

*Atlantica Growth Network:
Transforming Vision into Reality*

*Report of Findings: Interviews with
Atlantica Growth Network*

Participants, March 2005

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Atlantica Growth Network - Background

In April 2002, the Greater Halifax Partnership hosted the Atlantic Canada Economic Growth Forum held as a parallel meeting to the Atlantic Mayor’s Congress.

Invited delegates to the Forum were senior economic development representatives from each of the 17 municipalities attending the Congress.

The outcome of the Forum was the collective agreement by the economic development agencies to create an entity that could foster regional growth. The Atlantica Growth Network was endorsed by all Mayors attending the Forum, with the view to defining and implementing a growth agenda for Atlantic Canada.

Subsequent to this forum the communities involved in the Atlantica Growth Network undertook research into the creation of the Atlantica Growth Network as a formal entity with the support of ACOA.

It was agreed that the main focus would be the following four opportunities:

- 1. Creation of a collective vision and a long-term strategic plan
- 2. Build the brand for the Atlantic Region
- 3. Develop and strengthen regional corridors
- 4. Develop common investment attraction strategies

Executive Summary

Introduction

It is not enough to have a vision. That vision must be supported by experience – and insight.

In February, the Greater Halifax Partnership tapped into the experience and insight of senior representatives from organizations throughout Atlantic Canada involved in the Atlantica Growth Network (AGN) initiative. Our purpose was to assess support for the initiative and to revisit its goals, objectives and priorities. We also wanted to explore potential directions for AGN, including scale and type of activity, funding considerations, governance options, and organizational relationships – in particular with the Atlantic Provinces Chambers of Commerce.

We’d like to share our findings with you.

Key Findings

There is clearly support for the Atlantica Growth Network and interest in seeing this initiative move forward. However, there is also a clear need for more substance and form.

To achieve sustainable momentum, enhance activity and increased communication is required. So is a formal governance structure, most likely a broadly representative board that accommodates divergent perspectives while adhering to a common vision.

GOALS:

To become Canada’s fastest growing region

To develop an entity to foster higher rates of growth and prosperity for Atlantic Canada

In support of both governance and vision, a strategic planning framework was identified as important. It should be a first order of business for the new AGN board. From this will follow priorities and action items.

ATLANTICA:
An extended economic region that includes the four Atlantic Provinces and the State of Maine.

Local and regional growth, are interdependent

Regional success is not a zero-sum game

There was also support for a working alliance with Atlantic Provinces Chambers of Commerce, at least for administrative purposes. A small staff complement would act primarily as a secretariat. Bottom line: the Atlantica Growth Network would continue to have its own identity and agenda.

A final key finding: There is no one priority. Key initiatives vary depending on the organization. Corridors, for example, proved to be a priority for some participants, a non-starter for others. Common ground needs to be found.

Ultimately, the Atlantica Growth Network must reflect a common conviction – that it is possible for local interests to collaborate regionally and to achieve novel solutions to shared challenges by working across traditional lines.

This is our goal.

Conclusions

Here’s what we learned from what participants told us.

Conclusion #1

The corridor approach within the Atlantica Growth Network needs to be clari.ed.

Conclusion #2

There is limited funding available within the economic development organizations to allocate to the Atlantica Growth Network. External funding will be necessary and it would be an outcome of a strategic plan that would need to be created .rst.

Conclusion #3

A formal board structure is supported.

Conclusion #4

Generally, there are opportunities for alignment with the Atlantic Provinces Chambers of Commerce. However, more research needs to be undertaken and a Board of Directors established. This is the appropriate body to move an alliance with another organization forward.

Conclusion #5

A dedicated staff person is appropriate. However, this would be an outcome of a strategic plan and depend upon the level of funding from external sources.

Conclusion #6

At this time, the Atlantica Growth Network should be con.ned to municipal groups with an economic development focus within Atlantic Canada and the State of Maine.

Complete Findings

Introduction

In February 2005, the Greater Halifax Partnership commissioned a survey of senior representatives from organizations involved in the Atlantica Growth Network (AGN) initiative. Our purpose was threefold:

- To assess the level of support for the AGN initiative
- To revisit AGN's stated goals, objectives and priorities
- To explore future directions for AGN including scale and type of activity, funding considerations, governance options, and organizational relationships, especially a possible affiliation with the Atlantic Provinces Chambers of Commerce.

The valuable information from this survey was collected in two ways: a series of telephone interviews was first conducted with economic development representatives, then interviews were conducted with representatives of the Atlantic Canada Opportunities Agency, the Atlantic Provinces Chambers of Commerce, the Council on Atlantica and the Eastern Maine Development Corporation. The first set of interviews were conducted using a standard questionnaire; the second set of interviews were less structured. (See Appendix A for a copy of the questionnaire and Appendix B for a list of interview participants.)

Overview

There is clear and agreed-upon support to carry the Atlantica Growth Network initiative forward. However, to achieve sustainable momentum, more activity and more regular communication is required.

Progress is dependent upon establishment of a formal AGN governance structure. Most participants feel a Board of Directors with broad representation is the optimal structure for AGN at this time. Progress is also dependent upon development of a strategic planning framework for the medium and longer term. Priorities and actions will logically follow from this framework.

A strong majority of participants feel that a working alliance with the Atlantic Provinces Chambers of Commerce, for administrative purposes, is both realistic and appropriate. AGN, however, would retain its own identity and determine its own agenda.

Further support would come in the form of a small staff complement. The staff should function primarily as a secretariat rather than a resource for project implementation.

Key Findings

The following are the key findings from all interviews conducted.

Purpose, Priorities and Promotion

1. There is clear support for the Atlantica Growth Network. Of the 13 senior economic development representatives interviewed, seven were either “strongly supportive” or “generally supportive.”
2. There was general agreement that the overarching goal of the Atlantica Growth Network is, and should be, “to become Canada’s fastest growing region.” Similar consensus was found with respect to the Network’s main objective: “to develop an entity to foster higher rates of growth and prosperity for Atlantic Canada.”
3. Two top priorities were identified: Creation of a collective vision and long-term strategic plan. Most respondents indicated that addressing these priorities should be the Network’s first order of business. Indeed, several respondents indicated that it may be premature to consider other projects in the absence of a strategic planning framework.
4. There was broad agreement on the issue of developing common investment attraction strategies, which was seen as important.
5. There was substantial divergence, however, on the issue – and importance – of developing and strengthening regional corridors. For some survey participants, this was a very high priority; for others, it was simply not on their radar screen. Concerns were expressed that an overemphasis on corridors could alienate some economic development organizations, especially those in more remote areas. Advocates of the corridor approach indicated that while the concept could be difficult to promote, there was common ground: corridors focus

6. Building the brand for the Atlantic Regional was widely recognized as beneficial. Respondents from Newfoundland and Labrador did note the challenge of identifying common regional themes that would extend far enough to be relevant to their communities.

Scale and Funding

1. Interviewees were asked to identify an appropriate level of annual project spending for AGN. The most common response ranged from \$100,000 to \$500,000 annually. Several respondents recommended an incremental, approach increasing over time as the initiative – and support for the initiative -- grows.
2. Economic development organizations have a very limited capability to fund AGN initiatives. Most respondents indicated that a relatively modest annual fee would be appropriate, with most suggesting somewhere between \$1,000 and \$2,000 a year.
3. In general, respondents felt that senior federal and provincial partners would have to carry the majority of AGN costs, with estimates running from 50% to 90%. Several responses suggested that federal support would have to predominate, while others suggested a more equitable formula.
4. Most respondents also envisioned a funding role for private firms, chambers, and associations, since the private sector will benefit from AGN activities. Public-private partnerships received some support, and transportation, trade finance and insurance, and communication firms were identified as particularly appropriate funding partners. Foundations were also identified as potential funding sources.

Governance and Structure

1. The majority of respondents believed that a formal Board of Directors structure is required for AGN. It is felt that to have a balanced representation, a fairly large Board of Directors will be required, probably with 15 directors.
2. Respondents stressed there is a need to balance regional interests across provinces and across rural and urban areas as well as to provide representation for major funders, private sector partners, and government. Some respondents noted that smaller steering and working committees could increase efficiency and reduce the burden on the full Board.
3. It was recommended that the Board meet quarterly, although more frequent meetings may be required in the initial phase.

Alliance with APCC

1. While several respondents stated a preference for a stand-alone organization, most respondents considered it reasonable to align AGN with another organization such as the Atlantic Provinces Chambers of Commerce to obtain administrative resources. However, respondents who clearly favoured alignment also emphasized a need to maintain an independent identity and agenda for AGN.
2. Among those who felt an alliance could be helpful, there was general uncertainty regarding the degree to which AGN and APCC should be formally linked. Some respondents favoured limiting the relationship strictly to administrative functions while others advocated a more formal alliance.
3. Respondents were divided in terms of the extent to which they felt the core focuses of APCC and AGN differ. However, no areas of significant incompatibility were identified.

Budget, Staff and Administration

1. Most participants favoured a small staff for AGN consisting of an executive director and one or two support personnel. The maximum recommendation for staff complement was six employees.
2. Estimates for an annual administrative budget ranged from \$100,000 to \$175,000. The maximum estimate was \$500,000.
3. In general, respondents appeared to favour either outsourcing or use of in-house resources from economic development organizations for implementing projects. AGN core staff responsibilities were seen to fall primarily within the areas of administration, budgeting, communications and strategy.

Atlantica Context

1. Most respondents indicated that they were familiar with APCC's concept of Atlantica, and about two thirds felt that this concept and related approach were compatible with AGN's goals and priorities.
2. Most respondents considered the cross-border nature of Atlantica to be clearly beneficial relative to AGN's goals and objectives. For at least one respondent, the question of including or not including Labrador in the geographic definition of Atlantica was also fundamental. In this context, Labrador represents the extreme case of a peripheral region in AGN.
3. Branding "Atlantica" by APCC and AGN was considered problematic by several respondents, although they indicated that the issue could be resolved through consultation.
4. Within an Atlantica context, a majority of respondents favoured the idea of offering membership in AGN to organizations beyond Atlantic Canada.

In Conclusion

AGN participants recognize that local and regional growth are interdependent, and regional success is not a zero-sum game. The Atlantica Growth Network reflects a conviction that it is possible for local interests to collaborate regionally and to achieve novel solutions to common challenges by working across traditional lines. Together the following conclusions were made as a result of interviews with key AGN stakeholders.

Conclusion #1

The corridor approach within the Atlantica Growth Network needs to be clarified.

Conclusion #2

There is limited funding available within the economic development organizations to allocate to the Atlantica Growth Network. External funding will be necessary and it would be an outcome of a strategic plan that would need to be created first.

Conclusion #3

A formal board structure is supported.

Conclusion #4

Generally, there are opportunities for alignment with the Atlantic Provinces Chambers of Commerce. However, more research needs to be undertaken and a Board of Directors established. This is the appropriate body to move an alliance with another organization forward.

Conclusion #5

A dedicated staff person is appropriate. However, this would be an outcome of a strategic plan and depend upon the level of funding from external sources.

Conclusion #6

At this time, the Atlantica Growth Network should be confined to municipal groups with an economic development focus within Atlantic Canada and the State of Maine.

Appendix A

Interview Questionnaire

INTERVIEW QUESTIONNAIRE CONTENT – PHASE ONE

[Following questions revisit attitudes toward AGN concept and approach, goals and objectives.]

Q: Is your organization still supportive of the Atlantica Growth Network (AGN) concept and approach?

If YES – Which best describes your degree of support: Would you say you are:

- Strongly supportive
- Generally supportive
- Supportive with reservations

If supportive with reservations: Could you elaborate on your reservations?

If NO – Elicit reasons for withdrawal of support:

Would you care to comment on your reasons for withdrawing support?

Can you suggest changes that might encourage you to return to a position of support?

Q: Let's briefly review the goal, overall objectives and priorities of AGN, as agreed through the course of meetings and deliberations since April 2002.

At the Charlottetown meeting in June 2003, consensus was reached that the high level goal of the AGN is:

- To become Canada's fastest growing region.

The broad objective of AGN, as agreed at the Charlottetown meeting in June 2003, is:

- To develop an entity to foster higher rates of growth and prosperity for Atlantic Canada.

Are you still in agreement that these statements represent the appropriate overall goal and objective for AGN?

Four priority opportunities were identified in April, 2002. These were:

1. Creation of a collective vision and a long-term strategic plan.
2. Build the brand for the Atlantic Region.
3. Develop and strengthen regional corridors.
4. Develop common investment attraction strategies

Do you believe that these four priorities continue to represent the appropriate focus for AGN?

From your perspective, please rate each of the opportunity areas on a scale of 1 to 5, where 1 is NOT IMPORTANT, and 5 is VERY IMPORTANT.

Can you suggest other areas of focus that might be appropriate for AGN attention?

Proceed to PHASE 2 Module questions...

I Appropriate Activity Level for Atlantica Growth Network (AGN)

1. What kinds of projects should AGN pursue and prioritize?

- Studies
- Visioning/planning
- Best practices
- Data development
- Joint marketing/branding initiatives
- Investment attraction initiatives (missions, foreign event participation, etc.)
- Corridor initiatives
- Trade missions (outbound/inbound)
- Other

2. What do you think would represent an appropriate level of annual project spending for AGN?

- under \$50,000
- \$50,000 - \$100,000
- \$100,000 - \$500,000
- \$500,000 - \$2 million
- \$2 million plus

3. How much of this funding do you believe could be provided by the local edos participating in AGN, individually and collectively?

- Would it be appropriate to implement an annual membership fee structure to help support administrative and/or project costs of AGN?
- Should fees be uniform, or should they be scaled according to a factor such as population served by an EDO?

4. How much funding do you believe could be provided by senior government partners – provinces (individually, collectively), ACOA, other federal agencies?

5. Can you suggest other potential funding partners?

- Regional chambers of commerce?
- Industry associations?
- Individual business firms?
- Academia?

II Governance / Management:

6. How should AGN projects and initiatives be identified, prioritized, and delivered?

7. What degree of formal structure is required for governance of AGN?

- Formal Board?
- Nominated/consensus/elected?
- Term of office?
- Responsibilities?
- How large?
- Frequency of meeting?
- Ad hoc consensus?
- Informal steering group?
- Plenum Meetings / teleconferences / consultations? How frequent?

8. In your opinion, which of the following organizational working forms would be most appropriate for AGN?

- A funded, separate, stand-alone organization with administrative/secretariat functions capable of supporting project delivery?
- A voluntary, ad hoc approach (voluntary steering committee representing existing organizations, volunteered resources, ad hoc meetings and initiatives)?
- Relationship with an existing organization such as the APCC, whereby AGN obtains administrative / secretariat resources on a contracted basis?
- If the latter, how extensive and formal should the relationship be?
- Administrative relationship only?
- Formal collaboration, joint meetings between Boards or senior representatives?
- Informal consultation re shared strategies, issue/conflict management?

INTERVIEW QUESTIONNAIRE: PHASE TWO

9. *What levels of administrative cost would you consider appropriate?*

III Awareness of “Atlantica” concept and approach espoused by APCC:

10. *Are you familiar with the Atlantica concept that is espoused by the Atlantic Provinces Chambers of Commerce?*

11. *Do you believe that the Atlantica concept and agenda put forward by APCC is compatible with the goals, objectives and priorities of AGN?*

12. *Do you believe that the cross-border nature of the APCC Atlantica concept is:*

- Potentially confusing relative to the AGN concept and agenda?
- Potentially beneficial to AGN goals and objectives?
- Potentially hazardous to AGN goals and objectives?

13. *Is common use of the term “Atlantica” a problem? How important?*

- Can you suggest any ways to deal with this?

14. *Do you believe that it would be of benefit for AGN to establish a working relationship with APCC?*

- Broadly, what relationships currently exist between your own EDO and the APCC or its provincial or local sub chambers?
- Does your EDO actively engage in specific projects with APCC or local/regional sub-chambers?

15. *APCC is primarily focused on advocating the interests of its business community membership, while the primary focus of AGN is regional development and growth.*

- Do you agree with this statement?
- Can you comment on what it might mean with respect to compatibility and/or incompatibility between agendas and priorities?

16. *Do you believe that APCC could provide an appropriate partner for the provision of administrative support to the AGN?*

- If YES: How do you believe such a relationship should be structured and managed?
- Services contract?
- Some degree of formal alliance?
- If NO: [Why not?] Can you suggest other organizations that might be more appropriate?

17. *The APCC’s “Atlantica” concept extends beyond the Atlantic Canada region to encompass Southeastern Quebec, Maine, New Hampshire, Vermont, and Upstate New York. Given this, do you believe consideration should be given to extending membership in the AGN to organizations external to the Atlantic Canada region?*

- At least one Maine EDO (Eastern Maine Development Corporation) is actively engaged with APCC in their “Atlantica” initiative. Its CEO and President currently serves as an APCC board member, and Co-chair (with Neville Gilfoxy) of the “Atlantica Council.”

Appendix B

Interview Participants

Senior Representatives from Economic Development Agencies

Ron Atkinson, Downtown Development Officer
City of Charlottetown

Bronda Aylward, Director of Economic Development
City of Mount Pearl

Stephen Dempsey, President and CEO
Greater Halifax Partnership

Jo Ann Fewer, CEO
Colchester Regional Development Agency (CORDA)

Gerald Gabriel, General Manager
Halifax Regional Development Authority

Diane Gear, Director of Economic Development
City of Labrador

Neil Jacobsen, COO
Enterprise Saint John

Elizabeth Lawrence, Manager, Economic Development
City of St. John's

Guy Leger, Executive Director
Kent Community Economic Development Agency

Robin Marshall, Executive Director
Kings Community Economic Development Agency

Amy Melmock, Executive Director
Hants RDA

Doug Motty, President and General Manager
Greater Fredericton Economic Development Corporation

John Thompson, President and CEO
Greater Moncton Economic Commission

Other Interview Participants

Sean Cooper
Atlantic Provinces Chamber of Commerce (APCC)

Jonathan Daniels, CEO
Eastern Maine Development Corporation,
and Co-Chair, Atlantica Council

Neville Gilfoy
Chair, Greater Halifax Partnership
Co-Chair, Atlantica Council

Maurice Mandale, Senior Policy Advisor
Atlantic Canada Opportunities Agency (ACOA)

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