

DRAFT - TOWARD DEFINITIONS AND A VISION STATEMENT

Economic Development

Economic development is the development of economic wealth in Vermont for the well-being of its inhabitants. Policies that promote economic development seek to improve the economic well-being and quality of life for the community through specific activities directed at employers, businesses and business activity that can be directly correlated to creating and/or retaining jobs and supporting or growing economic wealth and the tax base.

Economic development activities can be seen as Primary, Secondary and Tertiary:

Primary economic development activities are those Vermont expenditure and tax programs for which the primary purpose is to promote economic growth in Vermont, facilitate the prosperity of an industry sector, a specific employer, or a community or region of the state, create or retain jobs, or to develop workforce skills to meet the needs of employers. Primary activities are limited to those for which critical funding is supplied through a State of Vermont appropriation, rather than a Federal or private grant, and the activities are carried out by state employees or contractors or grantees of the state.

Above and beyond the obvious economic development programs, primary activities might, for example, include the Vermont Hi-Tech Program, which is tailored to meet the needs of specific client companies, and the E-State Commission which will support both individual and business communications in rural Vermont.

Secondary economic development activities are those expenditure and tax programs where the primary purposes do not include promoting economic growth, but which have a secondary effect of benefiting employers. For example, the primary purpose of the Reach Up program is to assist people to move from welfare to work. In so doing, the program has a likely benefit to employers.

Tertiary economic development activities are large public expenditures to build and maintain infrastructure. This can include transportation infrastructure (roads, bridges, rail, etc.) and social infrastructure (preschools, K-12 education, health coverage, affordable housing, etc.)

Vision for the Future of Economic Development in Vermont

If Vermont's strategic economic development plan is successful over the next 10 years, Vermont will have proven itself to be resilient in the turbulence of the global economy. The state's strategic employers will continue to be competitive in their industries, and the economy will be increasingly diverse, as small businesses and entrepreneurs flourish. Vermont entrepreneurship will be distinguished by innovation and creative talent, often with ideas spawned in our institutions of higher learning and energized by the research capabilities at the University of Vermont and the rich network of public and private colleges and universities.. With the competitive edge provided by innovation and creativity, these small businesses will prosper, develop the talents of their employees, and attract and retain employees with above average wages and benefits. Moreover, Vermont will have burnished its image as a 'green state', by intentionally developing a sector of companies that sell green products and services into the national and world market, and by inspiring a 'green' ethic throughout the state.

Along with career opportunities, Vermont's ability to retain and attract talented young people is directly related to quality of life. At the same time the state will leverage the rich resource of its growing population of older workers creating opportunities for second careers and workplace practices that create productive workplaces for workers of all ages. Vermont will be an e-state, with broadband communication available in all communities. The state will have strategically addressed the deterioration of roads and bridges and will support an efficient transportation system; and we will have continued to cultivate the social (affordable housing, healthcare, childcare, etc.) and cultural (historic sites, performance venues, parks, etc.) infrastructures. These same attributes will attract tourists, conventions, and college students, and serve to strengthen Vermont's appeal to visitors.

The good health of communities throughout Vermont will be supported by the strengthening trends of local economies, including local farm and forest industries , arts, and small business ventures.

The strategic activities of the state that support and enhance economic development will be clearly articulated, highly adaptable and nimble, and able to demonstrate direct correlation between activities, investments and desired outcomes.

In addition to being viewed as a good place to live, Vermont will have a solid reputation as a place to innovate, learn and invest. Vermont will have a steady stream of creative and innovative businesses and organizations seeking to grow or locate in the state, drawn by its many positive assets and the clustering of highly skilled and enterprising workers.