
Regional Economic Development Mandate

IMPLEMENTATION GUIDE



**Vibrant and Sustainable
Communities**



Regional Economic Development Mandate

IMPLEMENTATION GUIDE



**Vibrant and Sustainable
Communities**

New  Nouveau
Brunswick

Regional Economic Development Mandate Implementation Guide

Published by:
Environment and Local Governments
Government of New Brunswick
P.O. Box 6000
Fredericton, New Brunswick
E3B 5H1
Canada

gnb.ca
August 2022

ISBN 978-1-4605-3311-6

13799

Table of Contents

| | |
|---|-----------|
| Executive Summary | 1 |
| Section 1: Background Information | 4 |
| 1.1. What is Economic Development? | 4 |
| 1.2. Economic Development Mandate for the Regional Service Commissions | 5 |
| 1.3. Economic Development in New Brunswick | 5 |
| 1.4. Developing Strong Partnerships | 8 |
| Section 2: Roles & Responsibilities | 9 |
| 2.1. Providing Strategic Focus | 9 |
| 2.2. Supporting Investment Readiness | 10 |
| 2.3. Supporting a Healthy Business Community | 12 |
| 2.4. Supporting Workforce Development & Labour Force Growth | 14 |
| 2.5. Financial Prohibitions | 16 |
| Section 3: Structure & Minimum Requirements | 17 |
| 3.1. Structure Options | 17 |
| 3.2. Minimum Requirements | 18 |
| Appendix A: Overview of Regional Economic Development Roles & Responsibilities | 21 |
| Appendix B: Regional LMP Forums Framework and WorkingNB Contact Information | 24 |

Executive Summary

Working Together for Vibrant and Sustainable Communities lays out a new local government structure for New Brunswick, including an expanded role for the regional service commissions (RSCs). **Figure 1** details this expanded role.

FIGURE 1: ROLE OF THE REGIONAL SERVICE COMMISSIONS

| EXISTING RSC SERVICES | EXPANDED RSC SERVICES |
|---|--|
| <ul style="list-style-type: none"> • Solid waste collection and management. • Planning and building inspection services. • Any additional functions voluntarily adopted by the board of directors. | <ul style="list-style-type: none"> • Economic development (including workforce development). • Tourism promotion. • Community development. • Regional transportation (community transit). • Regional infrastructure cost-sharing. • Additional social focus. |

This document provides a detailed framework for RSCs in understanding their new economic development mandate. RSCs will provide a forum for local entities to cooperate on regional economic development and establish common goals focused on economic growth. RSCs will also play a vital role in their regional economic development ecosystem. They will work to understand their place within said ecosystem, without duplicating services that exist at the federal, provincial, or local levels, or the not-for-profit sector (e.g. settlement agencies). **Figure 2** summarizes the roles and responsibilities of the RSC in economic development and compares them to the role of provincial and local governments. More details are provided in **Section 2** and **Appendix A** of this document.

FIGURE 2: ECONOMIC DEVELOPMENT ROLES AND RESPONSIBILITIES

| PROVINCIAL GOVERNMENT | RSCS | LOCAL GOVERNMENTS |
|--|--|--|
| <ul style="list-style-type: none"> • Investment attraction. • Export development. • Market development for local businesses with a “business-to-business” focus. • Economic development policy. • Workforce development programing. • Human resources management support for local businesses. • Domestic and international workforce attraction. • Immigration. | <ul style="list-style-type: none"> • Providing strategic focus for regional economic growth. • Supporting investment readiness in the region. • Supporting a healthy business community. • Supporting workforce development and labour force growth (including supporting newcomer retention). | <ul style="list-style-type: none"> • Continue to provide existing services that support the economic development mandate. • Continue to manage industrial parks. • Engage with the RSC on the development of the regional strategy. • Continue to regulate business improvement areas. |

RSCs will determine which structure they would like to use to deliver each mandated service. Economic development services must be delivered, **without duplication**, based on one of the three options detailed below. More details are provided in **Section 3.1** of this document.

- **Internal model:** The RSC will deliver economic development services directly through its organizational structure. Practically this means having an economic development department at the RSC, or an individual within the RSC responsible for economic development. The department or person will report to the RSC's chief executive officer.
- **External model:** The RSC will finance a third party to deliver economic development services on its behalf. This could include leveraging an existing agency, creating a new agency, or partnering with a local government. The agency or local government must have a memorandum of understanding with the RSC and regularly report to the RSC board of directors.
- **Combination model:** The combination model will allow the RSC to choose a combination of internal and external delivery models or have elements of the service delivered by more than one third party organization. Key to properly implementing this model will be a clearly defined relationship between the RSC and the other organizations.

Each region will have different fiscal capacities in delivering economic development services; however, there is a minimum service level that RSCs will need to meet. These minimum requirements are detailed below, and more details are provided in **Section 3.2**.

- On or before June 30, 2022, RSCs must determine if they are using an internal, external, or combination model to deliver their economic development mandate.
- On or before January 1, 2023 RSCs must:
 - Form a Regional Labour Market Partnership.
 - In an internal model strike a Regional Economic Development Committee and assign an individual in their organization as the economic and workforce development coordinator.
 - In an external model have a signed agreement with a third party.

The economic and workforce development coordinator and/or third part should focus on, at minimum, the following tasks:

- To support the adoption of the regional strategy before July 1, 2023, conduct a regional economic development ecosystem scan and contribute to the economic development portion of the regional strategy.
- Support investment readiness primary by:
 - Focusing on promoting the region as an investment-ready location.
 - Collecting data on the regional economy and its needs.
 - Serving as a liaison for new inward investors.

- Supporting Workforce Development and Labour Force Growth by:
 - Signing a workforce development agreement with WorkingNB.
 - Understanding and supporting newcomer retention issues that are regional in scope.
 - Coordinating the abovementioned regional labour market partnership forum and a regional workforce development strategy.

RSCs will have the support of the Government of New Brunswick in understanding their new economic development mandate. Opportunities New Brunswick, WorkingNB, Environment and Local Government, and several other provincial departments and agencies will support RSCs in the regionalization process through the facilitation team.

Section 1: Background Information

The recently published white paper *Working Together for Vibrant and Sustainable Communities* lays out a new local government structure for New Brunswick, including an expanded role for the regional service commissions (RSCs) in economic development. The Government of New Brunswick (GNB) believes that the regionalization of economic development is an incredible opportunity for local entities, RSCs, and provincial agencies to work together towards a more prosperous province. Strong partnerships between the RSCs and existing economic development partners will be vital in unlocking economic growth.

This document will provide clarity to RSCs in understanding this new economic development mandate. **Table 1** details the timelines associated with developing the regional strategy.

| TABLE 1: REGIONALIZATION PROJECT TIMELINE | |
|--|-----------------|
| MILESTONE | DUE DATE |
| Provincial government provides detailed guidelines on the economic development mandate to be provided by the RSCs. | April, 2022 |
| RSCs establish service delivery model for each new mandate/service. | June, 2022 |
| RSCs establish 2023 budget for each new mandate/service. | August, 2022 |
| Appointment of CEOs. | September, 2022 |
| Provincial government states regional strategy requirements | September, 2022 |
| RSCs submit 2023 budget to the Minister of Local Government | October, 2022 |
| New RSC structure and new responsibilities take effect | January 1, 2023 |
| RSCs adopt regional strategies | July 1, 2023 |

1.1. WHAT IS ECONOMIC DEVELOPMENT?

Economic development is not a singular service. While it is often associated with payroll rebates, grants for business, or labour market programs, the reality is much more complex. No single definition incorporates all the different strands of economic development. Typically, economic development can be described in terms of objectives or goals (such as creating the conditions to attract jobs, people, and investment). Economic development can also be described as a process that influences growth and restructuring of an economy to enhance the economic well-being of a community. In other words, economic development is broad and can mean different things depending on local needs and contexts.

Regardless of the focus area or policy objective, the main goal of economic development is improving the economic well-being of a community, region, and ultimately, the province. As there is no single definition for economic development, there is no single strategy, policy, or program for achieving successful economic development.

1.2. ECONOMIC DEVELOPMENT MANDATE FOR THE REGIONAL SERVICE COMMISSIONS

GNB believes the RSCs are well-positioned to broaden their mandate and will now provide a forum where local governments can share experiences, establish priorities, and take advantage of mutual opportunities to unlock economic growth in New Brunswick's regions. In particular, the RSCs will have the following mandate in economic development:

*Regional Service Commissions will work with local governments, business stakeholders, community leaders, and government agencies to **provide strategic focus for regional economic growth**. They will **support investment readiness and a healthy business community** in their region without duplicating existing provincial or federal services. Regional Service Commissions will also **nurture workforce development and labour force growth** by supporting the establishment and/or maintenance of labour-market partnership forums and a workforce development strategy, including **supporting newcomer retention**.*

RSCs, or its service provider, will be GNB's main point of contact for matters related to this new mandate in the regions. This will allow for a common economic development strategy and vision among all entities within a region, and a single well coordinated partner for GNB in each of the twelve regions. Inter-RSC collaboration is also encouraged to unlock further economies of scale where it is desired.

1.3. ECONOMIC DEVELOPMENT IN NEW BRUNSWICK

Economic development includes many organizations in New Brunswick. RSCs will play a vital role in coordinating these players at a regional level, but RSCs will also need to understand where to best fit within their regional ecosystem. The following is an overview of the various government-associated organizations focused on economic development in New Brunswick that will be partners for the RSCs.

Direct Provincial Partners: The following departments and agencies will work directly with RSCs in understanding their new economic development mandate and expect to have a strong on-going relationship with the RSCs.

- **Opportunities New Brunswick (ONB)** is a Crown corporation, strategically led by a private-sector board of directors comprised of business leaders focused on New Brunswick's economic success. As the lead economic development agency for the province, ONB works with companies inside and outside the province to further energize the private sector and drive economic growth. ONB attracts new investment into province, develops New Brunswick exports, provides supports to local businesses, and grows the provincial population through immigration. ONB is focused on developing partnerships within New Brunswick to better represent regions' interests in economic development. ONB also leads economic development policy for GNB, focusing on regulatory burden, sustainability, competitiveness, and other areas. ONB will work closely with each RSCs as their main contact with the province on all matters related to the new economic development mandate.

- **Post-secondary Education, Training, and Labour (PETL)**, through its **WorkingNB** Branch, strategically responds to the evolving needs of the labour market by providing information, services, and supports that are responsive to the needs of job seekers, adult learners, employers, and the labour market. WorkingNB provides collaborative, customized, flexible, and strategic supports designed to produce positive and measurable outcomes for individuals, employers, and partner organizations. WorkingNB will work closely with RSCs in establishing labour market partnerships and workforce development strategies and is the main provincial point of contact related to workforce development.
- **Environment and Local Government (ELG)** is responsible for New Brunswick's local government system. ELG is supporting the changes in the RSCs and the transformation of several entities into restructured local governments and rural districts through transition teams led by facilitators. The facilitators will support RSCs in the initial organizational structure, human resource matters, change management process, legal considerations, financial matters, and the preparation of their first budgets.

Additional Provincial Partners: The following agencies are GNB departments that have an economic development focus and will likely work with RSCs at various points, such as in developing regional strategies.

- **Agriculture, Aquaculture, and Fisheries (DAAF)** works to develop and implement a total development approach for the agriculture, aquaculture, fisheries, and value-added sectors. They are responsible for the economic development of the local food and beverage industry in the province. The department's approach aims at improving the economic competitiveness and sustainable development of these sectors and related industries. DAAF has a business growth branch focused on regional growth, exports in their responsible sectors, and job creation; and several sector development units focused on aquaculture, crops, and livestock.
- **Natural Resources and Energy Development (DNRED)** manages the natural resources of the province in the best interests of the people. The department plays an important role in contributing to the provincial economy through job creation and economic growth in the energy, forestry, recreational fish and wildlife, and mining sectors. In so doing, DNRED provides direction and supervision, and manages the regulatory frameworks, for the safe and responsible development of New Brunswick's natural resources. They also work to ensure that New Brunswickers have access to energy choices at competitive cost and manage Crown Lands to maximize the value of resources for New Brunswickers.
- **Regional Development Corporation (RDC)** is a Crown corporation that plans, coordinates, and implements regional development initiatives for the Province of New Brunswick. RDC works with other governmental agencies, local governments, institutions, and not-for-profit groups to ensure that economically challenged regions within New Brunswick are provided with the necessary tools and infrastructure required to attain their full potential in terms of community and economic development. RDC will help RSCs identify and plan their regional development priorities and will work in partnership with RSCs to implement their regional priorities.

- **Tourism, Heritage, and Culture (THC)** fosters economic growth, pride of place, and the well-being of New Brunswickers through the conservation, development, and promotion of New Brunswick's natural, cultural, recreational, and heritage resources. THC provides leadership in the development and implementation of innovative experiential tourism products, multi-channel marketing/sales campaigns, social media community management, visitor counselling, and travel media strategies to meet the objectives of the Tourism Growth Strategy.

Atlantic-focused Partners: The following economic development agencies are focused on Atlantic Canada and have a strong presence in New Brunswick. They will be key partners for the RSCs in delivering their new economic development mandate.

- **Atlantic Canada Opportunities Agency (ACOA)** is the Government of Canada's economic development agency for New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island. The agency works to create opportunities for economic growth in Atlantic Canada by helping businesses become more competitive, innovative, and productive. ACOA works with diverse communities to develop and diversify local economies, and by championing the strengths of Atlantic Canada.
- **Community Business Development Corporation (CBDC)** assists in the creation of small businesses and in the expansion and modernization of existing businesses by providing financial and technical services to entrepreneurs. There are 41 CBDC offices in Atlantic Canada, 10 of which are in New Brunswick (Bathurst, Bouctouche, Campbellton, Edmundston, Grand Falls, Hanwell, Miramichi, Shediac, St. Stephen, and Tracadie). The CBDCs do not serve the Fredericton, Moncton, and Saint John urban areas. The CBDCs will continue to play a key economic development role in New Brunswick's rural areas by providing the following services:
 - Financial assistance in the form of loans, loan guarantees, and equity financing to existing and aspiring entrepreneurs.
 - Counselling, help, and advice available to small businesses.
 - Entrepreneurship development and training to individuals and small business owners/managers.
 - Technical assistance (usually in the form of guidance and coaching) and advocating on behalf of their clients to other lending establishments or regulatory agencies.

The CBDC network will be an important partner for RSCs and will be a stakeholder in developing the 5-year regional strategy. CBDCs have a mandate to support and improve regional economic viability and have in-depth knowledge of the local/regional markets, business environment, and people in their communities.

1.4. DEVELOPING STRONG PARTNERSHIPS

Each RSC will approach their relationship with GNB, their member local governments, rural district, and other regional partners differently. In some cases, there will be formal contractual relationships with funding tied to performance indicators, in other cases it will simply be a collaborative working relationship between the RSC and the partner agency. Regardless of the exact structure used, there are some foundational attributes to building strong relationships that need to be considered in making formal partnership arrangements. The following attributes are key to forming a successful business partnership.

- **Communication and Accessibility:** Regular communication is central to an effective partnership. Keeping one another informed either through scheduled meetings or informal touch bases will create transparency and a sense of reliability between the two parties. Overcommunication and transparency are better than keeping one another in the dark, no one should be surprised or confused if an issue arises. Both parties should also be accessible to one another and should make every effort to keep communication channels open. Do not leave good communication “up to chance”, create formal communication channels.
- **Flexibility and Understanding:** While it is important to keep the overall goal in mind, things will not always go as planned. Both parties should be understanding of the other’s situation and be prepared to help one another. Being flexible is the key to overcoming curveballs in partnerships. Both parties should discuss what could go wrong and how to handle an unexpected situation. In more formal partnerships it is important to develop contingency plans, keeping in mind that it is okay to pivot strategies when needed to reach a mutually successful outcome.
- **Trust and Respect:** Both parties should see themselves as equal partners. They must trust each other to do the right thing and respect one another’s decisions. While in some instance one party may have more authority than the other, treating the other as a subordinate or uninformed partner will create conflict. Trust and respect are fostered through regular and meaningful communication or consultation and a shared understanding of the mutual benefits of the partnership.
- **Mutual Benefits and Results:** In more formal arrangements, such as a contractual or funding relationship, it is important that both parties see mutual benefit in the arrangement and agreement on targets/results. In a mutually beneficial partnership, each partner takes an active interest in the other, while working together to develop shared success. A balanced commitment and investment from each party ensures the partnership is successful. Measuring the results of the partnership also helps ensure success, so long as both parties are on the same page before any formal agreement is made. This also helps with accountability to the public and stakeholders. As an example, consider financial, economic, and social metrics for evaluation.

In conclusion, building strong partnerships between the RSCs and provincial agencies will be key to ensuring success in the new local governance model. These relationships need to be built on these attributes to be successful. Without these foundational attributes more formal relationships are unlikely to succeed.

Section 2: Roles & Responsibilities

GNB has consulted with stakeholders to develop a clear economic development mandate (see **Section 1.3** of this document) for RSCs providing them with flexibility to address regional needs all the while ensuring that RSCs are offering services that complement, rather than duplicate, existing ones. In working with ONB and WorkingNB, RSCs will **provide strategic focus for regional economic growth** and focus on **supporting investment readiness, a healthy business community, and workforce development and labour force growth** (including **newcomer retention**).

While this mandate provides an overarching vision for economic development, the context in each region will be unique. It is vital that RSCs understand what role they can play that will add value within their regional economic development ecosystem **without duplicating existing efforts**. To assist RSCs in defining what this should mean at minimum in their region, minimum requirements are provided in **Section 3.2** of this document.

2.1. PROVIDING STRATEGIC FOCUS

RSCs will develop and adopt a comprehensive regional strategy before July 1, 2023 that covers all mandated functions, including economic development. **More details on these strategy requirements will be provided in fall 2022.** There is an overall strategic leadership role that RSCs should play within their region. RSCs or their service provider will:

- Work with local governments, business stakeholders, community leaders, and government agencies to understand the local economic development ecosystem and work closely with said ecosystem.
- Work to understand their region's key sectors, all employers, labour force, and their needs.

With that knowledge in hand, RSCs or their service provider will provide a forum for local governments and the rural district to:

- Find a common economic development vision for their region and define how they want to work towards that vision as a region.
- Identify the strengths and gaps in the region and establish priorities and actions with respect to them.

Some additional considerations that RSCs, local governments, and the rural districts should keep in mind when coming to an agreement on strategic focus:

- Land use planning plays a big role in economic development. RSCs and local governments should consider the synergies between land use plans established at the local level and economic development goals established at the RSC level.

- Consider the existing economic development ecosystem, such as the CBDCs, local and regional chambers of commerce, and settlement service agencies. Keep in mind the unique roles they play in the region to avoid duplication and how the RSC can work with these agencies.
- RSC economic development planning and strategy must consider existing strategic plans and land use plans established by local governments. In the future, local governments should also consider established regional economic development priorities in their own planning.
- Recognize the differing economic development priorities in urban and rural areas and identify synergies between them where they exist.
- Where local governments are focused on densification and downtown development, identify how RSC economic development priorities can support these efforts.

2.2. SUPPORTING INVESTMENT READINESS

Table A.1 in Appendix A provides an overview of the provincial, local, and regional role related to supporting investment readiness.

Investment attraction is a key tenet to economic development and a catalyst for future growth. It involves attracting new companies to the province to create jobs and invest new money in our regions. ONB, in working with many partners such as local governments and regional agencies, is the lead organization for investment attraction in New Brunswick. RSCs, or the organizations contracted to deliver economic development services on their behalf, are to ensure that all investment attraction efforts are led and coordinated through ONB. RSCs will play an important role in improving investment readiness at a regional level.

Investment readiness is a term typically used in the business community to reflect a region's overall business climate, capacity for local business to grow, and ability to attract inward capital. From a regional economic development perspective, investment-ready communities create conditions that are conducive to new investment and consider the local business context. There is no specific set of tasks that achieves investment readiness, rather each region will have unique strengths and gaps that will need to be positioned and improved. As a starting point RSC should focus on the following activities.

- **In partnership with ONB, promote the region as an investment-ready-location:** RSCs will work with ONB to position their region as a great place to do business. ONB will continue to lead on attracting new investment; having one agency for a small province makes more sense than having twelve, but RSCs will be “on the ground” partners that can provide local knowledge (either directly or via a partner such as a local government or regional agency) to ONB. Specifically, RSCs will:
 - Create or improve existing profiles of regional assets, buildings, industrial parks, etc. that are available in the region.

- Support ONB on investor site visits in the region when required.
- Develop regional value propositions. Value propositions are statements that identify clear benefits an investor would get from investing in your region.
- Help ONB understand what the investment attraction focus is, and is not, in the region.

RSCs will also need to work closely with local governments, as they hold many policy levers that can support investment readiness. Local governments also hold a great deal of knowledge that will help RSCs complete the tasks listed above.

- **Promote the region as a great place to live and do business:** More than ever, companies and workers are concerned with livability. Considering everything from cost of living, retail businesses and cultural/sporting activities, workers are focused on finding a place to live that meets their personal wants and needs. RSCs should promote the livability of their region to investors and workers and consider how they can work with local governments and regional partners to improve or better position their quality of life advantage. The following is a non-exhaustive list of considerations for RSCs when thinking about livability in their region:
 - **Access to services:** Both workers and investors are concerned with access to many types of services. This would include local amenities (like coffee shops, day cares, and bookstores), to major retail amenities (like grocery and department stores), to personal care services (like pharmacies, optometrists, dentists, salons and spas, and other health services), to entertainment services (like local sports teams, restaurants, and theaters). Consider how to improve the region's offering in this context and identify gaps.
 - **Transportation network:** Each region will have a different context, but investors do consider how their workers will get to work. In addition to the mandate areas discussed in this document, RSCs will also have to establish a new regional transportation service. Consider economic and workforce development when planning within that new mandate area.
 - **Recreational infrastructure:** One of New Brunswick's greatest advantages is its natural beauty. Many workers care about the local parks system and access to fitness and sporting facilities. In addition to the mandate areas discussed in this document, RSCs will also oversee cost-sharing agreements for regional sport, recreational and cultural infrastructure. Consider economic and workforce development when planning new regional infrastructure.
 - **Cost of Living:** The price of homes, apartments, and basic amenities like groceries are a major concern for both workers and investors. RSCs and local governments should be keenly aware of their local situation. Consider economic and workforce development in making decisions on basic local government policy areas like zoning and land use planning (for example, the availability and accessibility of land for housing linked to labour force growth).

- **Setting investment and population growth priorities and aligning policy decisions to meet those priorities:** RSCs will serve as a forum for local governments in a region to develop a common investment and population growth priorities. Local governments and RSCs should then consider these priorities in their own decision-making process. There are several considerations in setting these priorities, including municipal plans, provincial economic development strategies, and the priorities of other key economic development players in the region.

Through the RSCs, local governments should also reflect on what their region needs to unlock investment and work collaboratively to meet these needs. Consider what local infrastructure assets the region has and needs, such as transportation links, the availability of utilities or telecommunication services and housing options.

Further to this, RSCs should champion a growth first mindset within their region and play a leadership role in the economic development of rural regions. Practically this means playing a coordinating role among regional partners (including local governments) for issues pertaining to regional economic development. RSCs or their service provider will be GNB's main point of contact for matters related to the new economic development mandate in the regions.

- **Understanding, and collecting data on, the regional economy and its needs:** RSCs must have an in-depth understanding of the regional assets that can be used to promote the region. This includes everything from labour market data, wages for priority occupations, availability facilities, available utilities, demographics, regional business data, quality/cost of life indicators, and inventorying lands and assets that are available for development. This data will be collected in partnership with local governments, regional businesses, and other partners. In the case of labour market data, RSCs will work in collaboration with WorkingNB to avoid the potential duplication of efforts.
- **Serve as a liaison for new inward investors:** When a new company is attracted to New Brunswick by ONB (or otherwise) they often need help integrating into the local business ecosystem. In partnership with the appropriate regional actors, RSCs will support recently attracted ONB clients in settling into the province by connecting them with the local business community; helping them connect with the right local, provincial, or federal partners; and helping them connect with other supports systems in the region.

ONB and WorkingNB will work closely with local governments and the RSC throughout the process of defining what the region needs to promote investment readiness.

2.3. SUPPORTING A HEALTHY BUSINESS COMMUNITY

Table A.2 in Appendix A provides an overview of the provincial, local, and regional role related to supporting a health business community.

Supporting a healthy local businesses community is a key tenet to economic development. Local business growth is the foundation to a healthy economy and there are numerous federal, provincial, local, and not-for-profit agencies around the province focused on supporting

business. RSCs will have a lot of flexibility in deciding how to best support businesses in their region, but it should be done **without duplicating** existing services. As a first step RSCs must work to understand what this ecosystem looks like in their region and then work with their member local governments and regional partners to fill any identified gaps. Consider the following examples.

- ONB focuses its local business growth services on business-to-business companies that are either exporting or have export potential. Given this there may be a role for RSCs to provide services to business-to-consumer companies, entrepreneurship/start-up supports, or even additional services complementing the supports ONB provides to its business-to-business client portfolio. That being said, these roles may already be filled by another agency in your region.
- DAAF supports all businesses in the agriculture, aquaculture, and commercial fishing industries through various [programs](#). RSCs should refer businesses to these supports where applicable.
- CBDC provides [several services](#) for local businesses such as loans; targeted programs for women, youth, and the self-employed; business counselling; and many other programs. RSCs could work with the CBDC to understand what service gaps exist in their region or if some services are not available in the region or certain parts of the region.
- Urban and rural areas may have very different needs and their may be varying businesses supports in the rural and urban areas in your region.

In supporting a healthy business community, RSCs should focus on providing non-financial means of support, such as:

- Connecting businesses to existing federal, provincial, and local supports or programs (like those offered by ONB, WorkingNB, DAAF, ACOA, and CBDC).¹
- Coordinating with regional economic development partners to address identified regional gaps or issues.
- Fostering an entrepreneurial culture focusing on offering, or connecting to existing, basic business training programs.
- Assist with on-going business resilience work, helping business with succession planning and long-term sustainability.
- Encourage the adoption of progressive human resources (HR) management practices, such as diversity and inclusion.
- Assisting businesses in navigating regional or local services or referring them to the right places to receive regional or local services.

¹ Note that ONB provides the Business Navigator service that supports business owners in navigating the various provincial regulatory challenges associated with starting, owning, and operating a business. The service recently expanded to include an Immigration Navigator service. In the cases where those services apply RSCs can refer clients to 1 (833) 799-7966 or nav@navnb.ca.

2.4. SUPPORTING WORKFORCE DEVELOPMENT & LABOUR FORCE GROWTH

Table A.3 in Appendix A provides an overview of the provincial, local, and regional role related to workforce development and labour force growth.

A strong and dynamic workforce is key to a healthy economy. New Brunswick's labour force is facing considerable downward pressure from an aging population and subsequently a significant number of retirements. New Brunswick's business, whether home grown or outside investors, will not succeed or grow if they cannot find the human resources they need. The largest issue facing New Brunswick, from an economic development standpoint, is the labour shortage. Addressing the labour shortage requires a multi-stakeholder approach that will include regional service delivery partners, employers, and communities. RSCs will be able to provide a valuable contribution by supporting the coordination of regional efforts and by participating in and/or promoting workforce development initiatives. WorkingNB will develop funding agreements with each RSC, or group of RSCs where applicable, to support workforce development by leading in a few key areas.

- **Labour Market Partnership Forums:** RSCs will work with WorkingNB and key partners to establish a Labour Market Partnership (LMP) Forum in order to better coordinate labour force growth in the region. LMP Forums are designed to address labour market issues in a region by responding to the labour force and human resource needs identified. This would include focusing on supply (talent pipelines), demand (employer needs and workplace context), and the labour market context more broadly (enablers). The LMP Forums will allow RSCs to coordinate with community partners to avoid duplication of efforts and focus on value-added activities related to service gaps or emerging needs. LMP forums will be a key driver for labour force growth. The infographic attached in **Appendix B** provides a visual of the LMP framework.
- **Workforce Development and Labour Force Growth Strategy:**² RSCs, through the LMP Forum, will support the establishment of a regional workforce development and labour force growth strategy, which includes a three-year labour force and population growth action plan. The plan will have targets and measures related to:
 - population growth,
 - labour force participation,
 - labour force growth,
 - employment growth, and
 - the retention rate for newcomers.

² Please note that the regional workforce development and labour force growth strategy associated with WorkingNB funding agreements is separate from the regional strategy required by ELG. That being said, from an economic development perspective, those strategies should have many synergies.

WorkingNB has developed numerous workforce development strategies with key industry sectors (health, ICT, food processing, and others). The new regional strategies will need to align with this work. It is also important to note that successful workforce development strategies must also focus on the adoption of inclusive and progressive HR management practices and on addressing regional context to support labour force growth such as: Housing and transportation needs, lifestyle, and others. WorkingNB will work with RSCs, or a designated agency, to develop the workforce development and labour force growth strategy and meet quarterly to discuss progress and initiatives.

- **Population growth and newcomer retention:** Shared under both the economic development and community development mandate areas, growing the population and retaining newcomers will be a key concern under the RSC's workforce development and labour force growth strategy. RSCs will only play a supporting role within their region; ONB is the provincial government agency responsible for international recruitment and immigration, and WorkingNB focuses on workforce development and domestic recruitment. Further to this, there are several existing agencies funded by the federal and provincial governments in every region that work on newcomer retention, including the local immigration partnerships (LIPs). Given this existing ecosystem, RSCs should limit their work on population growth and newcomer retention to activities within their mandate areas that are regional in scope. Newcomer retention should be a key lens applied by RSCs in delivering in other key mandate areas such as regional transportation, housing, and the additional social focus. To achieve this, RSCs should focus on the activities listed below.
 - Within the regional strategy, and in partnership with local governments, develop regional newcomer retention priorities linked to [ONB's strategic plan](#).
 - Through the LMP host a table focused on newcomer retention within the region that involves local governments, provincial departments and, if one exists, LIP representatives.
 - Develop an asset map of newcomer retention services within the region. Use this process to highlight the different realities in the region (for example, urban areas may have more supports than rural areas, or needs in rural areas may be different from urban areas). This asset map will also be useful in supporting the region in investment readiness.
 - As needed (and through non-financial means) support the work of, local governments, multicultural associations, settlement agencies, newcomer integration centres, and other partners on newcomer retention.
 - Assist with business succession planning by identifying, where applicable, businesses that might be up for sale and could be connected to an economic migrant. ONB will continue to lead international recruitment activities.

2.5. FINANCIAL PROHIBITIONS

The *Regional Service Delivery Act* restricts RSCs from acquiring or holding securities, providing loans or guarantees, or borrowing money for the purpose of economic development. Further restrictions may also be detailed in regulation. RSCs will be able to connect local business to ONB, WorkingNB, or other appropriate partners. The RSCs and GNB will work together and with their partners to ensure businesses access the supports they require.

Section 3: Structure & Minimum Requirements

Each RSC will have some freedom in determining how the economic development mandate and related services will be delivered in their region. There is no “one-size fits all” approach and each region will make a different decision based on their local context. In making this decision, RSCs should consider the existing ecosystem within their own region. ONB, WorkingNB, and the ELG team will be able to assist RSCs in selecting the right model for their region.

3.1. STRUCTURE OPTIONS

RSCs will determine which structure they would like to use to deliver each mandated service. Economic development services must be delivered, **without duplication**, based on one of the three options detailed below.

- **Internal model:** The internal model will allow the RSC to deliver economic development services directly through its organizational structure. Practically, this would mean creating an economic development department function directly within the RSCs governance structure reporting to the RSC’s chief executive officer (CEO). This model allows for more direct oversight on economic development by the RSC board of directors through the CEO.
- **External model:** The external model will allow the RSC to finance a third party to deliver economic development services on its behalf. This would typically be done through a contract, service agreement, or memorandum of understanding (MOU) with associated performance indicators. In practice, there are several options here:
 - **Create a new agency:** The RSCs, or a group of RSCs, would create an economic development agency that is accountable to the RSC board of directors.
 - **Create an agreement with an existing agency:** The RSC could forge an agreement with an existing economic development agency to operate on the RSC’s behalf. This could be an existing regional economic development agency like 3+ Corporation, Envision Saint John, or Ignite Fredericton. This could also be a not-for-profit agency that already works in the region.
 - **Leverage an existing local government service:** The local governments and rural district in the region could, through the RSC, decide to have one local government deliver the economic development mandate on behalf of the whole region so long as there is clear accountability back to the RSC.

In any case, well defined performance indicators for the contracted agency are key here to ensure accountability to the public and the RSC board of directors. The agency selected would need to regularly report to the RSC board of directors.

- **Combination model:** The combination model will allow the RSC to choose a combination of internal and external delivery models or have elements of the service delivered by more than one third party organization. Practically, a third party organization could be responsible to deliver some functions, while another would be better suited to deliver others. Or this could mean having both an internal economic development unit within the RSC and a separate external agency focused on a set of economic development tasks. Key to properly implementing this model will be a clearly defined relationship between the RSC and the other organizations.

No matter the structural model used, the internal or external regional economic development agency must be accountable to the RSC board of directors. This will ensure democratic accountability, as the board or directors will be made up of locally elected mayors and rural district councillors. RSCs will be required to develop regional strategies to be renewed once every five years. Economic development will be an important component to this strategy.

In the case of an external model, the agency must be accountable to the RSC board of directors. It is recommended that RSCs form a MOU with their economic development agency with performance measures and regularly scheduled reporting. The provincial government will provide a template MOU that can be used or adapted by the RSCs.

3.2. MINIMUM REQUIREMENTS

Each region will have different fiscal capacities in delivering economic development services; however, there is a minimum service level that RSCs will need to meet. The following is an overview of the minimum requirements and timelines that RSCs will need to achieve related to economic development.

- **On or before June 30, 2022:**
 - Determine if the economic development mandate will be delivered using the internal, external, or combination model. Note that the agreement with a third party does not need to be negotiated or signed by this date.
- **On or before January 1, 2023:**
 - Create a regional Labour Market Partnership Forum.
 - In the case of the internal model, the RSC must establish a Regional Economic Development Committee and assign an economic and workforce development coordinator within the RSC. This coordinator could be a new hire or an existing internal resource.
 - In the case of the external or combination model, the RSC must have a signed agreement with a third party. Negotiations with the third party should be completed in the fall of 2022.

- **In 2023:**
 - Have the economic development coordinator or third party conduct a regional economic development ecosystem scan and contribute to development of the regional strategy. The RSC must adopt a regional strategy before July 1, 2023.
 - Have a funding agreement with WorkingNB to provide contracted services negotiated, signed, and operationalized by the end of 2023.

As noted above RSCs will need to either assign a coordinator within their organization to be responsible for the economic and workforce development service or have an agreement with a third party to deliver the service. This coordinator or third party would be a key contact for ONB and WorkingNB within the RSC and assist with coordinating economic and workforce development actors within the region. This individual or third party should focus on the following tasks.

- **Assist the RSC in strategic planning.** This includes assisting the RSC in strategic planning related to the economic development components of the regional strategy and being responsible for any economic development goals established in the regional strategy. The scope of the strategy and a template strategy will be issued by ELG in the fall of 2022.
- **Support investment readiness.** At a minimum level, RSC should support investment readiness by:
 - **Focusing on promoting the region as an investment-ready location by:**
 - Creating or improving existing profiles of regional assets, buildings, industrial parks, etc. that are available in the region.
 - Supporting ONB on investor site visits in the region when required.
 - Developing regional value propositions. Value propositions are statements that identify clear benefits an investor would get from investing in your region.
 - Helping ONB understand what the investment attraction focus is, and is not, in the region.
 - **Collecting data on the regional economy and its needs:** A key part of supporting investment readiness, RSCs must work with local governments and other regional partners to develop an in-depth understanding of the regional assets that can be used to promote the region. This includes everything from labour market data, wages for priority occupations, availability facilities, available utilities, demographics, regional business data, quality/cost of life indicators, and inventorying lands and assets that are available for development.
 - **Serving as a liaison for new inward investors:** This includes supporting recently attracted/new investors in settling into the province by connecting them with

the regional business community, helping them connect with the right local/regional/provincial/federal partners.

- **Support Workforce Development and Labour Force Growth.** At a minimum level, RSC should support workforce development by:
 - **Signing a workforce development agreement with WorkingNB:** These agreements negotiated with WorkingNB may have additional minimum service standards that will be defined in by contract.
 - **Developing a regional workforce development and labour force growth strategy:** As detailed in **Section 2.4**, RSCs will work with WorkingNB and key partners to establish a LMP Forum. Through said forum, the RSC will develop a regional workforce development and labour force growth strategy. The strategy will outline activities that the RSC can lead, coordinate, or support. RSCs will engage community and local government leaders in the strategy.
 - **Participating and, as needed, coordinating existing regional LMPs:** Represent regional interests and priorities as they relate to labour force growth and development.
 - **Understanding the local labour market needs:** Participate, as required, in the gathering and analysis of regional labour force trends (both supply and demand). Represent their regional needs and assets, as required, during attraction events and regional community onboarding initiatives.
 - **Understanding the newcomer retention services in the region:** This includes understanding the regional network of settlement agencies and multicultural associations and understanding gaps in said network. Play a leadership role, in collaboration with Working NB, ONB, and settlement agencies in engaging community leaders, including employers, to fostering welcoming communities, inclusive workplaces, and related community onboarding services
 - **Developing regional marketing activities:** Closely tied with promoting the region as an investment-ready location, develop regional marketing activities to support the attraction of people to the region.

Appendix A: Overview of Regional Economic Development Roles & Responsibilities

TABLE A.1: OVERVIEW OF ROLES IN SUPPORTING INVESTMENT READINESS

| PROVINCIAL ROLE | RSC ROLE | LOCAL GOVERNMENT ROLE |
|---|--|--|
| <p>ONB In working with many partners such as local governments and regional agencies, continue to be the lead organization for investment attraction in New Brunswick.</p> <p>Better leverage regional resources (such as regional data and local knowledge) to attract prospective investors.</p> <p>WorkingNB Continue to lead workforce development activities and work closely with RSCs and PETLs Policy, Research and Labour Market Analysis (PRLMA) Branch to coordinate the gathering and analysis of labour force data and the development of local labour market knowledge to be shared by regional partners.</p> <p>Both ONB and WorkingNB will work closely with local governments and the RSC throughout the process of defining what the region needs to promote investment readiness.</p> | <p>Promote the region as a great place to live and do business.</p> <p>Set investment and population growth priorities and aligning policy decisions to meet those priorities.</p> <p>Understand and collect data on, the regional economy and its needs.</p> <p>Serve as a liaison for new inward investors.</p> <p>Champion a growth first mindset within the region and play a leadership role in the economic development of rural regions.</p> <p>In partnership with ONB and local governments, promote the region as an investment-ready location. Specifically, RSC should:</p> <ul style="list-style-type: none"> • Ensure that investment attraction efforts are led and coordinated through ONB. • Create or improve existing profiles of regional assets. • Support ONB on investor site visits in the region when required. • Develop regional value propositions. • Help ONB understand what the investment attraction focus is, and is not, in the region. | <p>Local governments will continue to support investment-ready communities as they have in the past, they hold many policy levers that support investment readiness (permitting, public services, planning, utilities, etc.).</p> <p>Continue to manage industrial parks but work with the RSC to develop profiles that include available lands, facilities, and amenities if needed. Continue to provide land incentives as applicable.</p> <p>Engage with the RSC on the development of their regional strategies, and where applicable, work with RSCs in their new mandate.</p> <p>Develop common investment and population growth priorities for the region through the RSC. Local governments should also reflect on what their region needs to unlock investment and work collaboratively to meet these needs regionally.</p> <p>Build strong alignment between RSC and local government economic development staff to avoid duplication.</p> |

TABLE A.2: OVERVIEW OF ROLES IN SUPPORTING A HEALTHY BUSINESS COMMUNITY

| PROVINCIAL ROLE | RSC ROLE | LOCAL GOVERNMENT ROLE |
|--|--|--|
| <p>ONB Continue existing export development activities, offer specialized expertise in international markets, product knowledge, and connections to key partners. Ensure New Brunswick gets the attention of consulates. Support New Brunswick companies in scaling their exports and markets.</p> <p>Through ONB, continue to offer market development supports and funding, and maintain a strict focus on business-to-business companies.</p> <p>Work closely with RSCs on business development activities.</p> <p>Note: DAAF provides many of these services as it relates to the agriculture, aquaculture, and commercial fishing industries.</p> <p>WorkingNB As it relates to HR Management needs and Workforce Development, all NB employers can be referred to WorkingNB for support.</p> <p>WorkingNB provides support related to HR management policies and practices.</p> <p>WorkingNB will work closely with RSCs to help the business community adapt to the evolving regional labour market context.</p> | <p>RSCs will have a lot of flexibility in deciding how to best support businesses in their region, but it should be done without duplicating existing services. As a first step RSCs must work to understand what this ecosystem looks like in their region and then work with their member local governments and regional partners to fill gaps.</p> <p>In supporting a healthy business community, RSCs should focus on providing non-financial means of support, such as:</p> <ul style="list-style-type: none"> • Connecting businesses to existing services provided by ONB, WorkingNB, DAAF, ACOA, CBDC, etc. • Coordinating with regional economic development partners to address identified regional gaps or issues. • Fostering an entrepreneurial culture focusing on offering, or connecting to existing, basic business training programs. • Assist with on-going business resilience work, helping business with succession planning and long-term sustainability. • Encourage the adoption of progressive HR management practices, such as diversity and inclusion. • Assisting businesses in navigating regional or local services or referring them to the right places to receive regional or local services. | <p>Municipalities will continue to support their business community as they have in the past. Each local government has taken a different approach, but it is expected that they will:</p> <ul style="list-style-type: none"> • Continue to manage industrial parks. • Continue to regulate business improvement areas (BIAs). • Engage with the RSC on the development of their regional strategies and, where applicable, work with RSCs in their new mandate areas. • Continue to offer any business support they do now but work with the RSC to find synergies and avoid duplication. |

TABLE A.3: OVERVIEW OF ROLES IN SUPPORTING WORKFORCE DEVELOPMENT AND LABOUR FORCE GROWTH

| PROVINCIAL ROLE | RSC ROLE | LOCAL GOVERNMENT ROLE |
|--|---|---|
| <p>WorkingNB Develop agreements with each region to fund workforce development activities if deemed appropriate.</p> <p>Continue to provide existing programming for individuals, employers and the labour market.</p> <p>Continue to manage domestic (national) attraction efforts.</p> <p>WorkingNB is the primary contact as it relates to Workforce development.</p> <p>ONB Continue to lead and manage immigration provincial programs including processing immigration applications and continue to lead international recruitment activities.</p> <p>Work closely with regional governments on regional immigration planning.</p> | <p>Work with WorkingNB to develop a funding agreement to support workforce development in the region. With this funding RSCs will form or support an existing LMP Forum to better coordinate labour force growth at a regional level. Through this forum, RSCs will develop a regional workforce development and labour force growth strategy. RSCs will also:</p> <ul style="list-style-type: none"> • Participate in and, as needed, coordinating existing regional LMPs. • Understanding the local labour market needs (including collection regional data). • Work to understand newcomer retention services in the region. • Developing regional marketing activities. <p>RSCs will also support population growth and newcomer retention through various means, such as providing a forum for regional prioritization through the regional strategy, hosting a table focused on newcomer retention, developing an asset map of newcomer retention services, and (as needed) support for local organizations and local governments already focused on newcomer retention. RSCs will also assist ONB with business succession planning by identifying businesses that could be sold to an economic migrant.</p> | <p>Local governments provide various services that support workforce development and labour force growth, including newcomer retention, and will continue to offer said services with the RSC providing a forum for regional cooperation where applicable.</p> <p>That being said, there are some activities that local governments may need to be engaged in to support the work of the RSC. This includes the following:</p> <ul style="list-style-type: none"> • RSCs will host a LMP Forum designed to address labour market issues that are regional in scope, local governments may want to be engaged in this forum. • Through the RSC, support the development of a regional workforce development and labour force growth strategy. • Through the RSC and the abovementioned strategy, develop regional newcomer retention priorities linked to ONB's strategic plan. • Participate in a regional table focused on newcomer retention (either through the LMP Forum or otherwise). |

Appendix B: Regional LMP Forums Framework and WorkingNB Contact Information

Framework Regional Labour Market Partnership Forums

| WHAT? | WHY? | OBJECTIVE |
|--|--|--|
| <p>Labour Market Partnership (LMP) Forums bring together regional labour market and community stakeholders with mutual interests regarding strategic labour market issues or challenges facing their region for which they can have greater impact together than they could separately.</p> | <p>LMP Forums are intended to address systemic or emerging labour market challenges that either have:</p> <ul style="list-style-type: none"> negative impacts/influence on the regional labour market; or present opportunities for growth | <p>Development of Regional Labour Force Growth Plans</p>  |

THREE PILLARS

Individuals (Supply)

Employers (Demand)

Regional Labour Market Eco-System (Enablers)

| TALENT PIPELINES | PROGRESSIVE WORKPLACES | WELCOMING SUPPORTIVE COMMUNITIES |
|---|---|--|
| <ul style="list-style-type: none"> Youth (high school, PSE, new entrants) Persons with disabilities Retirees (including military) Newcomers International students Interprovincial in-migration Indigenous individuals | <ul style="list-style-type: none"> Employer engagement Inclusion and diversity Sound HR management practices Well-identified labour force needs Priority occupation strategies (sectors) Competitive wages, benefits and conditions Access to required training/upskilling | <ul style="list-style-type: none"> Secure housing Access to transportation Access to childcare and healthcare Regional promotion (Attraction) Lifestyle advantages (Attraction) |

WORKINGNB CONTACT INFORMATION (AUGUST 2022)

| # | REGION NAME | CONTACT |
|----|-------------------|--|
| 1 | Northwest | André Lang; Regional Director, Northwest Region; (506) 735-2665; andre.lang@gnb.ca |
| 2 | Restigouche | Dina Lavoie; Regional Director, Restigouche-Chaleur Region; (506) 789-3953; dina.lavoie@gnb.ca |
| 3 | Chaleur | |
| 4 | Acadian Peninsula | Isabelle Lagacé; Regional Director, Acadian Peninsula; (506) 726-2824; isabelle.lagace@gnb.ca |
| 5 | Greater Miramichi | Roberta McIntyre; Regional Director, Miramichi Region; (506) 624-3230; roberta.mcintyre@gnb.ca |
| 6 | Kent | Vicky Martin, Regional Director, Southeast Region, (506) 230-0238, vicky.martin@gnb.ca |
| 7 | Southeast | |
| 8 | Kings | Mike Quinn, Regional Director, Southwest Region, (506) 643-7777, mike.quinn@gnb.ca |
| 9 | Fundy | |
| 10 | Southwest | |
| 11 | Capital | Erica Withers, Regional Director, Central Region, (506) 453-3119, erica.withers@gnb.ca |
| 12 | Western Valley | |