



# **Miramichi Regional Economic Development and Innovation Fund**

Regional Development Corporation  
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# Renewing the Economy of Northern New Brunswick

## Introduction

Northern New Brunswick and the Miramichi Region have had more than their share of challenges in recent years. To address the challenges and diversify the economy of the region, targeted program funding was established in 1999 and renewed in 2004, ending March 2009. In April 2009, the Northern Economic Development Fund (NEDF) was established to provide incremental assistance of \$50 million over a three year period from April 1, 2009 to March 31, 2012 to develop, diversify and grow the economy of northern NB.

These programs have had success in meeting the challenges of the north by creating more competitive companies and communities and setting the stage for economic renewal through infrastructure investments. But economic uncertainties, along with major changes in region's traditional sectors have hindered overall growth. Other factors contributing to challenge include:

- Absence of major investment by marquee companies and private sector to support the diversification of the economy
- Migration of the population, especially young workers, from northern to southern regions of the province
- Limited research and development and value-added investment
- Under-investment in infrastructure
- High unemployment

## A Strategic Approach for Economic Prosperity

A successful future for Northern New Brunswick and the Miramichi Region depends upon finding new ways of attracting investment and supporting creative and innovative ideas.

Strategic investments in Northern New Brunswick and the Miramichi Region will be guided by a new Action Plan for Northern New Brunswick and the Miramichi region that will evolve from the successes of previous action plans for Northern New Brunswick and the province's soon to be completed **Economic Development Strategy**. This strategy will reward entrepreneurial spirit, pursue the use of technology, foster investment in research & development and reward innovation and productivity in creating new competitive advantages for northern New Brunswick.

To achieve significant results requires bold actions. This means we need a dynamic and targeted set of tools to support the strategic development of our northern regions. To this end, the Northern New Brunswick Economic Development and Innovation Fund will provide incremental assistance totaling \$200 million over a four-year period from April 1, 2011 to March 31, 2015. In addition, the Miramichi Regional Economic Development and Innovation Fund will provide incremental assistance totaling \$50 million over a four-year period from April 1, 2011 to March 31, 2015.

Different needs and priorities call for different measures. Consequently, these Funds will provide non-repayable contributions, loans or loan guarantees as required to achieve significant results.

## **The Miramichi Regional Economic Development and Innovation Fund will concentrate on five prioritized areas of investment**

### **Growth and Development capital**

Initiatives that enable our existing businesses to accelerate their growth will be the priority. Support to private sector businesses is a key element to growing and strengthening the overall economic fabric of the region.

Eligible activities will be related to capital expenditures in the areas of:

- Productivity improvements;
- Operational support;
- Start up costs;
- Acquisition of equipment;
- Infrastructure improvements;
- Expansion of existing work space;
- Entrepreneurial development.

### **Adoption of Information and Communication Technology**

Investing in Information and Communication Technology (ICT) is a critical factor in the competitiveness of our businesses. As a strategic element in economic renewal, adoption of ICT is a key part of government's approach to economic development. This strategic approach also emphasizes the innovative use of already established technology.

Investments in ICT result in increased productivity, increased knowledge of the environment, improved Human Resources management, new markets and many other benefits. Supporting ICT can help to reinvent our traditional industries.

Investments made in northern businesses will contribute directly to:

- Acquisition of new technologies;
- New business applications;
- Automation of existing services or applications;
- Improvements in information management.

## Research, Development & Innovation

### ***Research & Development Component***

Under this new funding initiative, Research and Development will become much more focused and targeted. The Funds will address the following priorities:

Encourage research

- Support recruitment and retention of leading researchers in our public and private institutions;
- Accelerate development in strategic sectors such as aquaculture, peat moss and biotechnology, that will be the driving force of these sectors;
- Encourage businesses to participate in international research projects, networks and technology transfer in strategic sectors.

Favor research in sectors with strong potential

- Support partnerships in industrial research by groups of businesses and research institutions;
- Support the development and the organization of research and knowledge transfer;
- Support the diversification of threatened traditional sectors.

Increase economic benefits of research

- Increase the value of industrial research by facilitating its application;
- Support SME efforts in innovation by increasing access to expert knowledge and public research institutions.

### ***Innovation Component***

A new component of the Funds is the focus on the adoption of innovation. Innovation is a catalyst to growth and continual innovation is a critical element to success in building competitive companies.

To support innovative entrepreneurs, the following actions will be targeted:

- Implementation of innovative practices and processes;
- Improvement of quality and efficiency;
- Development of advanced technologies;
- Development of new organizational strategies.

## Improving strategic infrastructure

Strategic investments in infrastructure enhance the region's ability to support job creation and improve economic development prospects in the region. Investments in the Ports of Belledune, Dalhousie, Lower Caraquet marine centre and the Miramichi Airport are important examples of strategic investments that were made recently in the north to make the region more competitive and attractive for investment.

The Province will work with its federal government partners to maximize leveraging by using public private partnerships to attain common goals and objectives of the province and its partners.

Investments in infrastructure will contribute to:

- Infrastructure investments that support business development;
- Strategic transportation infrastructure;
- Business and Industrial parks;
- Strategic tourism infrastructure.

### **Advanced workforce development**

To become and remain competitive in all sectors, workers and business owners in Northern New Brunswick and Miramichi need reliable and consistent access to top quality training and continuous development opportunities to develop core competencies. With new and advanced skills, workers and managers are better able to maintain and increase the quality of life and work in rural areas.

Proposed initiatives must be at the post-secondary level and support private sector development such as:

- Enabling workers to receive cutting edge learning opportunities;
- Increasing skill and knowledge of owners and managers
- Offering basic and/or advanced business management skills to new and existing entrepreneurs;
- Attracting and maintaining skill workers and management personnel to support our businesses.

### **For a more prosperous future**

The new Economic Development and Innovation Funds will emphasize investments to existing businesses that already generate economic development. We will support local investments and we will strongly encourage new business startups.

The consultation process of stakeholders from across northern New Brunswick and investments from the economic development and innovation funds will allow Northern New Brunswick and the Miramichi region to continue their move forward to a more prosperous and competitive future.