



40th Annual Conference of New England Governors and Eastern Canadian Premiers - Boston Massachusetts 2016

40e Conférence annuelle des gouverneurs de la Nouvelle-Angleterre et des premiers ministres de l'Est du Canada

**2016 ECONOMIC DEVELOPMENT REPORT
TO THE COORDINATING COMMITTEE OFFICIALS AT THE
40TH ANNUAL CONFERENCE OF THE NEW ENGLAND GOVERNORS AND
EASTERN CANADIAN PREMIERS**

**In response to Resolution 38-3
*Recognizing the Importance of Regional Economic Development Cooperation***

Submitted by Co-Leads:
Commissioner Jeff Rose of New Hampshire and
Deputy Minister Murray Coolican of Nova Scotia

August 29, 2016

BOSTON, MA

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Governors and Premiers:

In response to Resolution 38-3, *Recognizing the Importance of Regional Economic Development Cooperation*, the NEG/ECP Coordinating Committee Officials present this Final Report to the New England Governors and Eastern Canadian Premiers at the 40th Annual Conference in Boston, Massachusetts.

This report was prepared by the co-leads of this initiative, Commissioner Jeff Rose of New Hampshire and Deputy Minister Murray Coolican of Nova Scotia. The report provides an overview of the work undertaken to identify shared interests, opportunities, and challenges associated with economic development in the region as well as ideas for future joint activities.

Three recommendations have been identified in the report:

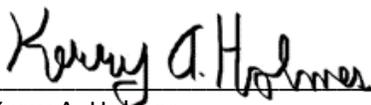
- 1) formalizing an NEG/ECP Economic Development and Trade Committee;
- 2) establishing new economic development and trade partnership opportunities by launching an annual business forum; and
- 3) hosting the first business forum at the 41st Annual NEG/ECP Conference in Prince Edward Island in 2017.

These recommendations are being advanced for your consideration in the draft Resolution 40-2, *Recognizing the Importance of Continued Cooperation in Regional Economic Development and Trade Efforts*, which is appended to this report.

Respectfully submitted for your consideration,



Albert "Buddy" Walzak
Nova Scotia
Co-Lead for ECP Economic Development Initiatives



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1. Introduction and Background

In August 2014, the New England Governors and Eastern Canadian Premiers adopted Resolution 38-3, *Recognizing the Importance of Regional Economic Development Cooperation*. In doing so, the governors and premiers reaffirmed the importance of maintaining a strong relationship in order to strengthen the economic competitiveness of the region in the global marketplace.

The purpose of this report is to provide the Coordinating Committee Officials, and ultimately the governors and premiers, an overview of the initiatives undertaken in response to the resolution, as well as a summary of findings and recommended actions. The co-leads of this initiative seek approval on appropriate actions to move forward with a regional agenda. The mandate under Resolution 38-3 expires with the submission of this final report.

The co-leads for this endeavour have been Commissioner Jeff Rose of the New Hampshire Department of Resources and Economic Development, and Deputy Ministers Simon d'Entremont of the Nova Scotia Department of Economic and Rural Development, as well as Catherine Woodman and Murray Coolican of the newly formed Nova Scotia Department of Business. Oversight was provided by the respective Coordinating Committee Officials. A standing committee was not created to respond to this resolution. The co-leads received input and support from various agencies and department staff from within their own jurisdictions and from across the region. As a result, a small non-permanent working group was formed to support the gathering and sharing of information.

The mandate as identified in Resolution 38-3 was for the Coordinating Committee Officials to establish and oversee a process for identifying shared opportunities, challenges and barriers associated with economic development and trade in the region, and to assess potential collaborative actions that could enhance the region's economic competitiveness.

2. Response to Resolution 38-3

The co-leads initiated a process of identifying shared opportunities, challenges, and barriers associated with regional economic development and trade by conducting extensive outreach to the states and provinces via surveys and interviews. The initial outreach sought to gather information on the key economic sectors in each state and province that drove their economies.

2.1 Trends and Areas of Commonality

The priority sectors most commonly identified across the region included Tourism, Advanced Manufacturing and Materials, Information Technology and Software, Aerospace and Defense, Biotech and Biomed, and Agriculture. There has been noted interest in pursuing innovation in one or two key sectors of focus in the region that would cultivate growth and diversification within the market. It was this focus that the co-leads reported on in their 2015 Interim Report in advance of the 2015 Conference.

2.2 Key Areas of Regional Interest

The outreach done to the states and provinces also spurred interest in developing a regional network of economic development professionals, whereby the strengthening of relationships across the region would facilitate better collaboration, coordination, and sharing of best practices. Toward this aim, the states and provinces participated in two webinars in May 2016 where each jurisdiction presented on its priority economic sectors and drivers of economic activity. The webinars afforded time for discussion of common themes across the region, as well as questions and answers on best practices to address common challenges and issues.

3. Recommended Actions

The results of the discussions between members of the working group on economic development led to unified agreement on the necessity to maximize our similarities, build on existing partnerships and collaborate to identify new opportunities. There were a few common themes across the region, with advanced manufacturing and aerospace and defense consistently represented to various degrees among the jurisdictions.

Along with these commonalities, the information shared revealed that each jurisdiction faces similar pressures relating to availability of a skilled workforce, growing need for technology, and accessibility of research and development. Increased collaboration and knowledge-sharing on regional challenges would support progress in each jurisdiction and in the region as a whole.

The response to Resolution 38-3 includes recommendations to create a sharing environment to address gaps, challenges and barriers with the anticipation that it will result in stronger economic development and trade opportunities among the eleven NEG/ECP jurisdictions.

The following three recommendations are respectfully submitted for consideration.

Formalize the Working Group as a Committee of NEG/ECP

In response to Resolution 38-3, the working group established by the co-leads has fulfilled its mandate. As a result of this work, the eleven jurisdictions have begun to establish a strong working relationship that can be built upon. There is an interest in creating the conditions for further activities and in order to achieve maximum results, it is necessary for jurisdictions to have the mandate and opportunity to discuss ideas and share knowledge.

1. It is therefore recommended that NEG/ECP approve the creation of an Economic Development and Trade Committee. This committee would be directed to develop a working plan for approval by the Coordinating Committee Officials that includes activities to support businesses in acquiring knowledge and access to expertise to expand and flourish. Furthermore, it is necessary for this committee to be led by rotating co-chairs that correspond with the annual NEG/ECP conferences. This arrangement would ensure a broad awareness of opportunities and barriers faced by all eleven jurisdictions.

Strengthen Business Engagement at NEG/ECP Conferences

NEG/ECP efforts and activities have resulted in establishing new economic development and trade partnerships between the eleven NEG/ECP jurisdictions. There is an opportunity to expand on this success by creating an environment to strengthen business engagement.

2. It is recommended that the Economic Development and Trade Committee of NEG/ECP (as recommended above) determine an appropriate format and timing for an annual business forum for the NEG/ECP region. This event would open new avenues for partnerships and collaboration, as well as strengthen existing ones.
3. It is further recommended that PEI host a business forum at the 2017 NEG/ECP conference as a pilot program to help the Economic Development and Trade Committee determine the appropriate format and timing for an annual NEG/ECP business forum.

4. Acknowledgment

The Secretariats of the NEG/ECP would like to recognize and thank all those who have participated and contributed to the work of this initiative.

Co-Leads:

Commissioner Jeff Rose	NH, Department of Resources and Economic Development
Deputy Minister Murray Coolican	NS, Department of Business

With support from:

Catherine Smith	CT, Commissioner, Department of Economic & Community Development
Nam Pham	MA, Assistant Secretary for Business Development and International Trade
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Dan Jennings	RI, Senior Economic Development Advisor
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Cameron Bodnar	NB, Director, Opportunities NB
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Suzanne Cirtwill	NS, Business Alignment Specialist, Department of Business
Cheryl Paynter	PEI, Chief Executive Officer, Innovation PEI
Yann Lamarche	QC, Conseiller en affaires internationales, Ministère de l'Économie, de la Science et de l'Innovation

5. Resolution 40-2

RESOLUTION RECOGNIZING THE IMPORTANCE OF CONTINUED COOPERATION IN REGIONAL ECONOMIC DEVELOPMENT AND TRADE EFFORTS

WHEREAS, the New England Governors and Eastern Canadian Premiers have a long standing tradition of addressing important issues for the region through collaboration and cooperation; and

WHEREAS, the cooperation between governments in the region remains essential to continuing and increasing the exchange of goods and services between the member jurisdictions; and

WHEREAS, Resolution 38-3, signed by the Governors and Premiers in 2014, recognizes the importance of regional economic development cooperation which resulted in a process that began to identify shared opportunities, challenges and barriers associated with economic development and trade in the region and assessed potential collaborative actions that could enhance the region's economic competitiveness; and

WHEREAS, the work completed as a result of Resolution 38-3 revealed that stronger relationships among economic development officials and staff in the NEG/ECP region would facilitate more meaningful cooperation on economic development and trade initiatives; and

WHEREAS, the final report resulting from Resolution 38-3 recommends that a new NEG/ECP committee focused on economic development and trade be established to continue to formalize the work resulting from Resolution 38-3, and that efforts be made to strengthen business engagement at the NEG/ECP annual conference.

NOW, THEREFORE, BE IT RESOLVED THAT the Governors and Premiers continue to explore opportunities to coordinate actions, establish partnerships, and leverage the power of regional collaboration for the benefit of all jurisdictions; and

BE IT FURTHER RESOLVED THAT the Governors and Premiers direct the Coordinating Committee Officials to establish a new NEG/ECP Committee focused on economic development and trade that will be directed to develop a Terms of Reference and a yearly Work Plan that shall include collaborative measures and activities to support the region's economy and businesses; and

BE IT FURTHER RESOLVED THAT trade promotion and economic development of the region will be a distinct focus of the 2017 conference of New England Governors and Eastern Canadian Premiers in Prince Edward Island; and

BE IT FURTHER RESOLVED THAT officials from the region, with support from the two Secretariats, be directed to work collaboratively to develop a business forum to happen in conjunction with the 2017 NEG/ECP Conference. The business forum may include elements of business development, knowledge/technology transfer/ partnership development, cluster development, and business-to-business matchmaking in order to facilitate the competitiveness and growth of the region’s economy; and

BE IT FURTHER RESOLVED THAT the sector focus for the 2017 business forum will be determined in a collaborative manner among the eleven jurisdictions and will be tied to growing sectors within the region.

Adopted at the 40th Annual Conference of the New England Governors and Eastern Canadian Premiers, Boston, Massachusetts, August 29, 2016

Charles D. Baker
Governor of Massachusetts
Co-Chair

Wade MacLauchlan
Premier of Prince Edward Island
Co-Chair