

# Strategies FOR Success

Halifax Regional Municipality's Economic Development Strategy 2005-2010

HALIFAX  
REGIONAL MUNICIPALITY

Networked Community



Creative Community

People



## Acknowledgements

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## Glossary and Terms

ACOA – Atlantic Canada Opportunities Agency

BBI – Black Business Initiative

BRE- Business Retention and Expansion Initiative

CIC – Citizenship and Immigration Canada

CMA – Census Metropolitan Area

CME – Canadian Manufacturers & Exporters

CNR – Canadian National Railway

COPS – Canadian Occupational Projection System

DND – Department of National Defence

GDP – Gross Domestic Product

GHP – Greater Halifax Partnership

HCC – Halifax Chamber of Commerce

HIAA – Halifax International Airport Authority

HPA – Halifax Port Authority

HRDA – Halifax Regional Development Agency

HRM – Halifax Regional Municipality

HRSB – Halifax Regional School Board

HRSDC – Human Resources and Skills Development Canada

IC – Industry Canada

MISA – Metropolitan Immigrant Settlement Association

MOU – Memorandum of Understanding

MGA – Municipal Government Act

NSBI – Nova Scotia Business Inc.

NSCC – Nova Scotia Community College

NSDOE – Nova Scotia Department of Education

OED – Office of Economic Development

RDA – Regional Development Agency

UNSM – Union of Nova Scotia Municipalities

WDC – Waterfront Development Corporation Limited

WTCC – World Trade and Convention Centre

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**“Not only is HRM growing faster than any other large Atlantic Canadian community, but the communities surrounding HRM are also seeing the economic benefits of our strong critical mass of people, energy, transportation, and business services.”**

*— Peter J. Kelly,  
Mayor*

## Mayor’s Message

Halifax Regional Municipality is undeniably the economic hub of Atlantic Canada. The region accounts for 40 percent of Nova Scotia’s GDP and one fifth of all the economic activity in Atlantic Canada.

Not only is HRM growing faster than any other large Atlantic Canadian community, but the communities surrounding HRM are also seeing the economic benefits of our strong critical mass of people, energy, transportation, and business services.

With our excellent location, business climate and quality of life, our economy has never been in a better position to compete with other regions across Canada and around the world. However, we cannot be complacent and expect this favourable position for growth to continue indefinitely. We need to carefully nurture these conditions for growth and steadily improve our region’s position as the best place to live, work, and do business.

We owe HRM’s current success today to the investments we made yesterday. We now need to make the strategic business decisions that will foster our economic success in the years to come. Our biggest risk is to do nothing.

So, the questions remain: How can we best use our available resources to ensure our economy continues growing at a sustainable rate? What will give us that strong competitive edge over other regions worldwide?

HRM’s Economic Strategy answers these critical questions. Providing an overall vision and direction for economic development, this strategy is a blueprint that will allow us to build a vibrant community and lead our region and the province toward long-term sustainable economic growth. It identifies growth opportunities, sets priorities, and suggests ways the region can leverage all of our economic development resources.

HRM has become a leading performer in Canada and a powerful player in the global arena. I am confident that HRM residents are comfortable with this leadership position. This economic strategy builds on our solid success to date and identifies ways our region can stand out among other successful centres in the global economy.

This strategy sets us on the right path to a prosperous and confident future.

Respectfully, I remain

Peter J. Kelly

## Message from the Economic Strategy Advisory Committee

It has been our privilege to serve as members of the Advisory Committee for the development of the Halifax Regional Municipality's first economic strategy. This document is the culmination of months of consultation with community leaders, businesses, government, and citizens to determine how our region can best position itself for success in the global economy – now and in the future.

This is only the beginning. This economic strategy is a blueprint for our future economic prosperity. Extensive partnerships and a clear commitment to implementation are critical. We are confident of both.

We are pleased to share this economic strategy with you and hope you will join with us in making this vision a reality.



### Committee Members

Dan English, Acting CAO  
Halifax Regional Municipality

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Economic Summit

**“This economic strategy  
is a blueprint for our future  
economic prosperity.”**

— Economic Strategy Advisory Committee

## “What is the city but the people?”

William Shakespeare — Coriolanus



## Executive Summary

This economic strategy has been prepared by the Halifax Regional Municipality (HRM) as an essential component in defining our future and ensuring that future is within our grasp. Quite simply, we want to be the envy of the world.

There is little doubt we can be. But that requires understanding the challenges that lie before us and addressing those challenges head on. The Halifax Regional Municipality is proud to lead the process.

In this document, we explore the attainment of five key goals for our community over the next five years:

- HRM’s bustling job market will stop our young and ambitious from leaving and make our community a magnet for highly trained immigrants and expatriates.
- HRM’s investments in social and cultural infrastructure will enhance the city’s persona as one of the most vibrant and unique communities on the continent.
- HRM will possess the best business climate in Canada, one able to kick-start and grow ambitious new enterprises and attract exciting companies from anywhere on the globe.
- HRM’s renown as one of the continent’s great cities — a beautiful, immensely livable place that teems with history and creativity — will draw top-drawer companies and people to our community.
- Each partner in HRM’s future will work in sync to propel our economy forward in a way that improves the quality of life for every citizen.

Those goals are the pillars of a far-reaching vision. That vision states:

*Our people are our community. We will improve and empower the lives of every citizen by building a prosperous, dynamic, globally competitive economy where creativity and risk-taking can flourish alongside a quality of life that is the envy of the world.*

This is not pie in the sky. This vision, and the goals that bolster it, are attainable. But the path to success is not an easy one. First comes knowledge and understanding, then comes concerted action. This strategy is focused on attaining the five goals noted above, understanding that today’s reality underlies those goals, and identifying the actions that need to be taken to move HRM forward to a bright new future.

In a global economy, economic development activities must meet “smart growth” criteria. These include economic growth, environmental sustainability, cultural priorities, and social objectives. Only a prosperous, growing economy, one that generates tax revenue, can attain these outcomes. This strategy encompasses those criteria.

The economic strategy also encompasses all of HRM. Our unique blend of urban and rural geography is a defining characteristic. It is our strength. This strategy approaches this rural/urban reality as one of interdependence rather than irreconcilable differences.

Indeed, interdependency and partnership is a central theme. This strategy, quite simply, cannot be implemented by HRM alone. We need to identify common values and present a common vision that will allow a range of partners, three levels of government, development organizations, and the private sector to join forces to build a prosperous future. This strategy links to and builds on a provincial economic strategy and the federal government's economic priorities including the New Deal for Cities and Communities.

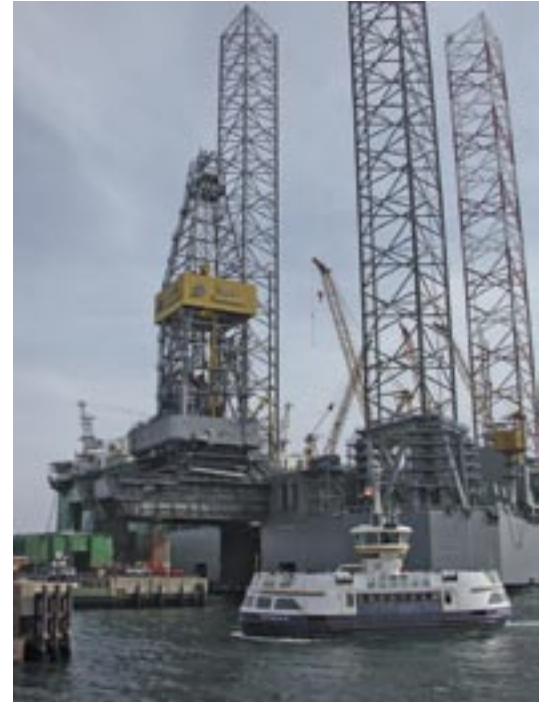
Getting to a prosperous future is not easy. Leadership is critical. The kind of future we envision requires boldness, conviction, and the ability to make tough decisions. Our greatest challenge will be to embrace change. The greatest risk to our future is to do nothing.

This strategy identifies what needs to be done now. It is only in the doing that ideas will come to life. The North American landscape is littered with stagnating communities that did nothing when action was required.

Action is required now for HRM. The future awaits.

The following actions were identified as key first priorities for implementation:

- Work with businesses and existing ethnic, cultural communities and recent immigrations to attract and retain new immigrants.
- Develop and promote a compelling community business case for retention, expansion and attraction of DND facilities and other federal government offices.
- Support rural economic development by encouraging and providing support services to those individual and organizations establishing or maintaining businesses in rural areas.
- Build support and work to fast track social investment projects that are already well advanced.
- Establish a Quality of Place Council to review existing brand equity in HRM and develop a multi-partner approach to marketing HRM.
- Benchmark tax, regulation, development permit approval/timing against competing cities.
- Bring infrastructure spending up to appropriate comparable standards.
- Work with Nova Scotia trade partners to inform and educate HRM business about exporting. Identify and assist trade-ready companies to enter new markets.
- Establish new and enhanced maintenance initiatives and standards with a focus on year-round, 24/7 accessibility in the downtown. Engage through a public/private approach that emphasizes individual and business responsibility and stewardship.
- Work with our partners to identify common values and vision around growing our community. Create an "alignment of strategic intent" and "rules of engagement" to implement this vision.
- Work to develop the Halifax Gateway as the East Cost logistics hub.



**“Competitive strategy  
is about being different.  
The essence of strategy  
is choosing to perform  
activities differently  
than rivals do.”**

— Michael Porter,  
Bishop William Lawrence University Professor,  
Harvard Business School



## Background

### HRM Today

The economy of Halifax Regional Municipality (HRM) has undergone tremendous change in recent years. While it has proven itself capable of overcoming big economic challenges — like an 8,000 cut in government employment in the mid-1990s, times have changed. Economic success is no longer contingent on the accident of resource endowment or proximity to market. A large population or a deep harbour does not guarantee success. Growth today depends on access to knowledge and our ability to innovate and adapt. More specifically, successful growth is about smart communities attracting and retaining smart people. In a world economy centered on talented people, what’s important is being a place where the best and the brightest want to live.

HRM’s economy has been performing well. We are undeniably the economic hub of Atlantic Canada. The region accounts for almost half of provincial GDP and about one-fifth of Atlantic Canada’s GDP. Between 1996 and 2001, HRM’s population grew by 4.7 percent, a pace faster than any other large Atlantic Canadian community and 10th among all major Canadian centres.

	1998	2004	Trend
Population	359,235	381,711	↑
Employment ('00)	171.7	195.1	↑
Inflation Rate	0.7%	2.1%	↑
Building Permits (\$ millions)	239.5	608.6	↑
Housing Starts	1,700	2,627	↑
New Housing Price Index	108.0	121.9	↑
Retail Sales	3,687	4,694	↑
University enrollment	24,500	30,887	↑

HRM is as important to the economy of Nova Scotia as Toronto is to Ontario. The numbers speak for themselves: Both capital cities contain 40 percent of their respective province’s population. Both cities account for roughly half of their province’s economic activity.

But HRM is not Toronto. It is a city with its own unique economic drivers.

Halifax International Airport and the Port of Halifax are the gateway for much of our province’s exports and most tourists to Nova Scotia start or end their visits here. Our gateway is more important to HRM than any other gateway in the nation is to its city. It accounts for more than 28,000 jobs directly or indirectly and generates about 16 percent of all economic activity in HRM.

HRM has the critical mass of population enabling our community to be the tertiary health care centre for Atlantic Canada and a hub for medical research and a growing life sciences industry. Nova Scotia is the regional centre for the Canadian banking and insurance industry. This is the province’s highest wage sector and two-thirds of these jobs are in HRM. Our community is also a hub for professional services,

including world-class legal and environmental expertise, which benefits users of these services across the province. Capabilities in HRM mean businesses and consumers in Atlantic Canada have access to superior service and selection closer to home.

Halifax's six universities and the three metro campuses of the Nova Scotia Community College have a collective enrollment of more than 40,000 students. This represents 61 percent of the total student population in the province. Our educational institutions play a critical role in creating a highly skilled workforce, and undertaking and commercializing research. Most of the research and development done in Nova Scotia is done right here in HRM. We are also the seat of provincial government and home to Canada's largest military base. All of these factors play a major role in assisting economic growth beyond our borders to the rest of Nova Scotia and outward to the region as a whole.

Every dollar of economic activity in HRM levers or enables another dollar in activity somewhere else in the province. Clearly, just as HRM is the physical heart of Nova Scotia, it is also the economic heart.

It is essential to keep that heart pumping smoothly and efficiently.

Our region has also become a growth engine for surrounding communities and the province as a whole. The benefits from our strong cluster of business and transportation services are not limited to a small segment of our community. Economic activity continues to expand. Unemployment in HRM is falling and is low by historical and national standards. Employment is rising even faster than our population. Business confidence is among the strongest in the nation.

But we cannot rest on our laurels. Like any community, HRM faces many challenges. Growth will not continue unless we carefully nurture the climate for growth. Demographic pressures are draining our once-deep labour pool. Business confidence is high, but fragile, and the world does not know us well enough. Our citizens believe we have been slow to develop partnership approaches to dealing with our problems and businesses feel over regulated and unappreciated.

The decisions and investments we make today, and the priorities we set now, will affect us over the next decade and well into the future. If we want a prosperous future for our community, we have to build a vibrant, competitive and creative economy open to the world and open to new ideas.



### **HRM Tomorrow**

The elements of a successful tomorrow are clear. We will have a business environment that inspires entrepreneurship, that encourages existing business to take on the world in export markets and that attracts inward investment. We will be a place that attracts and retains smart people. We will have a healthy environment where a wide range of educational and employment opportunities drive social inclusion and promote healthier lifestyles. This creative environment will propel a fast-paced knowledge economy that creates enviable, high-wage jobs in growth sectors. We will retain the aspects of our history, culture, civility, and quality of place that make us distinct, that make us who we are.

We will reinvent our region. We will look different in 10 years, 20 years and 30 years. Our business climate and our business approaches will become world-class. Our people and our businesses will have a global focus. HRM will be a municipality of distinct communities, but we will have a single brand identity known across Canada and around the globe. Our leaders will embrace new approaches for economic growth, ones that link communities, unite urban with rural, draw regions together, and connect business and government. We will welcome diversity. We will work with partners to succeed.

We will be the envy of the world.

**“We are caught in an inescapable network of mutuality, tied in a single garment of destiny.**

**Whatever affects one directly, affects all indirectly.”**

— *Martin Luther King, Jr., Human Rights Activist and Visionary*



## **Background: HRM Tomorrow... continued**

### **How We Get There**

Traditional definitions of economic development focus on job creation and wealth generation. Economic development activities must now meet “smart growth” criteria that include economic growth, environmental sustainability, cultural priorities, and social objectives. The best economic development strategies use economic growth to achieve social outcomes like improving well-being, increasing tolerance and diversity, and providing proper housing, public transportation, and education. Only a prosperous, growing economy, one that generates tax revenue, can attain these outcomes.

For this reason, HRM’s economic strategy cannot stand alone. HRM is positioning itself as a national economic leader that achieves community goals through careful planning, innovation, and aggressive partnership. Our Regional Plan is designed to maintain and enhance our environment and quality of place while ensuring a fiscally sustainable future. It is an essential complement to this economic strategy, which in turn, draws upon the region’s Cultural Plan to further enhance our quality of life. Our economic strategy will be guided by efforts to build on the unique economic and cultural concentration in HRM.

This economic strategy encompasses all of HRM. Our unique blend of urban and rural geography is a defining characteristic. It is our strength, not our weakness. This strategy will approach this rural/urban reality as one of interdependence rather than irreconcilable differences. It will highlight economic realities and opportunities instead of focusing on problems related to differences. Different economic strategies will be needed to allow for balanced growth.

This strategy cannot be implemented by HRM alone. We need to identify common values and present a common vision that will allow a range of partners, three levels of government, development organizations, and the private sector to join forces to build a prosperous future. This strategy will link to and build on a provincial economic strategy and the federal government’s economic priorities including the New Deal for Cities and Communities.

Getting to a prosperous future is not easy. Leadership is critical. This strategy, the regional plan, and other community-driven road maps present choices that will define our future. This future requires boldness, conviction, and the ability to make tough decisions. Our greatest challenge will be to embrace change and recognize that if the pace of change is slower inside our community than in the outside world, we are in crisis. The greatest risk to our future is to do absolutely nothing.

## Overarching Themes

The best economic development strategies use economic growth to achieve social outcomes. Similarly, efforts and investments in these social outcomes lay the groundwork for a prosperous economy.

Significant crosscutting ideas can help us reach our economic and social goals. Here's how:

- Pay attention to people – the most important resource in HRM.
- Recognize the global influences on everything we do.
- Understand that we compete with the rest of the world.
- Acknowledge that economic growth in the 21st century takes place primarily in urban centres.
- Know that our goals will be achieved only by working together as partners.

### People Power

Communities are about people. They are the fuel that drives our economy. People also drive the creativity and vibrancy of HRM. They are the best ambassadors to communicate who and what we are to a national and international audience. We will have to draw heavily on the people and the businesses of HRM to carry our branded message forward. People are at the core of the relationships needed to build new partnerships for economic growth, and it is business people who require a strong business climate to fuel growth. People who become inspired entrepreneurs and aggressive exporters, in turn, will help build and drive our economy.

### Global Attitudes

Solving our labour market challenges means thinking globally. We have to develop effective ways to attract and retain immigrants and foreign students. Increasingly, creative cities are global cities. A global attitude attracts the best and the brightest. The world is our marketplace and more and more, the target of our marketing efforts. International and regional partnerships are becoming essential tools for surviving and prospering as a business and a community in this new global reality. Our business climate has to stand up to scrutiny and competition, from cities across our nation and around the world.

### Competitive Cities

There was an outdated notion that businesses compete, cities don't. In most of the industrialized world, however, businesses have recognized that they can't even compete locally let alone internationally if their city does not stand up and stand out in key competitive areas: tax rates, regulatory processes, capital investment, and social cohesion.

Cities compete for labour and creative people, the people with the energy and ideas needed to propel us forward. Cities market aggressively to build a world-class reputation and the advantages that it brings. Cities vie for new investment – the kind that brings high-quality jobs, secure tax streams, and a better quality of life. Cities jostle for their piece of the global economy. For a bigger share of the pie that is world exports.



**A global attitude  
attracts the best and  
the brightest...  
the world is our  
marketplace.**

**“Cities are the chief motors of economies. You can’t talk about economies without talking, at least obliquely, about cities.”**

— Jane Jacobs, Author of *The Death and Life of Great American Cities*



## **Overarching Themes... continued**

In this uncompromising competitive environment, allies are important. Building partnerships and relationships with like-minded business and communities is vital to survival and critical to prosperity. HRM needs all the good partners it can get to compete successfully with the rest of the world.

### **Cities Count**

Cities matter greatly in the growth and development of regions and countries. Making key investments in our cities is critical to continued national prosperity. Jobs and related opportunities are no longer enough to attract and retain the best and the brightest. Quality of place and the level of vitality in a community have become key factors in decisions about where to live.

Reputation and attitude play a large part in determining which urban sectors are successful and which are not. In Canada, there are three levels of government and one citizen. Finding ways to invest in and grow communities requires that we work through jurisdictional issues and forge new partnerships to serve that citizen. A strong urban economy also requires investment in physical capital, skills development, research and development and innovation. It requires a business climate that is second to none.

### **Connected Communities**

HRM’s rural areas are important – and they are an economic advantage. Few areas of Canada have the easy access to rural lifestyle that we enjoy. Nova Scotia is one of Canada’s most densely populated provinces; over 95 percent of the population lives within an hour of a major centre. We need to build on this strength and enhance our existing urban/rural links.

We also have to build networks and relationships across our nation and around the world.

We have to draw post-secondary institutions into discussions on labour force, to help establish a creative community, and to help market HRM. We have to utilize the organizations that link business and government more fully, and we have to improve government. We have to work jointly to set infrastructure priorities and get important initiative moving more quickly.

### **Smart Growth**

While growth is important, growth at any cost is not. The people of HRM indicated long ago that they want “smart growth”. Smart growth shows us that an economic strategy has to dream big; because that’s the way the economy functions and that is the path to sustained prosperity.

Such growth emphasizes quality of place and quality of life, as determined by a range of investments in things like culture and recreation, health care, superior education, affordable housing, enhanced safety, effective public transit, a healthy environment, social cohesion and cultural diversity.

These values have served us well in HRM. They preserve and enhance what we value in our community.

They underpin this strategy.

## Gaining Perspective: Challenges and Opportunities in HRM

Gaining perspective is an essential first step on the road to developing an economic strategy. Specifically, we need to identify challenges and opportunities, and we need to understand what the community perceives as challenges and opportunities. So we asked. The strategy is built on information and feedback from four main sources: ideas drawn from the Halifax Chamber of Commerce's Economic Summit, consultation with organizations concerned with economic development, a web-based leadership survey and interviews with over 800 businesses. Here's what we learned.

### Quality of Life

- HRM is growing by just over 3,000 people a year. Most respondents to the leadership survey approve of this pace. Some business sectors still face challenges finding workers, despite the healthy pace of growth.
- Residents feel the physical environment, air quality, local health care, and quality of local housing are real strengths.
- While the quality of housing, particularly executive housing is good, the poor and the elderly face problems with accessibility.
- Race relations are a persistent challenge.
- Respondents feel crime is no more a problem in HRM than in other communities, but more people are becoming concerned for their personal safety and business is becoming concerned with property crime.

### Education

- People are concerned with the quality of elementary & secondary education.
- Respondents see the universities and community college as a significant strength in HRM although their engagement in the community could be improved.

### Government

- Respondents see most local services like fire protection, waste disposal, etc., as on par with or stronger than other communities.
- Functions related to regulation enforcement, approvals for new construction, and approval times are identified as distinct weaknesses in the leadership survey and business interviews.
- High business taxes are uniformly seen as a weak point along with the lack of cooperation between levels of government and between economic development organizations.

### Leadership

- Leadership at the community level and lack of funding for economic development are seen as weaknesses.
- Four times as many people see the current low level of cooperation between business and local government as a weakness rather than strength.

### Employment Issues

- Surveys and consultations confirm that lack of after-graduation training is a challenge for HRM.
- Most participants see availability of labour as on par with other communities. Many companies see our young, educated labour pool as giving them a distinct business advantage.

**“We will neglect our cities to our peril, for in neglecting them we neglect the nation.”**

— John F. Kennedy, Former US President

### Transportation

- All respondents are concerned with the adequacy of local highways and feel that current traffic flow is a weakness. Respondents to the leadership survey feel more strongly about the poor condition of streets than any other issue.

### Utilities

- Phone utilities are seen as on par or better than other communities. However, a significant number of rural residents view broadband access as a weakness.
- Respondents see cost, reliability, and quality of electrical service as presenting some challenges for the community.
- The availability of fresh, clean drinking water is seen as a significant strength.

### Capital

- Availability of business capital is an across-the-board weakness. There are particularly strong opinions on the lack of access to venture capital.

### Market

- While opinions on access to national markets are mixed, most respondents see HRM's international market access as a big asset.
- The physical appearance and state of repair of the downtown is seen by most as a weakness.
- Availability of hotel space is considered on par with other communities although the lack of convention space is an emerging weakness.

These observations allowed us to identify existing gaps in our economic development effort in HRM. There are other areas of activity where we are on the right course but must make a better effort. A number of issues were identified, however the economic strategy is not intended to deal with each one of them. This analysis allowed us to identify 5 areas of action, the goals that will allow us to reach for a more prosperous vision of our future.

## Our Vision

A clear vision is the fundamental starting point for a successful strategy. This is our vision for HRM:

Our people are our community. We will improve and empower the lives of every citizen by building a prosperous, dynamic, globally competitive economy where creativity and risk-taking can flourish alongside a quality of life that's the envy of the world.

Getting to this vision requires that we set clear and achievable goals. Here are ours.

## Our Goals

### Supercharge Our Labour Force

An unemployment rate that is one of the lowest in the country, along with an aging population – means a labour shortage eventually looms for HRM. The best way to head off a crisis is generating upscale, high-salary jobs in growth industries so we can hold onto those whip-smart grads from our plethora of universities, tempt well-educated immigrants, and entice mid-career fast-trackers back home.

*By 2010, HRM's bustling job market will compel our young and ambitious to stay and make our community a magnet for highly trained immigrants and expatriates.*

**The best way to head off a crisis  
is generating upscale, high-salary  
jobs in growth industries...  
to make our community  
a magnet for highly trained  
immigrants and expatriates.**



### **Leverage Our Creative Community**

Creativity is what drives every dynamic, modern economy. The communities that attract and keep smart, creative, diverse people are the ones that invest their public dollars astutely. The right strategy can give the economy added zip. But strategic investments in things like public art galleries, libraries and green spaces for Sunday picnics and kid's soccer games also help make a city the kind of luminous, livable place that everyone wants to call home.

*By 2010 HRM's investments in social and cultural infrastructure will enhance the city's persona as one of the most vibrant and unique communities on the continent.*

### **Create A Gung-Ho Business Climate**

A prosperous economy attracts and supports smart, risk-taking companies and creates the kind of dynamic investment environment that helps everyone in the community achieve their dreams. Competitive taxes, reduced red tape and improved infrastructure make for a first-rate business climate. So does promoting technology and encouraging innovation.

*By 2010, HRM will possess the best business climate in Canada, one able to kick-start and grow ambitious new enterprises and attract exciting companies from anywhere on the globe.*

### **Capitalize On Our Reputation**

The cutthroat competition for business and tourism dollars and the best and brightest in the labour pool isn't won by accident. A fiercely business-friendly image celebrates our distinctiveness and sets us apart from our rivals. By promoting our advantages – a large creative class, a well-educated work force, and a superb life-style – we demonstrate pride in our city and solidify our identity as a business and commercial centre.

*By 2010, HRM's renown as one of the continent's great cities – a beautiful, immensely livable place that teems with history and creativity – will draw top-drawer companies and people to our community.*

### **Convert Rivalries Into Partnerships**

Retooling a city's economy requires teamwork, not rigid bureaucracies and petty turf wars. Working together toward common goals allows all partners in our community, government agencies, non-profits, postsecondary institutions, and business to fully leverage their efforts. The end result: everyone works faster and more nimbly to get the biggest bang for their economic development dollars.

*By 2010, each partner in the HRM's future will work in sync to propel our economy forward in a way that improves the quality of life for every citizen.*



## Strategies and Actions

**“If you want 1 year of  
prosperity, grow grain  
If you want 10 years of  
prosperity, grow trees.  
If you want 100 years of  
prosperity, grow people.”**

— Chinese Proverb

## Supercharge Our Labour Force

Growth in the new millennium is all about people. Prosperity requires a bustling job market. Communities with a deep labour pool can meet the demands of growing business and attract the smart people looking for a world of opportunity. Our task: To build a stronger labour force; to offer upscale opportunities; to attract and retain youth, immigrants and expatriates; and to meet the challenges of an aging society and global competition.

Maintaining and growing our people advantage means:

- Understanding and dealing with an aging workforce and skills issues,
- Retaining and attracting people,
- Leveraging the full potential of our universities, and
- Maintaining and expanding our defence and federal government presence.

### Our Reality

HRM is home to almost 40 percent of Nova Scotia’s residents and more than 15 percent of all Atlantic Canadians. Half of our population is under 37, the youngest profile in the Atlantic region. Our employment growth has out-paced population growth, bringing down our unemployment rate to one of the lowest levels in Canada. Indeed, virtually every area in and around HRM is growing.


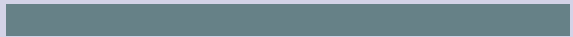
But we live in an aging province. Within 20 years, 40 percent of Nova Scotia’s population will be 55 or older. To date, in-migration of young people and immigrants has insulated the region from the adverse effects of this aging population. However, low unemployment, once the brass ring, is fast becoming a reflection of a shallow labour pool and a constraint on growth.

Without explicit action to deepen the labour pool and deal with emerging skill gaps, HRM will face a demographic time bomb that could slow the growth of our economy and scar our tax base. HRM would not be alone, our economic decline would ripple out to the rest of Nova Scotia, and indeed to all of Atlantic Canada.

The best data on occupational shortages in Canada is found in employer surveys conducted as part of the SmartBusiness initiative led by the Greater Halifax Partnership. Right now, Halifax employers are not experiencing dramatic skills shortages, except in occupations that require either a very high skill set or offer low wages.

### Workforce: Recruitment & Retention Problems

<b>Workforce Recruitment Problems</b>		<b>Count</b>	<b>Percent</b>
Yes		418	55.36%
No		337	44.64%

<b>Workforce Retention Problems</b>		<b>Count</b>	<b>Percent</b>
Yes		164	21.98%
No		582	78.02%

*Source: Based on SmartBusiness visits June 1, 2004 to July 15, 2005*

Until now HRM has been buffered from the full effects of labour shortages. Two factors contribute to this, particularly in high-skill sectors:

- 63 percent of HRM’s employed labour force has completed university, college, or trade school. We have lots of well-educated people looking for opportunities.
- HRM has six universities and three campuses of the Nova Scotia Community College that attract people from across the country, and around the world. More and more are remaining after graduation.

But the effects of these buffers can be expected to diminish as more powerful demographic trends begin to take hold.

The magnitude of Nova Scotia’s skills challenge is daunting. A recent report from the Canadian Occupational Projection System indicates that by 2009 there will be over 50,000 job openings in Nova Scotia – 29,700 through attrition and 20,840 through job growth. Given that there are now only 40,000 people in Nova Scotia who are unemployed, there is clearly a human resource crunch on the horizon.

### Retaining and Attracting People

Between 1997 and 2004, net immigration (the numbers of newcomers from other countries, less the flow of Nova Scotians to other nations)

## Supercharge Our Labour Force Strategies

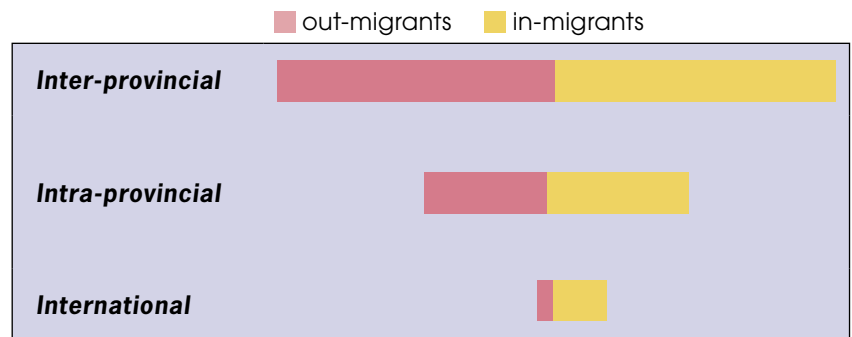
	Challenge	Strategy & Potential Partners	Actions (priority actions are highlighted)
Labour Market	Business is not able to collectively articulate its training and skills needs in a way that allows educational institutions to respond effectively.	<p>Improve information collection and dissemination on business labour market needs.</p> <p>Potential Partners: ACOA, BBI, NSDOE, GHP, HCC, HRDA, HRM, HRSDC, NSBI, NSCC, OED, aboriginal/business/community/immigrant organizations, NS Community Services, Skills Nova Scotia, universities</p>	<ol style="list-style-type: none"> <li>1. Compile, analyze and communicate meaningful information that can direct skills training and attraction efforts.</li> <li>2. Develop a community led Skills Council. Work with the public, private employers and training providers to ensure training needs are met.</li> <li>3. Engage business directly in poverty reduction initiatives. Support programming for disadvantaged groups with challenges finding jobs.</li> </ol>
Labour Shortages	Demographic and competitive forces will create labour shortages across most sectors of HRM's economy.	<p>Develop a labour force attraction and retention initiative.</p> <p>Potential Partners: ACOA, GHP, HRDA, HRSDC, business associations, HCC, NSDOE, industry associations, Skills Nova Scotia, universities</p>	<ol style="list-style-type: none"> <li>1. Match people and opportunities more effectively through efforts such as student and immigrant job fairs.</li> <li>2. Work with companies on attracting skilled workers, with a focus on those with economic, educational or family ties to Nova Scotia.</li> <li>3. Develop a business-driven initiative focused on workplace assessment and customized pre-employment training. Ex: Halifax Smart Start Pilot Project</li> </ol>
Immigration	Immigration represents two-thirds of our population growth but immigration levels have declined rapidly in the last 10 years and our retention rate is among the lowest in Canada. There is a lack of coordinated effort in HRM on immigration issues.	<p>Increase immigration to HRM and increase retention of immigrants.</p> <p>Potential partners: CIC, CME, GHP, HCC, HRDA, HRM, MISA, NSCC, eduNOVA, NS Immigration, universities</p>	<ol style="list-style-type: none"> <li>1. Create a public/private/community leadership group with a mandate to direct and implement HRM's immigration strategy.</li> <li>2. Engage private and public sector organizations in welcoming and integrating newcomers into our business and professional communities.</li> <li>3. Work with businesses, existing ethnic, cultural communities and recent immigrants to attract and retain new immigrants.</li> <li>4. Work with universities and Nova Scotia Community College to retain international students.</li> </ol>
Post Secondary Institutions and Business	Universities have not reached their potential as a source of innovation, commercialization and as a source of knowledge for business and government in HRM. The shrinking youth population in Nova Scotia and increasing competition for students mean that HRM's post secondary institutions will be challenged to maintain their current size and role in HRM's economy.	<p>Draw on all the resources of HRM's post secondary institutions to enhance our economy and our quality of life.</p> <p>Potential Partners: GHP, HRM, NSCC, Destination Halifax, Federal &amp; Provincial Government, universities,</p>	<ol style="list-style-type: none"> <li>1. Use the memorandum of understanding between HRM and metro universities to engage on issues of planning, economic growth, culture, creative and intellectual transfer and infrastructure renewal.</li> <li>2. Establish a community liaison function at all the universities to head off potential neighbourhood and community conflicts.</li> <li>3. Ensure business has access to the best technology and expertise our universities and community colleges have to offer. Improve commercialization of research.</li> <li>4. Develop a memorandum of understanding with the Nova Scotia Community College similar to what has been signed with metro universities.</li> <li>5. Work with universities and NSCC to ensure the increasing demand for affordable housing is met.</li> <li>6. Work with universities to make HRM a compelling destination for students from across Canada and around the world.</li> </ol>
Defence & Federal Presence in HRM	Federal government employment in HRM has fallen by more than 6,000 jobs since the early 1990's. In current dollars, this means close to \$300 million in yearly spending on goods and services in HRM disappeared, or about five percent of our economy. In this decade, other communities are competing hard for expanding federal government and DND presence. Unlike most Canadian cities, HRM has not benefited from a rebuilding of the federal government capacity in recent years.	<p>Work with the Department of National Defence and other departments and agencies of the Federal Government to expand their presence in HRM.</p> <p>Potential Partners: ACOA, DND, OED, GHP, NSBI, HCC, HRM, economic development organizations, Province of Nova Scotia</p>	<ol style="list-style-type: none"> <li>1. Develop and promote a compelling community business case for retention, expansion and attraction of DND facilities and other federal government offices.</li> <li>2. Develop a memorandum of understanding between HRM and DND to facilitate communication and development of issues.</li> <li>3. Work with partners to maximize the flow of industrial benefits from major procurement projects.</li> </ol>

## Strategies & Actions... continued



accounted for almost all of our population growth. Over this period, net population inflows were about 10,000 people; two-thirds of these were immigrants, and the remaining third were people who moved here from other parts of the province. On the flip side, we lose almost as many people to other provinces as we attract.

### Migration estimates by type of migration, Halifax, 1997 - 2004



Source: Nova Scotia Statistical Review 2004

Immigration levels have declined. Since their peak in 1995, the number of immigrants to HRM has fallen by more than half. This is cause for concern. Quite simply, immigrants drive our population growth.

### Taking Advantage of our Universities

HRM boasts six degree-granting institutions and three campuses of the Nova Scotia Community College. Together, these institutions enroll close to 40,000 full and part-time students. Graduates and part-time workers from these institutions have traditionally been the mainstay of our deep and youthful labour pool.

In addition, these post-secondary institutions contribute to economic activity. Indeed, universities are a billion-dollar industry in HRM. They employ 5000 faculty and staff and have a combined operating budget of \$565 million. They are major purchasers of goods and services. They generate more than \$100 million in research. Their students, and those who visit them, inject about \$300 million into the local economy each year.

That is now. The future could look different. Over the next four years the number of children registered for primary classes in Nova Scotia will plummet from 12,500 to 8000. The number of high school graduates is projected to decline by more than 20 percent within the next 10 years. Today 39 percent of those high school graduates go to university in Nova Scotia, the highest rate in Canada.

It will not be enough. Growing, even maintaining, the stability of this important asset requires HRM to become a magnet for post-secondary education. We will have to draw in more of our own, more Canadian and more international students. And we will have to do this while having the highest tuitions in Canada.

## Expanding Defence and Federal Government

For 250 years, Halifax Harbour has been a centre of naval activity. Close to 10,000 military and civilian personnel call HRM home. Paying those personnel costs \$650 million a year, most of which is spent right here. HRM also benefits from billions of dollars in major military procurement, such as the Maritime Helicopter Project, and could benefit from new defence procurement as the military refurbishes aging equipment.

### Department of National Defence employment in HRM 2005

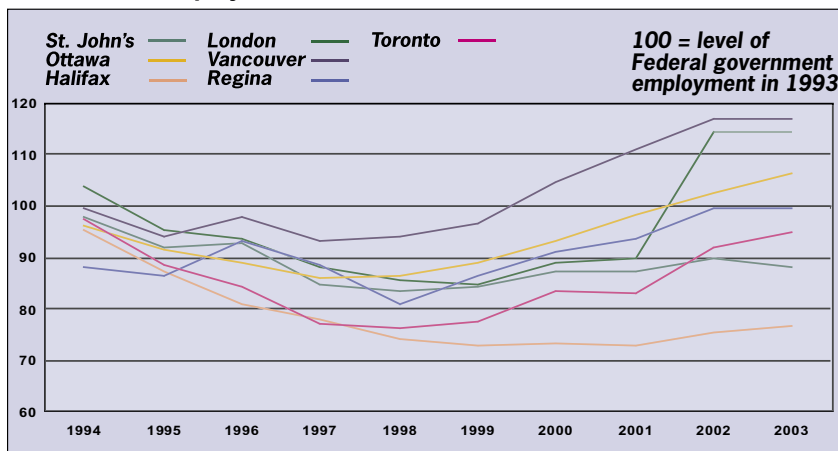
Military Personnel	5,832
Civilian Personnel	2,036
Reserves	5,832
Total Personnel	2,036

Source: Statistics Canada

But HRM has been historically slow to respond to these challenges and opportunities, and we have paid dearly. Cutbacks to defence and federal public sector employment have affected HRM more than any other Canadian city, big or small.

Since 1993, federal employment has fallen by about 6,000 in HRM. Since 1998, most major Canadian cities have added significant new federal employment. HRM was the exception. Most of the cuts and relocations experienced were defence related. HRM could also benefit from major new initiatives such as DND's Standing Contingency Task Force. Other opportunities exist as federal government priorities change and new spending opportunities look for a home.

### Government Employment in HRM



Source: Statistics Canada



**“The regions that succeed will be those that are magnets for the highly educated, highly mobile, innovative people that high-wage, high-growth companies need to hire.”**

— Richard Florida  
Author: *The Rise of the Creative Class*



## Leverage Our Creative Community

*“The regions that succeed will be those that are magnets for the highly educated, highly mobile, innovative people that high-wage, high-growth companies need to hire. These are cool and distinctive places that welcome newcomers, offer a wide range of quality lifestyle amenities, celebrate their diversity and allow people to validate their identities as creative people. These places offer not just one hot industry or a couple of hot companies, but an array of potential employers for talented people who define themselves in terms of their professions, not their companies. Almost always, they have a thriving urban core that serves as a source of energy and social interaction. Most also have great universities that attract a steady flow of young people and new ideas.” — Richard Florida - Author, *The Rise of the Creative Class**

HRM cannot compete with the rest of the world on cheap labour, geographic advantage or natural resources. We have to, and we can, compete on the basis of our knowledge and skills. We can, and we will, compete on the human factor: people with high levels of skills and education who can choose where they want to live. To attract and hold creative people we will need to boost our social investment in areas like culture and recreation, and we will have to renew HRM’s social capital that creates a caring community.

### Our Reality

Vibrant growing communities must be healthy and in particular, must have a healthy heart. HRM is an old city by North America standards. Its pattern of growth emanates from the harbour and for most of the last century, follows the development of our highway system. There are significant historical and cultural roots throughout the municipality, with a huge concentration in the downtown cores and along the waterfronts. In HRM, 69 percent of all jobs are located within five kilometres of City Hall compared to only 38 percent in other metropolitan areas in Canada.

Arguably it is this concentration that gives HRM much of its vibrancy and economic muscle. That has us out-classing many larger centres in economic activity, cultural influence and visitor attraction. However, between 1996 and 2001, HRM experienced the largest decentralization of population and employment of all Canadian cities. Over this period, 15,000 jobs were created more than 5 kilometres from City Hall while employment declined by 200 jobs within five kilometres of downtown Halifax.

*Rural Growth.* HRM is by area Canada’s largest community. It includes one of eastern Canada’s most densely populated communities and some of its most rural. HRM is a place of distinct communities, all of which need to actively participate in our future growth. Different strategies are needed to allow balanced growth to happen across the community. Balance is essential to fostering growth while not imposing change that disrupts community identity and builds resentment.

*Creative Community.* There is an emerging global competition for the human resources and talent needed to create business opportunities and profit. Well-educated, skilled and, often, young people have emerged as an enterprising and creative class with huge influence in the new knowledge economy. In the first industrial revolution, companies located close to natural resources or on trade routes. Workers migrated to where the jobs were. In the knowledge economy, footloose companies are moving to where the creative class wants to live.

## Leverage Our Creative Community

### Challenge

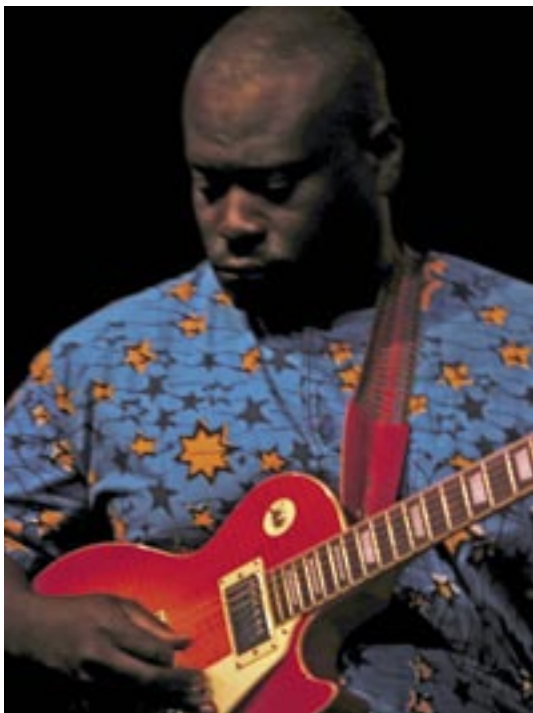
	Challenge	Strategy & Potential Partners	Actions (priority actions are highlighted)
HRM's Urban Heart	HRM's capital district is not growing and employment growth is stagnant. Research shows that the world's best cities must have a healthy heart. Research also shows that creativity in arts and culture and in business is a function of density and proximity. Our density advantage is eroding.	Ensure a vibrant, healthy and attractive downtown to make HRM a world-class urban centre. <i>Potential Partners: GHP, HRM, downtown business commissions, universities</i>	<ol style="list-style-type: none"> <li>1. Establish new and enhanced maintenance initiatives and standards with a focus on year-round, 24/7 accessibility. Engage through a public/private approach that emphasizes individual and business responsibility and stewardship.</li> <li>2. Increase capital and operating investment and maximize leverage with other levels of government and business to create an attractive and active urban space in the Capital District.</li> <li>3. Adopt urban guidelines for new development that would feature signature projects, public art and preservation of historical character.</li> <li>4. Ensure that municipal tax, policies and regulations are sensitive and supportive of economic drivers such as the universities, hospitals, DND, government offices, finance, insurance and professional services.</li> <li>5. Support the development of new transit corridors as proposed in the Regional Plan.</li> </ol>
HRM's Rural Heart	Rural areas and the rural commuter-shed account for about 10 percent of employment and have a more fragile economy than other parts of HRM. Rural economies and rural character need to be strengthened and connections to urban areas improved.	Recognize and enhance the contributions of rural areas to HRM's economy. <i>Potential Partners: ACOA, HRDA, HRM, HRSDC, GHP, OED, community organizations, United Way, universities</i>	<ol style="list-style-type: none"> <li>1. Foster community economic development in rural areas and rural commuter-sheds to enhance the diversity of the regional economy and offer employment and local services to residents.</li> <li>2. Protect the character and identity of rural communities. Help them sustain their cultural and eco-tourism assets.</li> </ol>
HRM's Creative Community	HRM is facing a labour shortage. We are competing with the rest of the world for the "creative people" who will drive the economy of the future.	Create and maintain a place of opportunity and interest for creative people. <i>Potential Partners: ACOA, OED, GHP, universities, United Way, community &amp; immigrant organizations</i>	<ol style="list-style-type: none"> <li>1. Develop a Creative Community Strategy which integrates cultural, immigration, capital district, university and global strategies.</li> </ol>
HRM's Regional Plan	HRM's Regional Plan provides a thoughtful and vetted approach that can support our economic vision and goals. Its recommendations are designed to preserve and protect what we value in our community – our culture, our environment and our special places.	Support the principles, goals and implementation of the Regional Plan as a critical piece in making HRM a healthy, viable, sustainable community. <i>Potential Partners: GHP, HCC, HRM, HRDA, downtown business commissions, neighbourhoods, volunteer groups</i>	<ol style="list-style-type: none"> <li>1. Encourage a variety of quality neighbourhoods, centred on a vibrant downtown and commercial centres.</li> <li>2. Work to ensure that the urban core has a higher density of people and employment and continues to be the focus for culture and tourism, business, government and university employment.</li> <li>3. Continue improvements to existing public transit and explore new options ex: fast ferry, rail cut to improve access and reduce congestion.)</li> </ol>
HRM Investment	Investment in social and cultural infrastructure has not kept pace with other Canadian communities. Existing infrastructure needs renewal. HRM competes with the world for business. An excellent quality of life is an important factor in attracting the kind of high growth, high wage business we need to grow HRM. Comparative measures for public safety and property crimes as well as quality of primary and secondary education do not presently favour HRM.	Determine the social investment priorities for our community that reflect the preferences of those who live here. <i>Potential Partners: HRM, HPA, HRSB, Federal Government, Province of Nova Scotia, WDC</i>	<ol style="list-style-type: none"> <li>1. Establish an intergovernmental, public/private body to look at cultural policy, planning priorities and investment.</li> <li>2. Build support and work to fast track social investment projects that are already well advanced.</li> <li>3. Take direction from HRM's Cultural Plan in setting investment priorities.</li> <li>4. Ensure that HRM is considered one of Canada's safest cities.</li> <li>5. Develop and sustain funding and policies that support a creative environment in primary to 12 education in HRM.</li> <li>6. Champion a renewal of HRM's social capital through an emphasis on citizens, business and volunteer organization-based initiatives that build pride of place.</li> </ol>

## Leverage Our Creative Community

... continued

Young savvy workers can increasingly find employment in places they are drawn to. Less traditional and more readily accessible amenities are important to these people. They look to be stimulated in their creative work by an edgier and more creative environment. Their culture tends to be 24/7, vibrant and often irreverent. They look for an open, imaginative environment that accepts their lifestyle and centres where artistic and cultural activities are vital, visible and experiential. More than anything else, creative communities thrive on density and proximity to universities. Not surprisingly, these same two factors are key to the clustering and growth of business in the knowledge economy.

While creative people prefer urban settings for living, they also want to be close to nature. They want to hear the crash of ocean waves, meander along a river stream, hike a mountain, breathe in fresh air and drink clean water. Older creative class workers also want interesting recreational and educational amenities for their families. As well, they are concerned with traditional quality-of-life measures like safety and good schools for their kids.



*Regional Plan.* HRM's regional planning process has laid a foundation to better understand the choices that need to be made as we adapt to and promote growth. These choices will determine what we protect and enhance to achieve the quality of life our residents want. The plan will also identify areas to encourage a critical mass of people and businesses, allowing for efficient access to public services.

*Investing in Community.* The quality community we achieve for our residents will be a magnet for attracting newcomers to our community. HRM is blessed with a good foundation of social investment. However, in recent years, public spending on amenities and facilities has been lower compared to our counterparts across the country. We must draw upon all our resources and leverage all our partners to reinvest in the social side of our community.

The public and the business community in HRM are enthusiastic about the need to support social investment, in particular in the heart of our community. Consultation around the Regional Plan, the Halifax Chamber of Commerce's Economic Summit, and HRM's Economic Strategy highlight a growing level of frustration about the lack of attention paid to maintenance and capital investment, particularly in the Capital District.

HRM has responsibility for the provision of basic infrastructure such as water, sewer, streets and roads, sidewalks, streetlights, traffic control, public transit, and recreational facilities. In the areas of "softer" infrastructure, such as cultural facilities and programs, responsibility is less clear. In Nova Scotia, municipal investment in soft infrastructure has been minimal, reflecting a split in provincial/municipal service responsibilities. This has not been the case in other provinces that have found ways to make important cultural and social investments. We have to do the same.

*Social Capital.* While we need the "bricks and mortar" social investment, improving how we feel about each other and our community is as important. Social capital can be thought of as the informal networks of people that not only provide a sense of social cohesion but also bring measurable benefits of health, happiness, feelings of safety, and civility. The level of social capital or social cohesion in a community predicts a lot about where a community is going. For example, large, spread-out communities and subdivisions lack a sense of community, lack the feeling of safety that comes with the "eyes on the street" aspect of more densely packed communities.

Creating a high-quality, livable community takes more than enlightened investment by governments. It also requires residents, volunteer organizations, and business to do their part. It takes an investment by citizens who look out for neighbours and take exceptional pride in their neighbourhoods. It shows up in the pride of homeowners who plant gardens, seed lawns, shovel snow down to the concrete, and keep an eye on the house next door. It takes investment by businesses that recognize that scraping gum off sidewalks and fixing up their storefront is good for HRM and good for business.

## Create A Gung-Ho Business Climate

Businesses grow when conditions exist that make it profitable to do so. A good business climate does not evolve, it is created. To get there we have to benchmark against the competition and adopt best practices wherever we can. A good business climate is also a moving target. The fact that we have one today, is no guarantee for tomorrow.

We also have to recognize that creating a business climate conducive to growing sectors that drive our economy, is vital. Understanding which sectors provide that economic boost is a vital part of any strategy.

Many businesses just need to tap into a growing economy to prosper. For example, retail and service businesses, homebuilders and hair cutters fit into this category. As long as an economy is growing, they do just fine. But what creates this growth?

Economies grow thanks to firms that target markets outside our region or have developed products or services with markets worldwide. Just as people look for creative communities to put down roots, companies facing global competition look for places that are business friendly.

### Our Reality

Our growth depends on outward-facing businesses that bring money into our community.

If outward-looking businesses do not grow, the economy will not grow. Consumer spending declines, retailers start hurting, small businesses start to disappear, housing demand evaporates, tax revenues stop growing and a community's ability to provide services to its people erodes. Eventually, population growth stops, the downward spiral begins, and a community goes on life support.

Progressive communities pay close attention to their competitive position and how it affects export-oriented industries. They know that a good business climate can mean the life or death of a business and a community. HRM needs to first understand its competitive position and then take steps to improve that position.

Business generally likes the climate in HRM. According to a Smart Business survey, most like what they see, feel the business climate is better than it was in the past, and believe it will improve in the future. However, a third of companies surveyed feel that our business climate is either "fair" or "poor." A good business climate is a moving target. Cities compete for people and for business. Smart cities understand that they have three growth choices: decline, stagnation, or growth. Most cities choose growth and they know a constantly improving business climate is their way to get there.

Business climate includes issues of tax competitiveness; availability and quality of public services; business regulations; physical infrastructure (highways, utilities, etc.); quality of life (crime, education, etc.); business incentives; and other factors that directly affect the ease and profitability of doing business in a particular region. Business climate really boils down to cost of doing business. It is a relative measure, one where HRM competes against nearby and distant communities.

So the decisions we make on business climate are critical. Decisions that lead to a cleaner, more welcoming downtown will provide that

**“We are not creatures of  
circumstance; we are creators  
of circumstance.”**

— Benjamin Disraeli, Former British Prime Minister



Challenge

Tax and Regulation	<p>Taxes affect business decisions to invest and innovate as well as people's decisions on where they live and work. While taxes pay for public services, taxes that are too high and levied inefficiently affect economic growth and eventually, those same public services. Current provincial and local tax regulatory policies are working against export oriented growth drivers in HRM's economy.</p>	<p>Ensure that a competitive tax and regulatory regime supports HRM's growth drivers.                       Potential Partners: GHP, HRM, business organizations, Provincial Government</p>	<p><b>Actions (priority actions are highlighted)</b></p> <ol style="list-style-type: none"> <li>1. Benchmark tax, regulation and development permit approvals/fitting against competing cities.</li> <li>2. Determine the impact of tax burden on economic growth. Develop targets to enhance the region's long-term competitiveness. Recommend the best mix of tax changes to meet those targets considering those based on reducing the overall commercial tax burden through changes in the tax rates or the commercial tax multiplier; introducing new classes of commercial assessment or different types of commercial taxes; and adding additional feature to the tax system considering incentives, graduated rates and tax zones. Support the ongoing work in HRM regarding tax reform/revenue strategy.</li> <li>3. Dedicate resources to streamline review and approval processes for significant new residential, industrial and commercial expansions while meeting community objectives.</li> <li>4. Implement a regulatory and policy checklist to ensure business costs and benefits are always considered when changes to regulations and policies are being planned.</li> <li>5. Ensure that policies, policy implementation and policy interpretation are timely, fair and reasonable.</li> <li>6. Adjust policies and taxes to encourage business density and clustering of economic activity.</li> </ol>
Infrastructure Investment	<p>HRM's capital expenditure is well below levels in comparable cities. HRM has a yearly \$30 million Capacity Gap, additional capital expenditure is needed. New capacity requirements will cost \$1.7 to \$2 billion over 25 years. There needs to be tripartite agreement on infrastructure priorities between the three levels of government. HRM's infrastructure needs should be prioritized and evaluated from an economic-impact perspective. This includes existing structures in need of improvement and key missing pieces of infrastructure.</p>	<p>Begin to immediately address HRM's infrastructure deficit.                       Potential Partners: HRM, WTCC, business community, Destination Halifax, provincial and federal government, gateway partners</p>	<ol style="list-style-type: none"> <li>1. Develop an agreement on HRM infrastructure priorities between the three levels of government and communicate outcomes. Identify priorities using analyses of community and economic impact.</li> <li>2. Bring infrastructure spending up to appropriate comparable standards.</li> <li>3. Support the Strategic Joint Regional Transportation Planning Committee to coordinate bridge, road and public transit priorities. Coordinate investment priorities with the Halifax Gateway Council.</li> <li>4. Develop a partnership including business and the three levels of government to develop the infrastructure needed to enhance HRM's status as an international convention destination so that HRM can act as a destination magnet for Nova Scotia tourism.</li> <li>5. Maximize opportunities of the federal New Deal for Cities and Communities to invest in economic infrastructure that lever growth.</li> </ol>
Access to Capital	<p>Access to capital is one of the top issues preventing HRM businesses from reaching their full growth potential.</p>	<p>Ensure availability of capital is not a barrier to business success.                       Potential Partners: ACOA, GHP, HRDA, NSBI, OED, financial institutions, GrowthWorks</p>	<ol style="list-style-type: none"> <li>1. Develop referral capabilities to ensure companies looking for financing are directed to available sources.</li> <li>2. Improve the availability of venture capital in HRM.</li> </ol>
Business Development Tool Kit	<p>Most communities in North America offer a variety of programs for expanding and relocating business. According to the United Nations Survey of Investment, more than three quarters of communities update or enhance their incentives each year. They do this with the intent of generating broad economic growth and incremental tax revenues. HRM and other Nova Scotia communities currently have no legislative authority for these kinds of investments because of restrictive provincial legislation.</p>	<p>Ensure that HRM does not lag behind other regions in Canada in the development and use of business growth tools.                       Potential Partners: GHP, HRM, NSBI, OED, economic development organizations, federal/provincial/municipal governments, Gateway Partners</p>	<ol style="list-style-type: none"> <li>1. Benchmark the growing use of business incentives in other jurisdictions.</li> <li>2. Consider the use of incentive strategies as a way to assist business development in targeted areas of HRM.</li> <li>3. Work with economic development organizations and gateway partners to develop competitive incentive packages for business location and expansion.</li> </ol>

<p><b>Business Retention and Expansion</b></p>	<p>Up to 80 % of jobs created in HRM are created by existing business. Existing business programs focused on retaining and expanding key business are highly cost-effective tools for job creation. BRE programs help companies put down deeper roots, flag companies in danger of moving or facing severe challenges and allow communities to identify and deal with the range of issues that constrain business success. HRM has developed a leading approach to business retention and expansion at the local level. NSBI implemented one of the first multi-community BRE programs in Canada.</p>	<p>Develop a comprehensive and permanent business visitation and outreach initiative in HRM. <i>Potential Partners: ACOA, GHP, HRDA, NSBI, OED</i></p>	<ol style="list-style-type: none"> <li>1. Develop a permanent business retention and expansion capability in HRM.</li> <li>2. Implement a “Welcome” program for business and business professionals when relocating to HRM.</li> </ol>
<p><b>Investment Attraction</b></p>	<p>New foreign investments in communities bring new ideas, higher wage jobs, opportunities for existing business, increased industrial diversity and tax revenue for government. These benefits generate intense and global competition for new plants and service providers. New investment is vital to the continued growth and health of HRM.</p>	<p>Develop a partnership approach to investment attraction in HRM where roles, responsibilities and rules of engagement are clearly identified. <i>Potential Partners: ACOA, GHP, HCC, HRM, NSBI, OED, business community, gateway partners</i></p>	<ol style="list-style-type: none"> <li>1. Develop rules of engagement among economic development organizations active in HRM that allow for identification of long term and yearly targets and priorities with the objective to maximize leverage and eliminate duplication of effort.</li> <li>2. Focus investment attraction efforts on high wage sectors where HRM has a clear competitive advantage. In particular, efforts of investment attraction should be focused on near shoring (outsourcing to nearby countries where the time zone is not a factor) opportunities in the software and financial sectors, logistics and life sciences.</li> </ol>
<p><b>Global Trade Expansion</b></p>	<p>Nova Scotia is less export oriented than most other Canadian provinces. HRM’s economy is largely a local service economy. HRM’s export base is thin and largely service oriented. If HRM is to continue to grow, we will have to grow companies that have a regional, national and global focus. These companies export their products and services and bring money into the local economy that drives the growth of locally focused business.</p>	<p>Work with partner organizations to develop a trade strategy focused on expanding national and global opportunities for HRM business and institutions. Work in partnership to identify short and long-term priorities. <i>Potential Partners: ACOA, GHP, HRM, HRDA, IC, NSBI, Provincial Trade Committee</i></p>	<ol style="list-style-type: none"> <li>1. Work with Nova Scotia trade partners to inform and educate HRM business about exporting. Identify and assist trade-ready companies to enter new markets.</li> <li>2. Work with partners to develop a service-sector export strategy focused on building on HRM’s main strengths in education, software, web design, financial services, logistics, etc.</li> <li>3. Grow business development opportunities by developing linkages with world city organizations like the World Energy City Partnership.</li> </ol>
<p><b>Management Skills and Entrepreneurship</b></p>	<p>Management skill gaps can be roadblocks to growing a company or growing an economy. Gaps exist everywhere: international marketing, succession planning, entrepreneurship and competitive information. HRM businesses have a high failure rate, lack of global orientation and a high rate of mature ownership. Timely access to quality information is critical for established companies planning expansion and new businesses considering HRM as a location. A well-honed intelligence capability allows communities to stay competitive and better understand emerging opportunities and challenges.</p>	<p>Provide business in HRM with a wide range of opportunities for management and entrepreneurship training. Provide timely and quality business information and intelligence. <i>Potential Partners: ACOA, GHP, HRDA, NSBI, OED, business organizations, economic development organizations, universities</i></p>	<ol style="list-style-type: none"> <li>1. Maintain and improve access to management and entrepreneurship training.</li> <li>2. Assist businesses, particularly those in rural areas, with succession planning.</li> <li>3. Ensure that mechanisms are in place to deal with requests for business information in a timely and professional manner.</li> <li>4. Continue to benchmark HRM’s economic performance and business climate against other similar jurisdictions.</li> </ol>
<p><b>Office Space</b></p>	<p>Access to office and industrial space, along with availability of labour, is among the top five decision criteria affecting business location. Business space is in short supply in HRM. Speculative construction is rare. Little new office construction occurred in the Capital District in the last two decades. Some business parks within HRM are provincially owned and suffer from lack of marketing and development efforts. HRM business parks only develop a year’s inventory of land because budget practices constrain longer-term thinking. This leaves little room when exceptional opportunities emerge. Unlike most communities, HRM’s business parks provide no incentives for desirable business incubation. Ownership and leverage are more constrained than in most competing communities.</p>	<p>Develop policies and approaches that increase the availability of office and industrial space. <i>Potential Partners: GHP, HRDA, HRM, NSBI, OED, economic development organizations, provincial government</i></p>	<ol style="list-style-type: none"> <li>1. Develop a business park strategy to act as a guide to future development and target economic development objectives, timely expansion and cost effectiveness.</li> <li>2. Modify tax and regulatory barriers to office development in the Capital District while remaining consistent with community objectives of preservation of historic character and view planes.</li> <li>3. Identify strategic reinvestment areas to ensure adequate long-term supply and diversity of industrial and commercial land and building types throughout the city including low-cost facilities for start-up and early-growth firms.</li> <li>4. Improve the marketing of industrial space in HRM.</li> <li>5. Consider new operating models for business parks that include a direct economic development mandate.</li> <li>6. Explore innovative approaches for business space development and business incubation.</li> </ol>

## Create A Gung-Ho Business Climate

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all-important good first impression to potential business investors. Decisions that lead to commercial tax rates reflecting services received will help existing business put down deeper roots. Interpreting policies with a sense of fairness will reduce business frustration with growing bureaucratic tendencies for strict interpretation. Decisions that set competitive benchmarks for approval times for new projects will keep us competitive with other centres and will keep interest high among builders even when the construction bubble bursts. Initiatives that allow business to easily source financial capital and decisions that allow HRM to offer incentives that encourage economic and revenue growth will build the strength of our export sector. New partnerships that allow for needed investment in hard infrastructure like roads and road repair, public transport, and fast ferries will help secure our reputation as a place that invests in our own future.

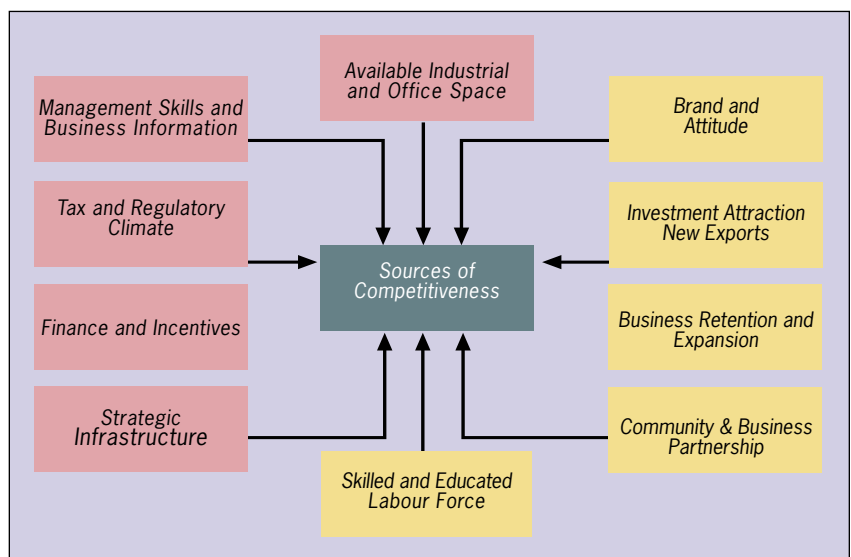
**How competitive we are will determine whether new businesses come and if existing businesses stay and expand.**

Business climate has a number of components (see chart ) Most are addressed in this section of our strategy. Others (those in yellow) are addressed in specific goal areas.

Decisions to formalize ongoing contact with our existing business, those that create 80 percent of new jobs, will help us understand if we are getting it right and will mean no business will fall through the cracks. Initiatives to improve management knowledge and skills will help create new businesses and improve the competitiveness of existing companies. Decisions on business parks that allow for competitively priced land, aggressive marketing and setting aside land for future business growth will ensure our companies stay when the time comes for expansion.

How competitive we are will determine whether new businesses come and if existing businesses stay and expand. It will determine if job opportunities are plentiful enough to attract and hold young workers. It will determine if our pattern of taxation and spending is sustainable. Business climate will determine if local amenities are affordable. Ultimately, business climate will determine the quality of our lives.

### Business Climate Framework



## Capitalize On Our Reputation

Brands both create and deliver value. If managed properly, they also embody value. They build reputation, and they can create wealth. In the case of "community," a strong brand can instill confidence, attract visitors, and influence investment decisions. HRM is widely considered one of Canada's five great cities, even though we are only the 13th largest. We are a premium destination for conventions and tourists. The Smart City Brand and consistent, long-term efforts focused on improving business attitudes have assisted HRM in achieving some of the highest rates of business confidence in the nation. But we can do more, and we must. Far too many people still have not heard of this place we call home. Far too many residents are not equipped to give voice to our message.

The objective of a strong community brand is to build national and international recognition and develop a positive and progressive attitude leading to higher levels of business confidence. A strong national and international brand attracts people and business and helps form positive impressions of a community. A confident community invests in itself, creates employment, develops new technologies and forms international partnerships. A confident community sells itself. Our own people are best equipped to tell our story. A good brand lives in our hearts, not on billboards. Our brand already exists. We have to discover it, if we haven't already.

The benefits of this effort are clear:

- Increased awareness of the region locally, nationally and internationally
- Consistency and clarity of message
- Creation of a sense of identity
- Enhanced pride of place
- A platform on which to unify diverse stakeholder groups
- Cost efficiencies and leverage
- An image of our community as a great place to study, live, work, and play

### Our Reality

There is immense interest in our community's brand. At the same time, there is substantial frustration among residents and businesses with the official title Halifax Regional Municipality. Part of our community's maturing may be to adopt a unified description of ourselves. This will be a tough decision.

HRM has performed well in presenting the community to the world and to our own citizens. Indeed, the city has been recognized nationally and internationally as a centre of creativity, innovation and talent. The headlines speak for themselves:

*Competitive Alternatives study ranked Halifax first in overall cost competitiveness among mid-sized cities in North America (KPMG 2004)*

*2004 Employment Outlook Survey showed Halifax to have the strongest employment prospects in the country (Manpower Inc.)*

*The 2001 Census indicates Halifax is the second most successful mid-sized Canadian city in attracting and retaining youth (Statistics Canada, Census of Canada)*

*Best Cities for Business Survey ranked Halifax third among Canada's largest cities (Canadian Business, 2005)*

*Top Ten Cities in Canada Poll placed Halifax in the top 5, fourth behind Montreal, Toronto and Vancouver, with high marks in environment, economy and society (CBC Radio News, 2004)*

*Third in Canada for business confidence (Canadian Federation of Independent Business, December 2004 Quarterly Barometer)*

*92 percent of businesses in Halifax feel positive about their future (Corporate Research Associates, 2003)*

**"In this world, success comes to those with confidence and faith in themselves."**

— Muhammad Ali, Former Heavyweight Boxing Champion



**"I don't even know what street Canada is on."**

— Al Capone, Noted Restaurateur

## Capitalize On Our Reputation

### Challenge

Brand Strategy	Challenge	Strategy	Actions & Potential Partners (priority actions are highlighted)
Brand Communication	<p>Communicating the HRM brand message is a big job, requiring significant human and financial resources. It is a job currently beyond the scope and budget of any one organization in HRM.</p>	<p>Communicate the brand strategy to stakeholders; engage the people of HRM in implementation. <i>Potential Partners: Quality of Place Council, marketing organizations</i></p>	<p>1. Spread the word. Develop a coordinated approach to marketing HRM.</p>
Brand and Business Confidence	<p>The success in HRM in improving business confidence has been one of our community's most significant accomplishments in the last decade. The rebound in business confidence from the lowest in Canada to the highest in less than a decade has been a big part of our strong economic performance. But business confidence is fragile and this effort needs to continue.</p>	<p>Continue efforts to improve business confidence. <i>Potential Partners: GHP, HRM, Gateway Council, marketing organizations</i></p>	<p>1. Ensure that marketing partners continue to articulate a brand and a message that supports and strengthens business confidence. 2. Use the people of HRM to tell our story.</p>
Brand Support	<p>Everyone talks about brand, but few do anything about it. Many communities have invested heavily in creating and maintaining strong brands. That investment goes beyond dollars. Our community, including business, government, citizens and elected officials must buy in and work to support a vision of a dynamic, competitive, creative and prosperous.</p>	<p>Build a supportable and supported brand. <i>Potential Partners: Quality of Place Council</i></p>	<p>1. Support the development and the communication of our brand with appropriate levels of financial and human resources.</p>

## Convert Rivalries Into Partnerships

“Perspective = +50 IQ points.”

### Strong Relationship Building Skills

— Michael Porter, Bishop William Lawrence University  
Professor, Harvard School of Business

Community building is a difficult and expensive task. But one of the most effective tools we need doesn't cost anything. It's called Partnership.

No one organization has the talent, resources and mandate to implement this strategy on its own. Innovative communities understand that a partnership or networked approach to encouraging growth is the path to faster, more efficient success.

HRM has been a pioneer in this approach. HRM and the Halifax Chamber of Commerce created Canada's first public/private economic development organization, the Greater Halifax Partnership. Its investor-driven model is being copied across the province and around the world. Destination Halifax markets HRM as a convention destination at arm's length from regional government. The Halifax Regional Development Agency works at fostering community economic development activities in HRM.

The task before us requires these kinds of bold approaches. This means looking beyond the hierarchical and splintered structures of the 1970s, beyond the co-location and big government strategies of the 1980s and 90s to a new virtual network of growth-focused organizations based on common values and common vision.

HRM needs to look to energize partnerships in three areas:

- Urban-Rural linkages within HRM that take advantage of proximity and work to reduce the challenges created by distance
- Development of partnerships between three levels of government, business, and development organizations to pull our region forward
- Development of community-to-community alliances within Nova Scotia, across Atlantic Canada, and around the world

### Our Reality

Halifax Regional Municipality is defined by its geography. Halifax's natural, ice-free harbour has offered shelter and prosperity to inhabitants for centuries. Close proximity to population centres to the south has determined trading patterns. The national gateway location has made Halifax the first stop for millions of new Canadians.

Since amalgamation in 1996, another defining geographical characteristic has been size. Toronto has eight times our population, but at 5491 square kilometres, HRM is larger in area. Most residents are clustered around the urban core, with several sparsely populated communities spread over a large area of the municipality. This geographic characteristic has in turn, established a defining



**Toronto has eight times our  
population, but at  
5491 square kilometres,  
HRM is larger in area.**

## Convert Rivalries into Partnerships

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demographic characteristic, that of a rural and urban population mix. Areas separated by geography can easily feel separated by identity; and differences can lead to resentments, and the development of “us versus them” thinking.

The economic reality, however, is that HRM’s urban and rural areas are interdependent. The traditional rural/urban population mix has realigned to include adjacent areas not part of the urban core but affected by urban economic activity. Urban employers and rural workers depend on one another. We depend on rural communities within and surrounding the municipality to supply our labour force. Rural communities, in turn, are able to avail themselves of the advantages brought by critical urban infrastructure. Key examples are the Halifax International Airport and the Port of Halifax. Rural communities depend on these institutions to get their goods out to market and their tourists in. These institutions depend on the business brought to them by rural businesses and communities.

HRM’s Economic Strategy needs to usher in new and higher levels of economic linkages between the urban and rural areas of our region. The alternative to this interdependent approach is a continuation and exacerbation of feelings of division and resentment. Without a higher level of integration, HRM will not be able to take full advantage of economic opportunities.

### Improved Cooperation Between Government and Business

Municipal governments are the closest point of intersection to the community and the citizen. In Nova Scotia, the municipal mandate, roles and responsibilities are set out in the provincial Municipal Government Act (MGA). Municipalities have no legislative or legal authority beyond the MGA. As a result, any discussion on intergovernmental relations usually begins by emphasizing the subordinate constitutional position of municipal governments.

HRM needs to develop an enhanced capacity to advance intergovernmental relations. The old jurisdictional approach is not working. A new age of cooperation and strong partnerships with provincial and federal governments are needed to enable us to reach our economic and community goals.

The growing significance of urban centres in driving the growth of nations is well understood. Governments need to work together to modernize legislation, structures and relationships in light of this reality. Changes need to be reflected in political powers, administrative forms, and revenue bases as well as government functions. This will allow for a more citizen- and business-centred governance. A user-friendly government would also offer faster and more direct response to issues and individuals.

Collaboration between partners is key to the success of any economic strategy. Policy, planning and procedures need to be better coordinated between organizations with shared responsibilities. In the future, more outside-the-box thinking will be needed. Less it’s-not-my-job thinking will be tolerated. Frameworks and rules of engagement for intergovernmental cooperation will allow for shared responsibilities. Initiatives will have to cut across areas of responsibility including economic, social, cultural, and environmental priorities. Leadership roles will be less defined by traditional hierarchies or structures and more by those willing to provide leadership. Leadership will come from a variety of business, government and other organizations equipped to lead.

The economics of growth and development have more to do with where people work than where they sleep. It also has more to do with business connections than political boundaries. Communities within Atlantic Canada are connected economically. Indeed, in the new economy where distance matters less than relationships, we need to build relationships not just within HRM and our region, but also around the nation and around the world.



# Convert Rivalries into Partnerships

Rural Strength	Challenge	Strategy	Actions (priority actions are highlighted)
Partnership Approaches	<p>Working relationships between governments are sometimes strained and identifying common priorities can be an issue even though every government is serving the same citizen. An increasing national focus on the growth of cities and untenable existing municipal-provincial funding arrangements present new challenges. In addition, years of fiscal restraint have left gaps in service and capital spending in HRM. HRM cannot address these challenges alone.</p>	<p>Build urban-rural linkages within HRM that take advantage of proximity, and work to reduce challenges created by distance.</p> <p><i>Potential Partners: HRDA, HRM, economic development organizations, provincial government, utilities</i></p> <p>Develop partnerships between three levels of government, business and development organizations, to address long-standing challenges and improve the quality of life of our people and the growth prospects of our business.</p> <p><i>Potential Partners: ACOA, GHP, HRDA, NSBI, OED, UNSM, provincial and federal governments</i></p>	<ol style="list-style-type: none"> <li>1. Identify and communicate the advantages of HRM's urban-rural mix.</li> <li>2. Support development of regional and district centres as proposed in HRM's Regional Plan so that municipal government and businesses can provide services in all of HRM at appropriate levels.</li> <li>3. Support rural economic development by encouraging and providing support services to those individuals and organizations establishing or maintaining businesses in rural areas.</li> <li>4. Improve transportation and communication links to rural communities to improve rural business access.</li> <li>5. Support all of the rural enhancement measures proposed in the Regional Plan.</li> </ol> <ol style="list-style-type: none"> <li>1. Develop and implement an HRM government relations plan.</li> <li>2. Work with the three levels of government to ensure alignment of policy and capital spending priorities in HRM.</li> <li>3. <b>Work with all our partners to identify common values and vision around growing our community. Create an "alignment of strategy intent" and "rules of engagement" to implement this vision.</b></li> <li>4. Work with the Government of Nova Scotia to recognize HRM as a main economic driver in the provincial economy. Implement a Provincial Economic Policy that commits resources to: <ul style="list-style-type: none"> <li>• Joint strategies involving the social infrastructure in the Capital District;</li> <li>• Needed economic infrastructure investment in rural HRM; and</li> <li>• Priority joint initiatives involving development agencies of HRM and the Province of Nova Scotia.</li> </ul> </li> </ol>
Regional, National & Global Partnerships	<p>Like successful businesses, successful and vibrant communities think globally. They think outside their borders and outside the box to gather new ideas and build relationships that can spur growth.</p>	<p>Build and maintain provincial, regional, national and international relationships where these links have potential to assist economic growth.</p> <p><i>Potential Partners: ACOA, GHP, HRM, NSBI, OED, business community</i></p>	<ol style="list-style-type: none"> <li>1. Build on existing linkages between HRM and other regions and build new relationships where these have clear economic benefit.</li> <li>2. Implement a globally focused approach involving transition from a Sister Cities program to the creation of International Strategic Alliances for Economic Development with targeted priority countries/cities consistent with current local business and provincial government economic development priorities.</li> </ol>
Halifax Gateway	<p>The Halifax Gateway – our port, airport, trucking and rail operations, directly or indirectly account for over 16 percent of all economic activity in HRM. Over 40 percent of provincial tourism revenues and employment depends on travelers accessing the Halifax Gateway. The Gateway generates one billion dollars in wages each year, five times more than HRM's tourism sector, at pay levels a third higher than the provincial average. The Gateway also generates over \$250 million each year in municipal, provincial and federal taxes. The Halifax Gateway competes nationally and internationally for business, but some elements of the gateway have been losing market share. Greater integration and high levels of partnership can help to stabilize and grow the Gateway as an important contributor to the local and provincial economy.</p>	<p>Support policies and investments that enhance the impact of the Halifax Gateway.</p> <p><i>Potential Partners: CNR, DND, HIAA, HPA, HRM, GHP, NSBI, OED, Canadian Retailers, Gateway Council, business organizations, HCC, and other provincial and federal government partners, transportation companies</i></p>	<ol style="list-style-type: none"> <li>1. Support the development of the Halifax Gateway Council to coordinate marketing, infrastructure investment and policy initiatives affecting port, airport, trucking, rail and other logistics companies serving HRM.</li> <li>2. Work to develop the Halifax Gateway as an East Coast logistics hub.</li> <li>3. <b>Work to reduce congestion in the landside movement of container traffic in HRM by exploring alternatives like an inland terminal and using the rail-cut for truck traffic.</b></li> <li>4. Promote the development of improved rail facilities and services.</li> <li>5. Work with the military to expand their logistics capabilities in HRM.</li> <li>6. Protect and create buffer areas between industrial and residential areas, including protecting airport buffer lands.</li> <li>7. Protect strategic industrial locations from near-term development pressures. Ensure that sufficient harbour frontage and harbour-front lands are reserved for existing and potential future marine industrial and marine commercial uses for the Port of Halifax to grow as a globally competitive seaport.</li> </ol>

**Any strategy worth its salt sets targets. The degree to which these targets are met reflects the success in implementing the strategy.**



## Measuring Success: Outcomes, Targets and Trends

Any strategy worth its salt sets targets. The degree to which these targets are met reflects the success in implementing the strategy. It is vital that these targets include quantitative measures of progress as well as completion of strategy activities. Generally, economic strategies measure their success in terms of such things as job growth, income growth, and new business investment. This strategy will also be judged on the ability of the municipality and other organizations to follow through on the activities discussed earlier. However, these process outcomes are not reviewed here. These outcome measures and targets will evolve over time as experience is gained and appropriate targets are identified.

### Measured Targets

#### Our People

Outcome Measure	Target	Current Trend
Increase Population Growth	Rank among the top 10 CMAs with the fastest population growth over the next five years.	Below target; our labour force growth currently ranks HRM 12th.
Improve Employment Growth	Increase employment growth by more than 10 percent over the next five years.	On track.
Decrease Unemployment Rate	Reduce the overall unemployment rate by 1 percent over the next five years.	On track.
Enhance Participation Rate	Rank among the top five CMAs with the highest labour force participation rate.	Current rank of 7th.
Attract More Immigrants	Attain 2800 immigrants a year by 2009.	Below target.
Retain More Immigrants	Retain 70 percent of new immigrants by 2009.	Below target.
Increase University Admissions	Increase admissions by 500 a year in HRM for the next 5 years.	Below target.
Improve DND and Federal Employment	Increase defence and federal government presence by 3000 persons by 2010; recover half of the job losses since the 1990s.	Below target.

## Our Creative Community

Outcome Measure	Target	Current Trend
Increase Public Investment	Increase per person public investment to be on par with benchmark cities.	Below target.
Enhance Quality Labour Force	Have the number of people employed with post-secondary degree or diploma at 70 percent within five years.	On target.
Improve Average Income	Increase average weekly wage to meet the Canadian average within five years	Below target
Increase Support for Economic Development	Increase economic development funding over the next five years.	Below target; no growth currently.
Attain High Community Satisfaction	Benchmarks to be set.	
Increase Visitors	Increase visitors to heritage sites by five percent per year in five years	On target.



## Our Awareness

Outcome Measure	Target	Current Trend
Improve Business Confidence	Improve business confidence over the next five years so that it is the highest in Atlantic Canada.	On target.
Enhance Brand Recognition	Improve brand recognition of HRM in national and international markets.	Benchmarks to be set.
Increase Room Nights Sold	By five percent a year.	Below target.
Foster Greater Awareness of HRM as a place to do business	Increase by an average of five percent a year, over the next five years the number of hits to HRM business development organization websites.	Metrics need to be developed.



### Our Partnerships

Outcome Measure	Target	Current Trend
Joint Economic Development Initiatives Implemented	Priority actions of the strategy are implemented.	Leadership structure and partnerships need to be strengthened.
Implement Gateway Strategy	Have a fully operational Gateway Strategy up and running within one year.	On target.

### Our Business Climate

Outcome Measure	Target	Current Trend
Increase Public Investment	Increase per person public investment to be on par with benchmark cities within five years.	Below target.
Increase Private Investment	Have private investment above the national average within five years.	On target.
Grow Employment in Capital District	Achieve growth of 1000 jobs within five years.	Below target; employment declining.
Grow Commercial Tax Base	Attain growth averaging three percent per year in five years.	Below target.
Set Competitive Commercial Taxes	Have competitive levels of commercial taxation.	To be developed.
Improve Decision Times For Construction Projects	Achieve appropriate decision times for major projects that are below the average of benchmark cities within five years.	Believed to be below target; benchmarking needs to be conducted.
Enhance Access to Broadband	Reach 100 percent broadband access within five years.	Below target.
Reduce Crime Rate	Decrease crime rate per 100,000 so it is below the average of similar Canadian cities within five years.	Below target.
Increase Research and Incubation Space	Increase research and incubation space by 100,000 sq. ft. within five years.	Below target.
Benchmark Business Climate	Establish a comprehensive business climate benchmarking capability within two years.	Benchmarks to be developed.

## Implementing the Strategy

The economic strategy explores how we can best use our available resources to ensure our economy continues growing at a sustainable rate. It offers suggestions for building a strong competitive edge over other regions worldwide.

There are guiding principles that will help us implement this plan efficiently and effectively. Structural issues that need to be addressed in the implementation process and best-practice approaches to assist in moving forward have been identified.

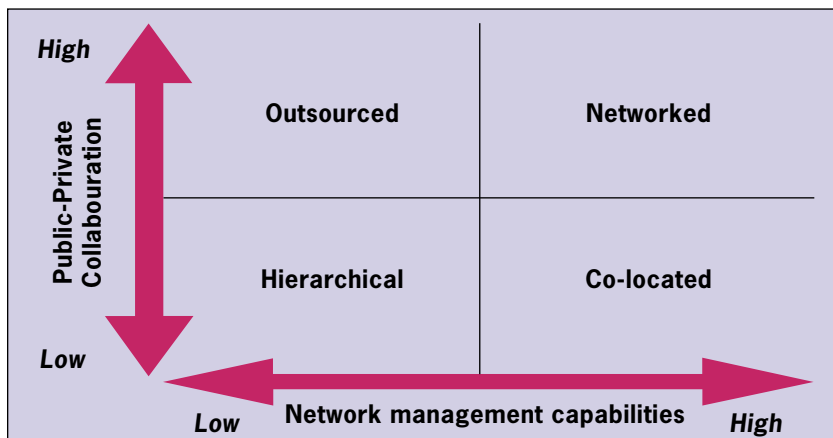
### Best Practices

In the review of economic development organizations, several trends became apparent. Economic development activity in progressive communities is moving away from the hierarchical approaches of the 1970s. This approach provides little connection to the needs of business clients and seems to lead to the development of large, unresponsive government departments.

Simple outsourcing of business development activity to public/private organizations, popular in the 1990s, has also been found wanting. Often these organizations fail to build much needed partnerships with government and business. As well, co-location strategies have been found lacking because of a heavy focus on internal "politics" at the expense of client focus.

The approach gaining momentum today takes a public/private focus and features a heavy level of networking and partnership activity. This approach maximizes the potential financial leverage while addressing development challenges of far greater breadth and scope. The "networked" economic development organization directly serves the business client and community needs by working through joint ventures with a host of public and private organizations.

### Models of Economic Development



Source: Adapted from "Governing By Network" by S. Goldsmith and W.D. Eggers

The approach gaining momentum today takes a public/private focus...



## Implementing the Strategy

... continued



### Implementation Principles

- Do not create new layers of bureaucracy.
- Make use of existing structures and create new ones only as a last resort.
- Eliminate duplication.
- Develop networks and partnerships.
- Build on the public/private approach to economic development pioneered by HRM.

### Implementation Recommendations

The most important element of any strategy is its implementation. Several issues need to be addressed.

#### *Who are the strategy champions?*

Every strategy needs a champion. One person who feels a passion for the task and will be held accountable for results. In many communities, the mayor or CAO becomes the champion. Often this champion is a business leader. It is recommended that HRM appoint such a champion.

#### *Who should be involved in the implementation?*

Implementation of this strategy needs all of those organizations and individuals concerned with economic development in HRM to work together. It is recommended that HRM establish a mechanism for broad participation in support of this strategy.

It is recommended that an Implementation Group guide the strategy implementation in much the same way that the Advisory Group assisted in the plan's creation. The Implementation Group should draw on senior business and government leaders, volunteer organizations, business groups, academia, and labour. Consideration should be given to using existing structures to eliminate duplication.

#### *How do you create capacity within HRM so that economic development issues get addressed in the normal course of business?*

There are dozens of economic development organizations active in HRM. A structure needs to be developed that allows economic development issues to be integrated directly into the day-to-day priorities of our community. Economic development has to become a priority for HRM. This can be accomplished by creating an internal capacity to facilitate working with these organizations.

#### *What are the roles of existing organizations?*

Existing organizations have to be measured against a yardstick of efficiency, effectiveness and return on investment. The development of a new strategy does not necessarily go hand in hand with a restructuring of economic development organizations. Reorganization comes with a high cost and has a long payback period. However, it should not be avoided if change is required.

#### *How do we measure outcomes and who measures them?*

Outcome measures are being proposed for this strategy so that we can track our progress. These outcome measures and targets will

evolve over time as we gain experience and identify appropriate sources. Many communities report on their progress annually through community meetings convened by a chamber of commerce or other organization. HRM should establish a public forum for the partners in implementation.

*Who is accountable for the success of this strategy?*

No one organization currently has the authority for all of this strategy. Everyone has to do their part. Every group involved in economic development is accountable.



**We will maintain  
the aspects of our history,  
culture, civility and  
quality of place that make us  
distinct, that make us  
who we are.**



## **What Lies Ahead**

HRM is a bustling, dynamic city – and we’re growing. We are home to almost 40 percent of Nova Scotia’s residents and more than 15 percent of all Atlantic Canadians. Half of our population is under 37, the youngest profile in the Atlantic region. Our employment growth has out paced population growth, bringing down our unemployment rate to one of the lowest levels in Canada.

Economically we have evolved from a place dependent on government and traditional industries to a diversified service economy with a growing international market. We no longer rely on the accident of geography or proximity to markets for our economic success.

Clearly our foundation is strong. Now we need to build on that strength.

Growth today depends on access to knowledge and our ability to innovate and adapt. Successful growth is about smart communities attracting and retaining smart people. In a world economy centred on talented people, what’s important is being a place where the best and the brightest want to live.

We started this economic strategy by laying out for you the task that lies ahead: To enrich the lives of every citizen in HRM by building a prosperous economy that supports a quality of life that is the envy of the world.

The economic strategy lays out how that task will be accomplished broadly – by using our community resources more effectively so that our economy continues to grow at a sustainable rate while giving us a competitive edge over other regional centres worldwide, and specifically, by spelling out new initiatives that need to be undertaken and the existing approaches that need to be improved.

The elements of a successful tomorrow are clear. We will have a business environment that inspires entrepreneurship, that encourages existing business to take on the world in export markets and that draws inward investment. We will be a place that attracts and retains smart people. We will have a healthy environment, where a wide range of educational and employment opportunities drive social inclusion and promote healthier lifestyles. This creative environment will propel a fast-paced knowledge economy that creates enviable, high-wage jobs in fast growing sectors. We will maintain the aspects of our history, culture, civility and quality of place that make us distinct, that make us who we are.

Now, in this conclusion, we have come full circle. We end up where we started – with a realistic vision of what HRM can be if we work together, if we plan together, if we dream together. We have come, once again, to the beginning.

