities NB, other government partners include: the Department of Post-Secondary Education Training and Labour, the Department of Agricultural, Aquaculture and Fisheries, Justice and Public Safety and Health. External partners that will play a role include: RPC, Farm Credit Canada, Atlantic Canada Opportunities Agency, First Nations and current licensees.

We have identified actions under the five pillars of the New Brunswick Economic Growth Plan that will help us strengthen and grow the marijuana industry in the years ahead.

People – Strengthen the Workforce

- Amplify the presence of the existing industry in New Brunswick, and their prospective employment opportunities.
- Develop and promote industry-specific curriculum for local university and college students to pursue careers in research, management and production. Promote the curriculum across the country.

Innovation

- Link small-scale entrepreneurship to college and educational programs to foster density of knowledge and resource growth.
- Use mobile technology, social media and other new channels to amplify New Brunswick's investment and foothold in the research and tech portion of the sector.
- Build a “best-in-class” hub of infrastructure and research clusters to attract new investment.

Capital – more private investment

- Promote New Brunswick as the Atlantic Canadian leader in Marijuana research, production and distribution.
- Explore opportunities for private investment regarding the indirect services and economic benefits resulting from industry.

Investing in strategic infrastructure

- Ensure appropriate investment in road, air and port transportation infrastructure.
- Promote New Brunswick's strategic location and transportation infrastructure (rail, road, ports) as a key competitive advantage as to why this industry should be headquartered in New Brunswick.

Foster agility and nimbleness in the public sector and across the economy

- Develop a long-term strategic investment plan that lays out the roadmap to integrate facilities and organizations related to marijuana around the province.
- Work with the industry to assess and develop new target markets.
- Work with partners to ensure they are deriving economic benefits from this new industry.
- Ensure ongoing public support for the industry by illustrating the economic benefits and how those benefits translate at the community level.

