

**Fredericton Chamber Remains Concerned with Loss of Enterprise Fredericton; Applauds
Announcement of “Vision 2020” at the State of the City Address**

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(Fredericton, NB) - It would be difficult to overstate the value that Enterprise Fredericton has added to business development in our community. With no private sector organizations providing the same breadth and depth of services, the Fredericton Chamber of Commerce has been concerned for a number of months that gaps will be created with the loss of our Enterprise office. The Chamber is very encouraged with the announcement of the “Vision 2020” initiative by Mayor Woodside at last night’s State of the City Address and look forward to being an active partner with the City throughout this project.

“As the City is aware, we are in a competitive environment when it comes to attracting new businesses to the city, whether from immigration or new start ups from the universities,” stated Janice Corey, President of the Chamber’s Board of Directors. “The services provided by Enterprise Fredericton were a competitive advantage that Enterprise Moncton and Enterprise Saint John are continuing to provide to their respective cities. We must work together to ensure that robust business support and services continue in Fredericton as well.”

Specific Gaps Created

The most immediate concern for Fredericton is ensuring the continuance of **business counseling** services. During their 2011-12 fiscal year alone, Enterprise Fredericton staff provided 721 one-on-one business counseling sessions, which resulted in 300 new business opportunities identified and 122 opportunities realized. Depending on their level of sophistication, these sessions provided potential entrepreneurs with information ranging from creating basic business plans to assistance in expanding a growing enterprise and all points in between. Closely linked to business counseling, are two other issues: the **administration of the SEED program** and **business immigrant support**.

The SEED program has assisted approximately 150 local businesses through the start-up phase and beyond during its existence. Given the central role of entrepreneurs and start-up businesses to our local economy, having the tools to get an enterprise started on a path to success is truly an investment worth continuing.

Population growth through immigration is a priority for all of New Brunswick, but is acutely felt in Fredericton in this context because of the emphasis on business immigrants. As of 1 November 2012, Enterprise Fredericton has hosted 382 Provincial Nominee Program business applicants this year. Current estimates are that approximately 90-120 business immigrants will arrive in Fredericton through this program in 2014-2015 alone. As each of these business immigrants is required to make a minimum business investment of \$125,000 during their first two years in the province, the total estimated *minimum* investment by 2016-2017 is between \$11 and \$15 million. The majority of these immigrants will also arrive with their families and according to a 2009 report co-authored by Altus Group and the Canadian Real Estate Association, the total estimated expenditures generated by the average housing transaction in Atlantic Canada is \$28,925. This total reflects ancillary expenses such as furniture and

appliances, moving costs, renovations, general household purchases, professional services and taxes (excluding GST).

“While it may appear that the province has replaced the Enterprise Network with their new regional economic development model, there is actually very little overlap between services provided between the two,” said Mark MacKenzie, co-chair of the Chamber’s Municipal Government Affairs Committee and Chamber Executive Member. “The City of Fredericton cannot reasonably be expected to replace all of the services lost with the demise of Enterprise Fredericton, but business counseling, the SEED program, and business immigrant support are areas that the city must not lose, we simply cannot afford it. The Chamber looks forward to working with the City and our other partners to develop sustainable solutions to these issues and others.”

For More Information
Krista Ross, CEO
(506) 458-8006