



**Chambre de commerce  
du Montréal métropolitain**  
Board of Trade of Metropolitan Montreal

**Brief presented to the**  
**Montreal Metropolitan Community**

**As part of the consultation process on the**  
**Draft Economic Development Policy**

**by**  
**the Board of Trade of Metropolitan Montreal**

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## Board of Trade of Metropolitan Montreal

*The Board of Trade of Metropolitan Montreal has some 7,000 members. Its primary mission is to represent the interests of the business community of the Greater Montreal and to provide individuals, merchants, and businesses of all sizes with a variety of specialized services to help them achieve their full potential in terms of innovation, productivity and competitiveness. The Board of Trade is Quebec's leading private economic development organization.*

### Introduction

The Board of Trade is very pleased to participate in the consultations of the Montreal Metropolitan Community (MMC) on the *Draft Economic Development Plan (Draft EDP)*. Indeed, the Board of Trade recognizes the importance of this exercise, which seeks to provide Greater Montreal with an economic development strategy based on its real functional economic territory.

Our organization believes that adopting such a regional strategy is critically important given that, today, all the major cities of the world are competing economically with each other and, as such, need constant support to continue fulfilling their role as engines of wealth creation, innovation and growth.

According to the United Nations, half of the world's population will live in cities in 2007. This is a major challenge. In this context, metropolitan regions like Montreal must, more than ever before, find ways to offer quality services to citizens, set up an environment conducive to business development and entrepreneurship and possess sufficient financial and economic levers to improve their competitiveness on the world scene. Consequently, the need for coherent action and cohesion between the stakeholders has become all the more important.

To prepare this brief, the Board of Trade relied on the involvement and expertise of the members of its economic development committee. Over the last few months, this committee held many meetings to analyze the *Document d'orientation du plan de développement économique* and the draft EDP, adopted by the MMC council on September 23 and published on September 29. As well, the committee members and permanent staff of the Board of Trade had the opportunity to welcome the economic development coordinator of the MMC on two separate occasions to discuss the proposed economic strategy.

With a view to fully playing its role as an involved, responsible economic stakeholder, the Board of Trade is pleased to submit its comments on the Draft EDP. These comments are presented in three parts. In the first, the Board of Trade expresses its general comments on the Draft EDP submitted for consultation. In the second, it examines the economic strategy proposed by the MMC in greater detail, especially its four main strategic orientations. Lastly, the Board of Trade proposes, as an important complement to achieving the Draft EDP objectives, the concept of "metropolitan contract" between the MMC and the Quebec government.

## **1. General comments on the MMC's Draft economic development plan**

### ***Developing an economic development plan for the metropolitan region: a relevant and necessary process***

As the Draft EDP states, the objective of economic planning for the territory is, first and foremost, "to arrive at a consensus on the actions to take to propel Greater Montreal to the ranks of the leading major North American metropolitan regions." For the Board of Trade, this is a fundamental objective.

It bears mentioning that Montreal has a hard time competing with the major metropolitan regions of North America and indeed, the world. According to the *Document déclencheur* published by the MMC in 2002, in terms of per capita GDP, Greater Montreal ranks last among the 26 major urban centres of North America. For its part, the Organization for Economic Cooperation and Development (OECD), in its territorial review of Montreal published in winter 2004, placed the Montreal economy, in terms of per capita GDP, 44th among the 65 major international centres of the OECD zone. The Board of Trade also published a comparative study last spring entitled the *Montreal Health Report*, in which Montreal ranked 9th out of 12 North American cities, according to the "Macadam Index," an exploratory index of metropolitan development.

What these studies have in common is that they all used as a reference the functional metropolitan territory as defined, in the case of Canadian regions, by the "census metropolitan area." For the Board of Trade, logic and competitive reality dictate that not only should economic performance of cities be measured on a regional basis but that economic development planning should be developed from this perspective as well. In this regard, the Board of Trade affirmed in its *Policy Statement*, made public in March 2002, that "the harmonious sustainable development of the City of Montreal requires the integration of a metropolitan vision into international aspirations, and the use of political and economic tools essential to that integration." In this context, the Board of Trade believes that "a spirit of collaboration and consensus building both among elected representatives in the entire territory on the one hand, and among those representatives and the groups and citizens committed to the development of Greater Montreal on the other, is therefore essential."

In our opinion, the MMC is the organization of choice to lead this economic planning process. First, the territory under its jurisdiction corresponds well to the economic territory defining the metropolitan region. Second, its structure is conducive to promoting coherent economic action by all the municipalities on its territory. The Board of Trade further believes that the planning exercise led by the MMC should serve as a frame of reference for the development plans prepared – or that should be prepared – by the various municipalities that make up the MMC. Indeed, we would do well to ensure that this attention to coherence is also reflected in the details of the strategies set up at various levels throughout the region.

### ***Clearly identified issues and important development trends***

First, the Board of Trade would like to state its overall approval of part II (*Enjeux et tendances du développement des régions métropolitaines*) of the Draft EDP. Indeed, the challenges and issues shaping the economic landscape of the metropolitan region are both numerous and important. The MMC has succeeded in charting the main issues that Montreal is and will be facing. The section on issues is followed by a presentation of the major trends with which the major cities of the world are contending. For the Board of Trade, this is an accurate picture of the role of metropolitan regions as economic engines and the primary locations of economic growth. The MMC's objective analysis therefore lends to

an understanding of metropolitan challenges and eloquently demonstrates the need to effectively plan a regional economic development strategy.

### ***Increasing the wealth produced in the metropolitan region: an essential objective***

Insofar as the major development issues are clearly identified and Montreal's performance is compared with its competition, we must find ways to propel Greater Montreal to the ranks of the leading metropolitan regions. In this context, the Board of Trade commends the fact that increasing the collective wealth of Greater Montreal – as measured by per capita GDP – is the main objective of the MMC's economic development strategy.

In this regard, one should not think the quality of life enjoyed by the region's residents somehow compensates for Montreal's lagging behind in standard of living. On the contrary, maintaining this quality of life when the elements that actively contribute to it require ever greater financial resources – health and education systems, quality of the environment and efficient public transit, and dynamic cultural life, among others – will increasingly depend on the ability of the Montreal economy to increase its productivity and the wealth created.

### ***Partners and follow-up: essential complements for success***

The Board of Trade also commends the fact that, in its Draft EDP, the MMC has identified its main partners for the economic development of the metropolitan region, and in so doing has underscored the need for cohesion among all the stakeholders in order for Montreal to achieve economic success.

We believe that the mobilization and commitment of all the economic stakeholders will be determining factors in implementing the EDP. Therefore, identifying the partners is an important first step. Another decisive element for successfully implementing an economic development strategy is, of course, effective and constant monitoring of its application. With regards to this matter, the Board of Trade is pleased to see that the plan contains a section on developing follow-up indicators. Indeed, these indicators will be very useful for measuring the outcome of the strategy implementation. They will also be important for situating Montreal's performance vis-à-vis its counterparts in North America or the world. In this regard, all the economic stakeholders must cooperate fully to develop and apply these follow-up tools and mechanisms.

More specifically – and as mentioned in section 9 of the Draft EDP – the Board of Trade will continue its annual publication of the *Montreal Health Report*, which uses a series of indicators to measure Montreal's competitive capacity in comparison with 11 other North American cities, thereby providing the City with a means to track its economic progress.

## Summary of general comments

- Just as the economic performance of cities is measured on a regional basis, we believe that economic development planning must be carried out from a regional perspective. In this regard, the MMC is the best-placed organization to lead the current economic planning process.
- The MMC analysis of the issues and trends in the Draft EDP lends to an understanding of the metropolitan challenges and clearly demonstrates the need to plan a regional economic development strategy.
- We are pleased to see that the overriding objective of the economic development strategy is to increase the collective wealth of the metropolitan region, as measured by per capita GDP.
- The Board of Trade commends the MMC for identifying its main economic development partners in the Draft EDP, and is pleased to see a section in the plan pertaining to the development of follow-up indicators. For its part, the Board of Trade plans to continue with its annual publication of the *Montreal Health Report*.

## **2) Specific comments on the economic strategy of the Draft EDP: the need for an engagement and mobilization tool**

As we have stated, the objective of increasing the Montreal region's per capita GDP is essential if the City is to successfully compete on the international stage. We therefore believe the EDP must set objectives that clearly acknowledge Montreal's unfavourable position vis-à-vis the main metropolitan economies and that require the region to improve its performance. The scenario that calls for annual GDP growth of 5.2% over the next 20 years, allowing Montreal to climb to sixth place in terms of per capita GDP among the 26 metropolitan regions of North America, definitely meets these criteria.

That said, such a growth rate is especially ambitious as it is substantially above the economic forecasts for the region. Indeed, the Conference Board of Canada expects the Montreal economy to grow on average 2.8% per year between 2002 and 2020, i.e., over 2% below the EDP target.<sup>1</sup> Inevitably, we will have to make major changes in the way we do things if Montreal is to climb 20 spots in the ranking. To be credible and win support, the EDP objectives must be matched by comparable ways and means to achieve them.

The Board of Trade therefore considers it worthwhile to integrate three major elements into the proposed economic strategy: mobilize and enlist the involvement of all the relevant stakeholders of the region, define the conditions for success, and set quantified success objectives for indicators other than per capita GDP – namely for indicators specific to the different sector-based clusters proposed in the strategy.

### ***Increase the involvement and mobilization of the region's economic stakeholders***

In any strategic planning exercise, the main challenge is always its implementation, which, in the case of the EDP, will depend in large measure on the involvement and mobilization of the metropolitan region's development stakeholders. In short, if Greater Montreal hopes to achieve exceptional economic growth, all the stakeholders must, without exception, put forth equally exceptional efforts.

For these reasons, we believe that one of the roles of the EDP is to mobilize the Montreal community and inspire its economic development stakeholders to achieve the Plan's objectives by making them feel somewhat as if they had a performance contract with the region.

The first step involved in encouraging this mobilization and engagement is, without question, to solicit their input when preparing the EDP. In this respect, we commend the MMC for its willingness to involve its partners—especially in the work of its technical committee – through public consultations on the Draft EDP.

However, these actions alone will not suffice to generate the mobilization required to achieve exceptional economic performance. Because it is so young, the MMC remains a relatively unknown entity by the population, which is just beginning to develop a metropolitan identity, and debates on the governance of the City's economic development remain limited to the initiated. Consequently, in order to enlist greater community involvement in developing its economic strategy, the MMC must be recognized as the organization of choice to give voice to the aspirations of the metropolitan region, to represent the interests of its population and to orchestrate the decisive actions required for its development.

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<sup>1</sup> It is interesting to note that over the past 10 years, GDP growth in the Montreal region has surpassed 5% on only two occasions: in 1999 (7.8%) and in 2002 (5.5%). In 2003, this growth was 1.7%.

### ***The need to define the conditions for a successful EDP economic strategy***

The Board of Trade believes that the EDP should expressly state the conditions for success – as defined by the community – that must be fulfilled in order for Montreal to rank among the leading North American cities. By “conditions for success,” we essentially mean action that can be taken quickly, in other words, prerequisites to achieving the accelerated growth targeted by the EDP.

The Draft EDP identifies one of these conditions for success, without actually naming it as such: diversifying the revenue sources of cities and the MMC. Indeed, this is one condition that must be fulfilled if the region hopes to see the series of desired investments become a reality, more specifically, as part of the orientation for an “attractive region.” The EDP also suggests a strategic planning and thinking process, particularly for the development of clusters, which will likely lead to the definition of new conditions for success. Our proposal therefore does not run counter to the EDP, quite the opposite; it simply suggests making the strategic thinking exercise more explicit and extensive. That said, the Board of Trade also recognizes that identifying all these conditions and the objectives for success cannot be completed before the final version of the EDP is ratified. Still, in our view, it is important that the EDP immediately include the concept of “conditions for success” as an integral part of the development and implementation of its economic strategy.

Defining conditions for success would better demonstrate the urgent need for immediate and major action to resolutely set Montreal on the path to catching up with the competition. These considerations are important in that they will have a definite impact on the credibility of the EDP, and by extension, on the level of engagement it will be able to obtain from the partners.

### ***The need to define success objectives for other indicators***

In the same vein, the Board of Trade believes that, in addition to GDP growth, the EDP should set a series of other quantified objectives. In fact, the Board of Trade believes that the MMC should take the idea of indicators set out in section 9 of the Draft EDP one step further. In our view, defining specific objectives to achieve in the short, medium and long terms for a variety of indicators would contribute to the success of the economic strategy in two ways:

First, agreeing on a target to achieve for a performance indicator, both for the end of the planning period in 2025 and for periodic intervals, would make it easier to more closely monitor the success of the EDP, for example tracking the progress of action taken by the MMC and determining adjustments to be made along the way. Setting intermediate objectives would also be an effective manner to test the validity of the overall GDP growth objective. Indeed, by establishing performance targets for different sectors, Montreal would be able to more accurately determine whether the overall objective is realistic. Essentially, we believe it would be another way for the EDP to demonstrate its rigour and establish the credibility of its strategy.

Second, the Board of Trade believes that by having a greater variety of quantified objectives, the economic strategy would have the major advantage of being able to better mobilize the stakeholders around its implementation. While it is true that per capita GDP is a comprehensive and valid measure of a society’s collective wealth and productivity, the global character of this indicator makes it impossible to associate it directly with the activities of the various economic players. In other words, it is difficult to perceive the impact of each player’s initiatives on per capita GDP growth, and consequently to impress upon everyone the importance of their contribution to achieving the identified objective.



## ***Examples of conditions for success and objectives applied to the four strategic orientations***

### **A learning region**

The first aspect of the MMC economic strategy highlights a challenge that Greater Montreal must address immediately: human capital. The challenge of attracting, educating and keeping talent is monumental and remains the one on which city-regions must especially focus to remain innovative and competitive. In this respect, the MMC is quite right to say that "human capital is the single element with the greatest impact on Montreal's success."

This aspect also underscores the relevance of defining conditions for success and specific objectives for implementing the Plan. In fact, the Board of Trade was rather struck by the marked difference between the vision presented in the EDP for a learning metropolitan region and the rather limited means to make it a reality. In this regard, the *Table métropolitaine de Montréal* can play an important role "to ensure sufficient coordination between the supply and demand of qualified workers", and thus contribute to the region's growth by becoming the MMC's preferred partner. That said, the strategy must be supported by other elements – which underlines the role the MMC must play as the representative of choice of metropolitan interests to the upper levels of government.

In fact, the MMC will be in a delicate situation when the time comes to develop the elements of the strategy to make Montreal a learning region: most of the levers pertaining to knowledge and learning are in the hands of the Quebec government. Still, the MMC is fully justified to include this orientation in its economic strategy, given its critical importance for the City's future.

With respect to a learning region, improving university funding is a condition for success and should be stated as such in the EDP. There is currently a consensus in Quebec as to the need, across the province, for additional annual investments of \$375 million in order for our universities to achieve a level of funding comparable with their counterparts elsewhere in Canada. Insofar as Montreal is a hub of university activity in Quebec, this "under-investment" directly limits the potential of the metropolitan region at the very time the EDP is seeking to maximize it. The MMC should therefore join the metropolitan consensus<sup>2</sup> on improving university funding by including it in the EDP as an explicit condition for the success of the City as a learning region. As part of this metropolitan consensus, the MMC would then, more than any other body, be able to defend the interests of the region and exert pressure on those concerned to make the necessary changes.

With respect to creating *a learning region*, numerous objectives could be established. Among the most important, the Board of Trade believes that the EDP should set targets for reducing the dropout rate and increasing the rate of 18-24 year olds continuing onto higher education. It may also be appropriate to set, based on labour requirement forecasts for Montreal's strategic industries, targets for the number of graduates – professional and technical training as well as university – required for the region's growth.

What is clear is that the region must increase the graduation rate if it hopes to have the required number of graduates in the next decade to meet the specialized labour needs of an economy growing at an annual rate of 5.2%. Moreover, defining a concrete objective for keeping children in school is far more likely to motivate the individuals working in the education field than less tangible objectives such as GDP growth.

Getting people thinking on the conditions for success and objectives specific to the sphere of knowledge is sure to spark a lively debate between the stakeholders concerned. For the Board of Trade, this exercise is an essential element for mobilization.

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<sup>2</sup> In this regard, the four Montreal universities, the Board of Trade, the City of Montreal and various other stakeholders participated in a parliamentary commission in winter 2004 to highlight the need to rectify the under-funding of Quebec universities. The Board of Trade's brief can be found at: [http://www.ccmq.ca/documents/Positions/2003%202004/Memoire\\_universites.pdf](http://www.ccmq.ca/documents/Positions/2003%202004/Memoire_universites.pdf)

## **A competitive and prosperous metropolitan region**

The second strategic orientation of the Draft EDP is also, according to the Board of Trade, a fundamental element of a sustainable and innovative development strategy for Greater Montreal. Since innovation is at the heart of metropolitan economic strategies aimed at improving competitiveness, the Board of Trade fully supports the MMC in its effort to provide the metropolitan region with strategies to develop strong industrial clusters. However, if these strategies are to be successful, they must be developed based on the ideas and observations of established and recognized players in the sectors that make up the cluster (i.e., a bottom-up approach). The resulting development strategies for the various clusters should also allow established leaders to broaden the scope of their initiatives. For this reason, and indeed as provided for in the EDP, the creation of clusters must be characterized by flexibility and adaptation to the specific context of each sector.

The approach contemplated for the development of clusters is particularly interesting in that it is similar to the recommendations made by the Board of Trade to identify conditions for success and define specific objectives. In fact, the Draft EDP mentions the importance of creating development strategies for each cluster with input from the relevant players. This process, if conducted in a manner that respects the achievements of representatives recognized in their respective sectors, is likely to win greater support for the implementation of the EDP. Of course, the Board of Trade believes that these strategies should involve defining conditions for success and objectives for the short, medium and long terms.

One of the conditions for success on which the Board of Trade believes it is important to insist is the creation, for each cluster, of strong ties between industry and research and educational institutions. There is still a lot of work to do to develop synergies between college and university-level educational and research institutions and established companies and aspiring entrepreneurs. A sector-based, integrated approach for each cluster provides an excellent opportunity to better coordinate the education offered to future workers with industry needs or to increase the chances of successfully commercializing innovations developed in research settings.

In this context, the Board of Trade would like to reiterate its solid support for the implementation of *Innovation Montréal Métro* (IMM), a not-for-profit organization whose mission is "to ensure the cooperation of all stakeholders involved in the dynamics of metropolitan innovation" and that could, in fact, help multiply profitable dealings between economic and research circles. In this regard, the Board of Trade will continue to work actively with the MMC to create and develop the IMM.

## **An attractive region**

Beyond its importance for the development of the region, the third strategic orientation in the Draft EDP contains a certain unknown regarding the feasibility of achieving the proposed vision without the involvement of the upper levels of government. In fact, given the major investments required, particularly for infrastructures, a lasting financing solution for the metropolitan region is a major condition for the successful achievement of the objectives in the Plan. To this end, section 3 of this brief sets out the need to obtain firm commitments from government partners to maximize Greater Montreal's development. The existing metropolitan consensus on the changes required to city and regional financing, expressed as a condition for success in the EDP, is an important argument that could help the MMC seek out and obtain the funding it needs.

This third orientation could benefit from a number of specific objectives. For example, an objective could be set on how much to spend on infrastructures and when the investments should be made. Another relevant objective is one that directly measures our success in attracting talent and investment. Indicators that could be used to evaluate the City's performance include the volume of economic

immigration to the region, the number of foreign companies setting up in Montreal, and the value of private business investments in the region.

### **A world-class metropolitan region**

The fourth and final aspect of the economic strategy is completely relevant and in line with the objective of building a competitive world-class metropolis. This is a particularly important aspect for ensuring Montreal ranks at the top of the list of cities in the world.

It is interesting to note that for the elements of this orientation, which pertains to the promotion and visibility of Metropolitan Montreal on the world stage, the MMC this time has a direct influence on the major development levers. In fact, the MMC, by virtue of its mandate "to market the region abroad to enhance its international reputation and help diversify its economy," has decision-making authority that it does not have, for example, for education or immigration matters. In this regard, the Board of Trade is pleased to note that the process supported by the MMC is in many respects similar to the one proposed by the Board of Trade in this brief, namely, to define objectives and conditions for success.

Indeed, whether in terms of the strategy to promote the City internationally (to be developed by the end of 2005) or the proposed thinking on setting up a fiscal framework to stimulate direct foreign investments, one can reasonably expect the participants involved in this thinking to identify immediate action to take. The Board of Trade would very much like to contribute to this exchange and help identify such conditions for success. This process is all the more relevant because it will sharpen the participants' perspective of these nevertheless complex issues. Other non-fiscal-related elements will certainly emerge as conditions for attracting investment. For example two major issues for the pharmaceutical industry that come to mind are the protection of intellectual property and measures to control product availability.

The Board of Trade commends the leadership the MMC plans to take with regards to this strategic aspect. As part of its responsibilities, the MMC must market the region abroad to enhance its international reputation. In this regard, the MMC's recognition of the different players – including the Board of Trade – involved in one manner or another in promoting Montreal in North America and abroad, is a tangible contribution to better cohesion. On this topic, it is also important to recall the importance of coordinating the international activities of the MMC and those of the cities it comprises – especially those of the City of Montreal given the wealth of international relations developed in the course of its history. The Board of Trade believes, moreover, that setting specific performance objectives would contribute to the engagement and cohesion of these players and therefore facilitate the process of identifying priorities. Among the possible indicators, the value of regional exports, the volume of tourists and the value of direct foreign investments come to mind.

## Summary of specific comments on the economic strategy

- In our opinion, the EDP should set clear objectives with respect to the region's need to do better so that Montreal can improve its ranking vis-à-vis the main metropolitan economies. The scenario proposing annual GDP growth of 5.2% for 20 years – while particularly ambitious – certainly fulfills these criteria.
  
- We believe the main challenge to achieve these lofty goals is the successful implementation of the EDP economic strategy. This success will be closely tied to the **involvement and mobilization** of all the development stakeholders of the metropolitan region and their **support** of the strategy objectives and the means to achieve them.
  
- **In this context, the Board of Trade recommends that the MMC and the metropolitan development stakeholders work closely to expressly identify in the EDP:**
  - o The **conditions for success** that must be fulfilled to make it possible for Montreal to enjoy the economic progress it needs to rank among the leading North American cities;
  
  - o **Success objectives** – in the short, medium and long terms – for a variety of indicators other than the GDP growth rate.

## **Examples of conditions for success and success objectives applied to the four strategic orientations**

### ***For a learning region***

*Condition for success:*

- Improve university funding

*Quantified success objectives:*

- School attendance rate
- Participation rate of 18-24 year olds in higher education

### ***For a competitive and prosperous metropolitan region***

Conditions for success and success objectives should be an integral part of the strategies to be developed for the creation of metropolitan clusters.

*Condition for success:*

- The creation, for each cluster, of strong ties between industry and research and educational institutions

### ***For an attractive metropolitan region***

*Condition for success:*

- Diversify the revenue sources of MMC cities

*Quantified success objectives:*

- Amounts invested for construction and renewal of urban structures
- Volume of economic immigration
- Value of private investments made in the region

### ***For a world-class metropolitan region***

The conditions for success should be set once the international marketing strategy (2005) has been defined and following reflection on a fiscal framework to stimulate direct foreign investments.

*Quantified success objectives:*

- Value of metropolitan exports
- Tourist volume
- Value of direct foreign investments

### **3) A city contract between the MMC and the Quebec government: an important complement to achieve the Plan's objectives**

Several areas of action identified in the Draft EDP correspond to competencies exercised by the upper levels of government, especially of Quebec. Education and transportation are but two examples. Therefore, to ensure the full involvement of the Quebec government in the metropolitan region's development, the Board of Trade believes the EDP should be rounded off with a "metropolitan contract."

Because – to reiterate terms used by the OECD – "The main challenge facing Montreal in the next few years is not just to elaborate a comprehensive economic strategy for the whole metropolitan region, but to implement it successfully," the Board of Trade considers it particularly relevant to formalize the Quebec government's involvement in and commitment to the development of the Montreal region. Indeed, without a firm commitment and follow-through by the Quebec government, the plan risks not being able to produce all it hopes for.

The idea for a metropolitan contract is not new. Indeed, the City Contract signed between the Quebec government and the City of Montreal in January 2003 following a commitment made by the parties at the Montreal Summit in June 2002 provides a glowing example of the advantages that can flow from formalized commitments between two parties when they are respected. The contract concept was also part of the OECD recommendation in its territorial review of Greater Montreal.<sup>3</sup> It bears mentioning that a metropolitan agreement already exists between the MMC and the Quebec government, the *Entente de communauté sur le développement durable*, concluded on October 10, 2002 for five years (from 2002 to 2007), which includes financial commitments in the order of \$9.5 million.

In Europe, particularly in France, it is interesting to note that metropolitan or "agglomeration" contracts are considered to have played a major role in refining French metropolitan governance: 52 contracts of this type were in effect as of April 30, 2004.<sup>4</sup> This form of cooperation is similar to the one we are contemplating for the Montreal region in that it brings together the government and the metropolitan community to achieve common objectives and to define strategic actions.<sup>5</sup>

For the Board of Trade, concluding a metropolitan contract is an important complement to the EDP; it is the way through which the Quebec government's role in metropolitan development will be defined and recognized, and through which its commitment to join forces to make the metropolitan region prosperous and competitive will be confirmed. This complement is critical to achieving the EDP's objectives in 2025 and to adding credibility to the strategy it proposes today.

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<sup>3</sup> In this regard, the international organization wrote that: "With a contract covering the entire metro area, policy makers could increase policy coherence across the functional area and avoid costs and benefits from the city contract spilling over to the suburban areas. Using the same principal applied for the city contract, the provincial government might therefore find it useful to start negotiations at the metropolitan level for a contract-based co-funding of a number of public services. This will involve the MMC, which would be likely to get a prime role in negotiating, planning, executing and monitoring the various aspects of a "metropolitan contract" or "agglomeration contract." (Organization for Economic Cooperation and Development (OECD), *OECD territorial reviews, Montreal, Canada, Paris, Les Éditions de l'OCDE, p. 134-135.*)

<sup>4</sup> The agglo.org Web site, aimed at the players involved in developing agglomeration contracts and projects, posts work published on this approach. The Web site's address is [www.agglo.org](http://www.agglo.org).

<sup>5</sup> OECD, *op.cit.*, p. 136.

### **Summary, concluding a metropolitan contract**

- The Board of Trade recommends, as a complement to the EDP, that a metropolitan contract be concluded between the MMC and the Quebec government so as to ensure its full involvement in the implementation of the EDP.

## Conclusion

By recommending that conditions for success and success objectives be defined, and a metropolitan contract signed, the Board of Trade is underscoring the importance it places on seeing the EDP successfully implemented, a task that necessarily requires the involvement and contribution of all the parties concerned. To increase this involvement, the EDP must enlist support and, better yet, obtain commitments.

The MMC is fully aware of this reality and took pains to include in the Draft EDP a variety of ways of obtaining proposals from the development stakeholders such as this current consultation process or the future definition of strategies for the various sector-based clusters. The Board of Trade proposes to make this approach even more explicit and compelling, to facilitate its critical follow-up, and to get the entire metropolitan community to commit to this development. Given the ambitious – and necessary – growth objectives set by the region, it goes without saying that everyone’s contribution is required. Hence the idea that the EDP be designed as a mobilization plan.

In this regard, the Board of Trade believes that the future metropolitan contract could be even more comprehensive and include other stakeholders besides the MMC and the Quebec government, for example, sector-based groups, unions, the Board of Trade, the federal government and others.

While it has big ambitions and an inspiring vision, the Draft EDP must develop its power to act, unite and mobilize; it must clearly state what needs to be done and map out the difficult path we must follow.

The Board of Trade of Metropolitan Montreal strongly supported the creation and development of the MMC, believing that the metropolitan perspective defining the organization was critical for the economic success of Montreal and its region, at a time when economic competition is being played out directly between urban centres. While it can be further improved, the draft economic development plan unequivocally underscores the importance of uniting all the forces of the metropolitan area. The Board of Trade is therefore determined to continue its efforts and work together with the MMC to make sure that the EDP project truly mobilizes the dynamic forces required for Greater Montreal to reach new heights.