

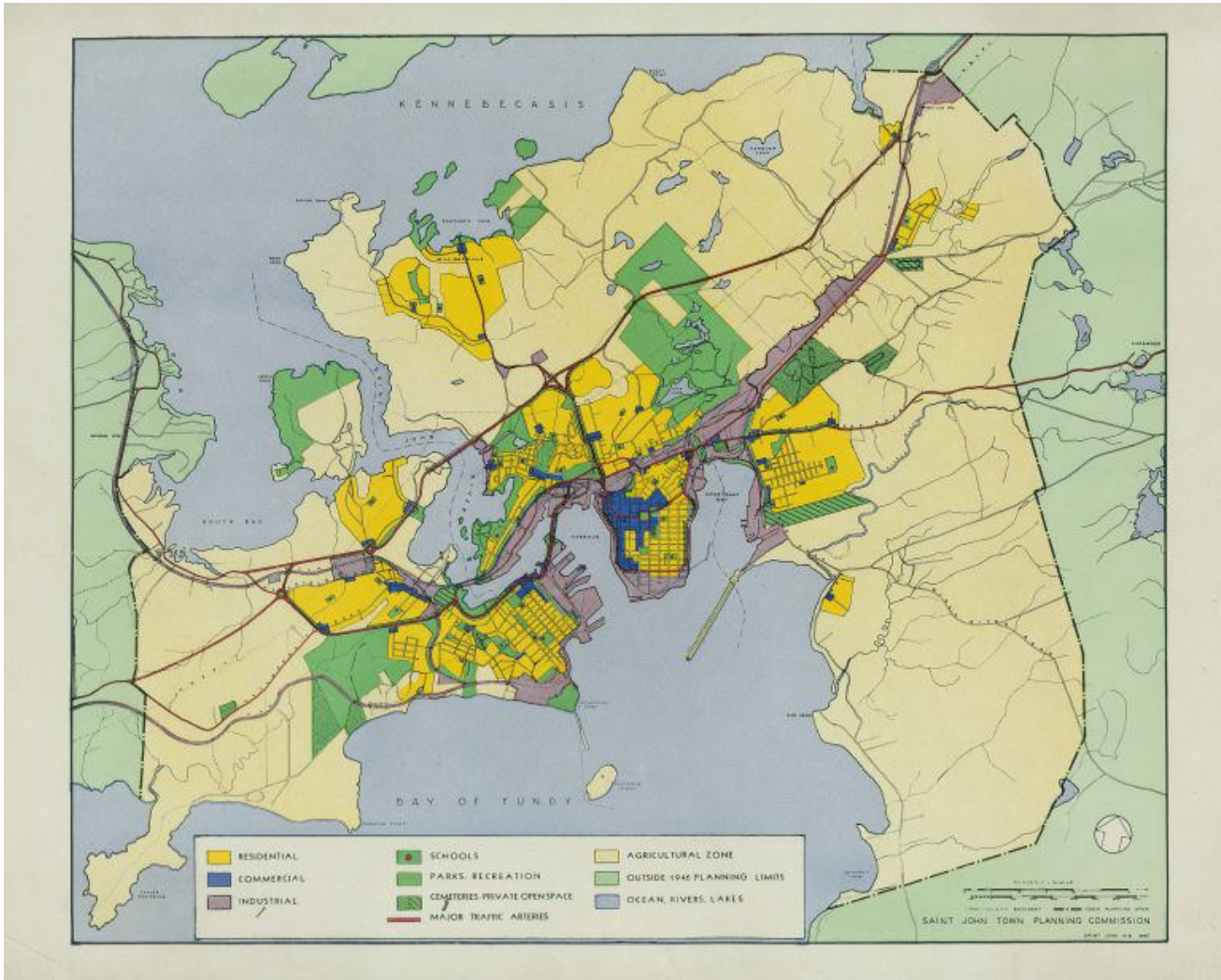
**Innovative Systems Research Network**  
**11<sup>th</sup> Annual Conference, Halifax, NS**  
**Session VII, Theme 1**  
**“Talent and Innovation in Saint John”**  
**April 30, 2009, by: Robert MacKinnon**

























# The 1990s were a turbulent decade

- Saint John led all CMAs in the percentage loss of manufacturing employment, with a principal industry closing -- the Saint John Dry Dock
- The City experienced population loss, and an increase of poverty (1996 Census showed that close to 1 in 3 residents of city of Saint John lived in poverty)
- NB Tel, the provincial phone utility, began its long process of restructuring into a regional income trust, shedding much of its internal drivers of innovation

# Population of Saint John, 1971-2006

<b>Year</b>	<b>CMA</b>	<b>City</b>	<b>Fringe Population</b>
1971	106,705	89,035	17,670
1976	112,985	85,950	27,035
1981	114,060	80,510	33,550
1986	121,260	75,085	46,175
1991	124,995	74,845	50,150
1996	125,700	72,375	53,325
2001	122,695	69,445	53,250
2006	122,389	68,043	54,346

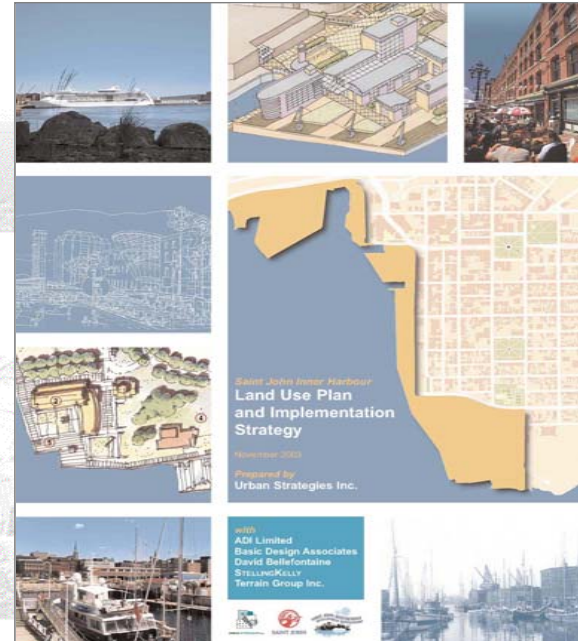
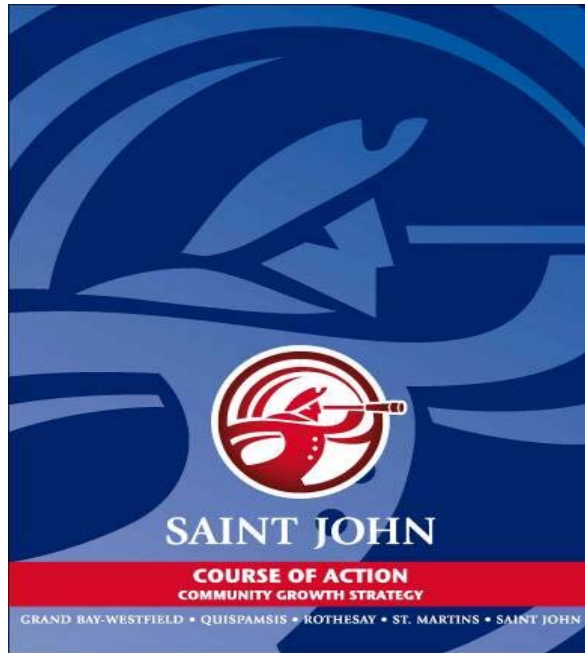


# Employment Trends

Source: HRDC Labour Force Survey - Annual Averages

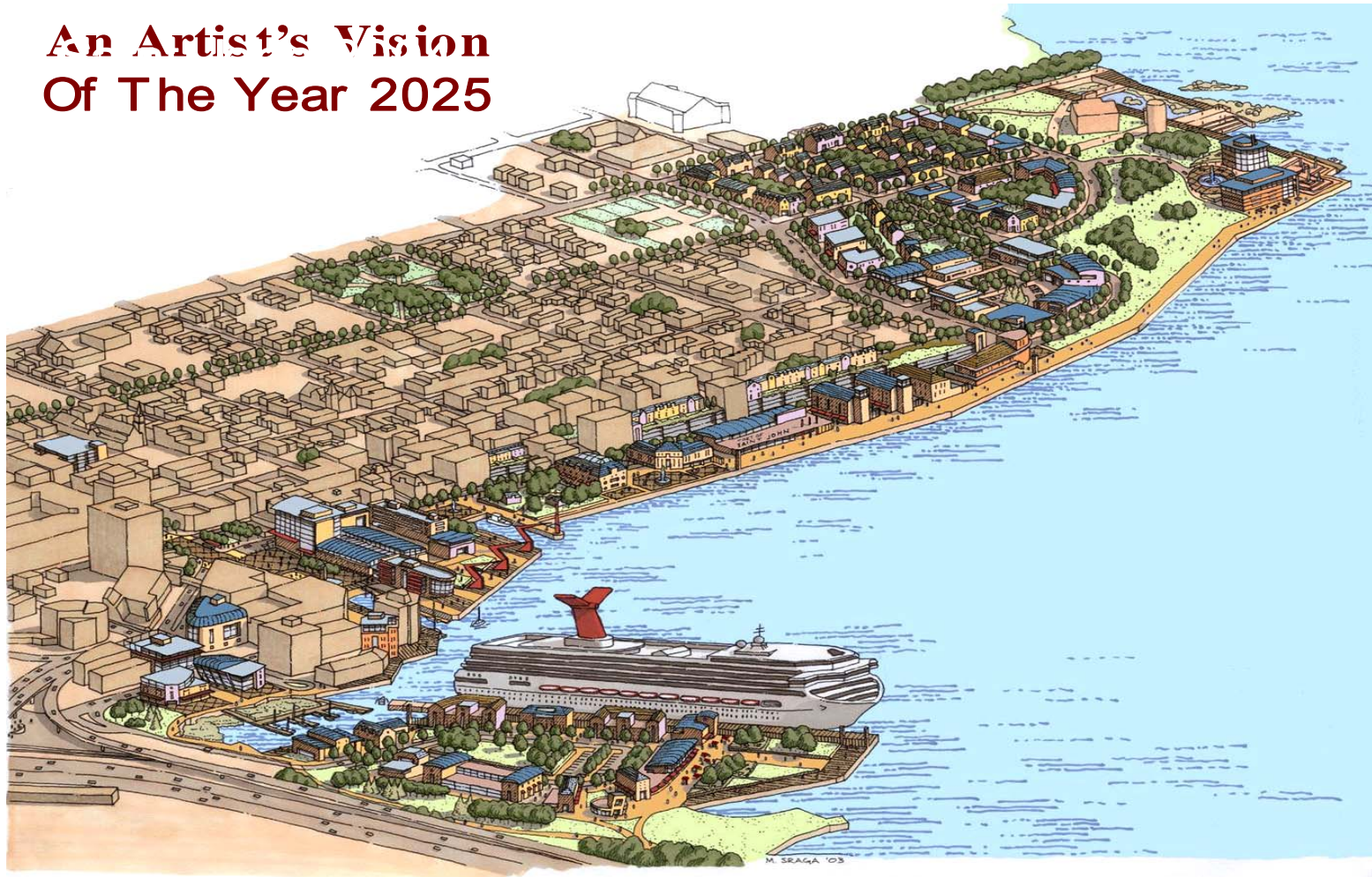


# The Work Plan & The Growth Strategy





# An Artist's Vision Of The Year 2025





# The Growth Strategy

Led by Enterprise Saint John, the Growth Strategy identified four sectors of the economy as potential growth clusters:

- Information and Communications Technology
- Tourism
- Health
- Energy



# Saint John: The Energy Hub

- Site of largest oil refinery in Canada (supplies fuel for 6 out of 10 cars in Greater Boston); 300,000 barrels finished energy products per day
- Point Lepreau Nuclear Reactor (650 MW); currently under refurbishment
- LNG Terminal (Irving/Repsol) and associated Pipeline under construction (May, 2009 completion date)

- Plans for second oil refinery -- “Eider Rock” -- if constructed will double oil production in Saint John; partnership with BP.
- Discussions about the possibility of a second Nuclear Reactor at Point Lepreau underway
- Research partnership between Irving Oil and Huntsman Marine Institute, exploring the development of Tidal Power to power the new refinery



# Information Technology

- ICT sector has driven job growth, due to contact centre growth. Employs 6,000 people.
- Emerging cluster of 50 IT companies specializing in areas such as e-commerce, software development, network management, technical support, and multi-media. IT and culture sector accounts for 1,770 jobs.



# The Strength of Local Ties



- Many senior executives of NBTel, which was absorbed in Aliant/Bell mergers, started new IT firms in the city.
- Some firms are export driven, but many primarily service the local economy: technical support, network management, software design, multi-media services.

# Some Preliminary Results

Oil Co. Executive

“We can’t invent a new gasoline; it is strictly regulated; we work within existing specifications and regulations. Its not like we are inventing the next ipod where we have some flexibility about the customer’s wants, so it is really about how you effectively deliver those products and how you anticipate where the market is going”.

“We were ahead of the regulations in the production of low diesel fuel and also ahead of the regulations with ultra low sulfur gas. This is a way you can differentiate yourself in a market that doesn't differentiate a whole lot”.

“We monitor California closely, because potentially this where all of North America is heading”.

“At times, we produced California “spec” gas. We shipped gasoline to California...and we were passing something like 40 refineries along the way; but those refineries did not have the capability to produce that fuel.”



“From a technology perspective, it has primarily been an industry-sourced technology network.”

“Outside advice comes from across NA and Europe (NY, Houston and Calgary). The oil industry is a global industry.”

**CEO of Large Specialty Trades Company involved in both the LNG project and the Point Lepreau refurbishment**

“It’s hard to innovate in construction .. We are innovative around rigging – moving very large things in very tight quarters at very heavy weights (200 + tons).”

“We use the Research Productivity Council in Fredericton to do lab work for us in metallurgy”

“If it burns, turns or is round, we deal with it”  
(boilers, tanks, hydro electricity facilities, pumps, compressors all associated with industrial facilities)”

“We’ve used outside designers to develop special safety anchor heights and ‘fall arrest’ mechanisms.”

## CEO, Information Technology firm

“We provide IT Professional services to 3<sup>rd</sup> parties; we also build our own software that we sell in the marketplace ... for local and distant customers (in the US, and in Singapore).”

“We are doing some development work with Microsoft”.

“There are a lot of people who have moved from NB Tel to other companies .. The networks are quite intricate. This is a heritage that is quite rich. We are feeding off this.”



## Local Ties Remain Strong

Many firms indicate willingness to recruit workers who did not grow up here. However, they report that it is difficult to retain people recruited from elsewhere because many of them are reluctant to settle long-term.

As a result, the workforce is comprised mainly of locals and expatriate New Brunswickers returning home from elsewhere.

Immigration is still a stated priority by the city and industry.

But, a recent immigrant who started a business assisting firms with immigrant workers, finds that the newcomers are not arriving in sufficient numbers.