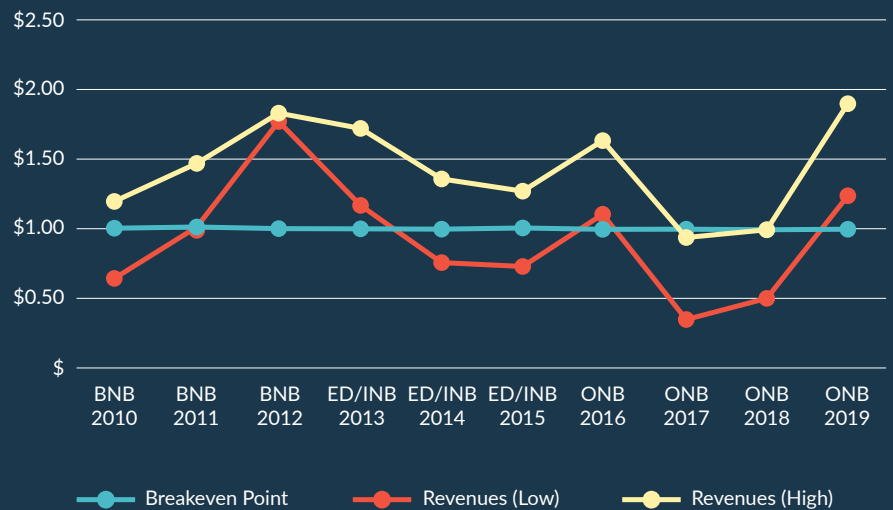


A Decade in Review

This look-back of the performance of economic development efforts shows that for every **\$1.00** invested by economic development agencies over the past 10 years, direct provincial revenues ranging from **\$0.89 to \$1.43** have been generated. The breakdown by year, for every dollar associated with economic development, is as follows:

Your Dollars at Work



Third party validation obtained for appropriateness of methodology used in measuring the ROI.

Highlights

- Comprehensive Return on Investment (ROI) based on estimated Provincial tax revenues generated as a direct result of total expenditures incurred over the past 10 years;
- Strongest positive returns generated through payroll-related deals, particularly as they relate to attracting new investment and companies to NB;
- Higher returns realized when ratio between financial assistance to industry and internal operating costs is greater;
- Higher returns realized when assistance for capital-related projects like equipment purchases and renovations, is spent within NB supply chain;
- Highest returns realized in 2019, when financial assistance payments, including a high proportion of payroll-related investments, exceeded internal operating costs;
- Less favourable returns associated with market development and non-payroll/ capital-related financial assistance;
- Lowest returns realized in 2017 due to an inter-governmental loan transfer with existing realized losses and a higher proportion of capital-related projects being funded.

Key Assumptions

- ROI only considers direct benefits earned (excludes indirect and induced benefits), and includes total expenditures incurred (financial assistance and internal operations);
- Range of benefits provided to allow for discounted assumptions and conservative results;
- Conversion ratios used to translate personal income tax to total Provincial tax revenues;
- Gross domestic product (GDP) multipliers used to determine benefits of capital-related support;
- Benefits from capital-related investments dependent on location of client spend (i.e.. equipment purchase inside vs outside of NB);
- Indirect benefits could significantly increase the ROI, and were not included so as to provide the most conservative and measurable results.

Legend

BNB - Business New Brunswick

ED/INB - Economic Development / Invest New Brunswick

ONB - Opportunities New Brunswick