Halifax-Moncton Growth Corridor Asset Mapping

-Baseline Research Project

Submitted by:
ShiftCentral

Prepared for:
The Greater Halifax Partnership
Enterprise Greater Moncton
Atlantic Canada Opportunities Agency

January 2003

ShiftCentral   Julaux Consultants   Cossette Atlantic COMMUNICATION-MARKETING

Executive Summary

The ShiftCentral team was chosen to map all of the economic assets along the Halifax-Moncton Growth Corridor. The purpose of the research is to provide the Greater Halifax Partnership (GHP), Enterprise Greater Moncton (EGM) and the other Corridor stakeholders with a comprehensive review of the region's economic strengths and assets as well as the areas that requirement improvement. The ShiftCentral team has also developed as part of this research project a summary of strategic considerations for the stakeholders to consider as they move forward with the Corridor concept. Finally, the team has prepared initial branding considerations for the GHP, EGM and the other stakeholders to evaluate when determining the potential roles and activities of the Corridor partners.

The Halifax-Moncton Growth Corridor: Boundary Definition

For the purposes of this report, the Halifax-Moncton Growth Corridor was deemed to include six counties: Westmorland and Kent in New Brunswick and Cumberland, Colchester, Hants and Halifax counties in Nova Scotia. The vast majority of the population base within these six counties is located within a 20 km band along the major highway infrastructure connecting Greater Moncton with Greater Halifax. The major communities represented along the Corridor include:

City of Moncton	Village of Salisbury	Town of Parrsboro	Cumberland, Subdivision D
Town of Riverview	Beaubassin East (Rural)	Town of Truro	Town of Windsor
City of Dieppe	Coverdale (Parish)	Colchester, Subdivison A	East Hants Municipal Dist.
Moncton (Parish)	Salisbury (Parish)	Colchester, Subdivision B	West Hants Municipal Dist.
Town of Sackville	Village of Hillsborough	Colchester, Subdivision C	Reg. Municipality of Halifax
Town of Shediac	Town of Amherst	Cumberland, Subdivision A	
Village of Memramcook	Town of Springhill	Cumberland, Subdivision B	
Village of Cap-Pele	Town of Oxford	Cumberland, Subdivision C	

and a number of smaller communities.

Asset Summary: Demographics and Labour Force

The **population in the Corridor** is 633,045 (2001 Census) which represents 39% of the population living in New Brunswick and Nova Scotia. Population growth over the past ten years was over 7%, lower than the national average but significantly higher than both the New Brunswick and Nova Scotia provincial averages. Growth along the Corridor has not been restricted to the end communities. Nine of the ten fastest growing communities within the Corridor were non-urban including: Dieppe +40.4%, Beaubassin East +17.5%, Shediac +12.6%, Dorchester +12.5%, East Hants +12.2% and Coverdale +10.5%. The population along the Corridor is aging – slower than the provincial averages. The rural communities are aging quicker than the urban ones.

Since 1988, over 35,000 people (net) have moved into the Corridor (total in-migrants minus total out-migrants). During the same period there has been a strong outflow of people from NB as a whole and a small inflow to Nova Scotia. The Corridor communities collectively had a strong out-migration of population to British Columbia, Alberta and Ontario during the period and strong in-migration from the other provinces.

An interesting trend on the international front involves Halifax County. Of the county's over 19,000 net in-migrants, the vast majority are from international locations. Essentially, Halifax has derived limited in-migration (net) from the rest of Canada (in total) while the other Corridor communities have derived the vast majority of theirs from other provinces. Westmorland County had the highest per capita in-migration of the six counties during the 13-year time frame. Another interesting trend from the migration statistics is that while the population within the Corridor is aging (from the Census data), the **population growth from in-migrants is decidedly younger.** Just under 60% of the 35,000+ net in-migrants were under 24 years of age and only 18.4% were over the age of 44. The highest percentage of youth migration is into Halifax County.

There **was fairly strong migration within (to and from) the Corridor communities** during the 13-year time frame. Only looking at migration from counties to counties in the Corridor, Halifax, Cumberland and Albert counties have had positive in-migration while Westmorland, Colchester and Hants Counties have out-migration. Hants County had the strongest net out-migration with most of that population moving to Halifax County. The top communities for out-migration from the Corridor are the usual suspects: Ottawa, Toronto, Calgary, Edmonton and Vancouver. Interestingly, over 3,800 people moved to St. John's, Newfoundland and Charlottetown, PEI from the Corridor during the time frame. However, the net-migration from both those location was positive (meaning that more people moved into the Corridor from those communities than moved out).

Key Advantages:

- Solid population growth
- Solid labour market growth
- Strong in-migration from other provinces and International locations.
- There is strong migration within the Corridor indicating labour mobility.
- Rural communities around the urban centres benefit from the urban growth.
- The Corridor has a higher % of professional and technical employment.
- Per capita income derived from government transfers in the Corridor is lower than the national average

There were 383,000 people in the labour force along the Corridor in 2001. This represents a 13% increase in a ten-year period. This growth was stronger than the Nova Scotia and New Brunswick averages and even slightly higher than the Canadian average. An interesting trend in the past ten years has been the increase in part time employment in Halifax County. Part time employment increased 11.2% in that time frame compared to a drop of 1.5% in the Moncton-Richibucto economic region. Part time jobs account for over 17% of total employment in Halifax compared to 14% in the Moncton-Richibucto economic region. The large student workforce as well as the large services sector are responsible for the increased part time figures in the Greater Halifax region.

The Corridor workforce includes a **higher percentage of management, financial and other professional employment** than the provincial averages. The region also has a slightly higher percentage of trades, transportation and equipment operations employment. In general, the region does not have a highly multilingual population.

There is a strong French language community – especially in Westmorland County where 53% of the population speaks French. Across the Corridor, over 112,000 people speak French making it the dominant second language of the region. **Initial data from the 2001 Census confirm that the Corridor is rapidly increasing its bilingual population.** The three major Corridor regions (Halifax (CMA), Moncton (CA) and Truro (CA)) have registered a collective increase in bilingual residents of 11% from 1996 – 2001 which is much higher than the provincial averages and the national average. With a 14.5% increase in bilingual residents from 1996-2001, the Halifax CMA registered one of the strongest growth rates in bilingual (English/French) population in Canada.

Potential Red Flags:

- Still a significant out-migration to certain Canadian locations.
- Part time jobs are on the rise in Halifax.
- The region does not have a 'multilingual' workforce.
- Workforce absenteeism has been rising in recent years.
- The # of EI claimants in on the rise since 1999.
- The labour market is still fairly seasonal in nature.
- Households have less discretionary income than many larger urban centres.
- Households have less liquid assets than other areas.
- Average taxes collected in the Corridor are 12.5% less than the national average.

With an average tenure of over 100 months, **workforce turnover rates are lower** in New Brunswick and Nova Scotia than Canadian (95.7) and U.S. averages (56.5) but **workforce absenteeism rates are higher** than most other provinces and have increased strongly in the past few years (10 days per year compared to 8.5 nationally).

Total **employment income has been steadily on the rise** in the Corridor since 1994 but government transfers income has gone down significantly – much more than the provincial averages. Specifically, Employment Insurance and Social Assistance payments have been reduced. Interestingly, income derived from RRSPs (retirees and people withdrawing the money early) has gone down significantly across the Corridor, New Brunswick/Nova Scotia and Canada as a whole. Halifax County has the highest per capita employment income and has seen the deepest decline in government transfer income over the six-year time frame. Albert County had the fastest growth in employment income. Despite the common perception, per capita income derived from government transfers in the Corridor is lower than the national average.

The **number of EI claimants also has declined** bottoming out in 2000 and increasing fairly significantly in 2001 (21% increase). The initial numbers from 2002 show an additional increase in claimants. At the county level, Halifax County has the lowest EI claimant figures as a percentage of the labour force and Westmorland county has seen the largest decline since 1990; however, EI claims in both counties were up significantly in 2001 and into 2002. Seasonality in the Corridor workforce peaked in 1996 and has been declining since that year. Nova Scotia has a highly seasonal workforce peaking in 1997 when over two times the number of people were working during the most active month compared to the least active. Since 1997, the seasonality in the Nova Scotia workforce has dropped 32% (as measured by EI claimants). New Brunswick, in total, has exhibited a small decline in seasonality since it peaked in 1996 but the workforce in 1992 was much less seasonal in nature than today.

The **Corridor has less average household discretionary income** and significantly lower average liquid assets when compared to most of the larger urban centres in Canada. Tax payers in the Corridor pay an average of just under $8,000 per year in income taxes (federal and provincial) which is 17.4% higher than New Brunswick, 7.9% higher than Nova Scotia and -12.8% lower than the Canadian average. Provincial income tax collected in the Corridor represent over 45% of the New Brunswick and Nova Scotia total income tax collected even though the population is only approximately 39% of the regional total. The amount of capital gains reported by residents within the Corridor was only slightly higher than the provincial averages. Albert County, interestingly, reported the highest capital gains in 2000.

Asset Summary: Labour Force Infrastructure

There are an **estimated 60,000 students enrolled** at 50+ educational institutions along the Corridor and over 40,000 of them are attending the nine universities and degree granting colleges. This represents the highest concentration of students of any Canadian province or U.S. state. Total undergraduate University enrolment within the Corridor represents over 60% of the total student population within the provinces of New Brunswick and Nova Scotia (the Corridor's population is less than 40% of the total). **More impressive are the graduate student statistics.** 76% of New Brunswick and Nova Scotia graduate students are attending universities in the Corridor. In addition, there are over 2,000 international students enrolled at universities in the Corridor.

The Corridor also has **a strong public community college infrastructure**. There are seven campuses located along the Corridor with three in the Halifax region, two in the Greater Moncton region and two in the middle of the Corridor. Over 13,000 students enroll in a variety of diploma programs with a particular emphasis on training aligned with the needs of local industries.

Key Advantages:

- 70% of all New Brunswick and Nova Scotia universities, public and private post secondary training institutions are located in the Corridor.
- The Corridor has the highest concentration of University students in North America.
- The Corridor has a large contingent of colleges providing a full range of training.
- The education and training sector is embracing eLearning.

The Corridor has **34 private training schools** (*Note: excludes certain training institutions such as Aesthetics, Massage Therapy, etc.*). These schools train an estimated 6,000 students each year in a wide variety of disciplines from aviation to health-care related to business skills and information technology training. The Corridor's universities are offering some 275 courses that have some element of eLearning or are in the process of being converted to eLearning. The NRC has located its eLearning laboratory on the campus of the Université de Moncton and the Nova Scotia Community College has developed a Virtual Campus delivering numerous courses online.

Potential Red Flags:

- The Corridor still loses a significant percentage of its graduates to employment outside the region.
- Several of the region's flagship eLearning companies have gone under in recent months.

Asset Summary: Operating Cost Environment

The Corridor offers the most competitive operating cost environment among North American and European regions. Highlights include:

- Serviced land costs range average $35,000 per acre (CDN funds).
- Land costs in the three Corridor communities are lower than most communities in North America.
- The cost to build facilities along the Corridor is also lower than most other locations. A recent Statistics Canada survey reported that non-residential construction costs in Halifax have increased at the slowest pace of any major Canadian city since 1992.
- According to 2002 survey data, the per square foot rent (net) for office space in Moncton is $9.00 (Source: MID) while in Halifax the rate is between $12 and $13.23 depending on the location. These rates compare very well to larger Canadian centres such as Calgary ($17.76/sq. ft), Toronto ($22.34/sq. ft) and Vancouver ($18/sq. ft)(Source: Royal LePage).
- Corridor average hourly wage rates can be up to 48% lower than other Canadian locations and can have an even greater margin compared to U.S. markets.
- From the KPMG Competitive Alternatives report, the total cost of fringe benefits in the Corridor was as much as 20% lower than other Canadian locations, as much as 43% lower than U.S. locations and as much as 80% lower than European locations.
- In the KPMG study, **total corporate taxes paid in the Corridor were higher** than other Canadian and U.S. locations. However, the sample facilities in the communities along the Corridor were found to be more profitable and therefore paid more taxes. In addition, the impact of taxes on the overall cost structure is relatively small.
- The total cost of shipping from the communities along the Corridor is highly competitive with all locations except those located within the major population centres.
- Since 1981, the cost of shipping has gone up only 18% in the Atlantic Provinces while four out of the five other regions in Canada have seen higher increases.
- The cost of utilities is highly competitive within the Corridor compared to other North American and European locations. From the KPMG Competitive Alternatives report, utilities costs including electricity, natural gas and telecom were well below the average and significantly below many U.S. jurisdictions.

Potential Red Flag:

- Corporate taxes in the Corridor were among the highest of the 80+ locations reviewed in the KPMG Competitive Alternatives report.

Asset Summary: Major Infrastructure Assets

There are **20 industrial and business parks** along the Corridor with over 15,000 acres of space and most have rail services and can support medium to heavy electricity requirements. In addition, there is a significant warehousing and transportation infrastructure.

Both the **Halifax and Moncton airports have been growing** adding cargo facilities and increasing the number of airlines servicing their markets. The Greater Moncton International Airport recently opened its new passenger terminal. The Halifax International Airport has 15 scheduled passenger carriers and services over 2.8 million passengers per year (2001) while the Greater Moncton International Airport has 5 scheduled passenger carriers and services over 410,000 passengers (2001). Moncton has added a major new cargo facility and a new cargo facility will be opened in Halifax in 2003.

The **Corridor is serviced by a modern, four-lane highway infrastructure** that extends from Halifax to Moncton and then on to either New England via the Woodstock, New Brunswick border connection with the US I95 or central Canada via the Trans Canada highway. **CN Rail has major intermodal facilities in Halifax and Moncton** and several facilities in between. CN offers on-dock doublestack train service with daily direct service from Halifax through the Corridor to Montreal, Toronto, Chicago and Detroit; with seamless connections to all other points on the CN continent-wide network. Other facilities include: a CN Steel Transfer - Metals Distribution Facility; a CN CargoFlo – Moncton; CN Automotive Facility Network with locations in both Halifax and Moncton; a CN Forest Products Distribution Facility; a CN CargoFlo in Oxford Junction , Nova Scotia; and a CN Lumber Reload in Truro.

Asset Summary: Major Corridor Industries

There are over **37,000 registered businesses located along the Corridor** (June 2002 NAICS data). The Corridor has much less primary sector activity (adjusted for population) than New Brunswick, Nova Scotia and Canada as a whole. There are also less manufacturers, transportation companies, and retail trade establishments than the provincial and national figures. On the other hand, the Corridor has many more professional, scientific, and technical services firms as well as management and administrative firms than New Brunswick and Nova Scotia but less than Canada as a whole.

Over **84% of all Corridor establishments have less than 20 employees.** However; the Corridor has slightly less small establishments than New Brunswick (88%), Nova Scotia (87%) and Canada (87%) as a whole. The rural counties along the Corridor have a higher percentage of small businesses than do the urban centres.

There are **at least eight major sectors that emerged from the research as distinct economic engines:**

- Information Technology;
- Industry Training;
- Consulting, Engineering and R&D Services;
- Film & Sound Production Activities;
- Marketing/Communications/Public Relations Activities;
- Food Manufacturing;
- Fabricated Metal Products Manufacturing; and
- Wood Products Manufacturing.

Another important sector in the Corridor, particularly in the Halifax region, is the Life Sciences sector. According to a recent Deloitte & Touche study, Nova Scotia's life sciences industry is growing at twice the national average. There are some 250 organizations within the life sciences community in Nova Scotia and 100 "core" life sciences organizations. In addition, The Greater Halifax Partnership has made the life sciences sector a key priority and has facilitated a number of initiatives to support the sector's growth. The National Research Council has also increased their investment in life sciences research. It is not included here because statistics on the sector cannot be extracted from Statistics Canada's NAICS-based Business Register data.

Other important sectors include the Call Centres/Shared Services Industry; the Aerospace Sector; the Environmental Industries sector; and the emerging Oil & Gas sector. However, more primary research would be required to get an accurate picture of the importance of these sectors on the Corridor's economy. Tourism is also a major economic driver but is covered separately below.

The following is a brief summary of each emerging/significant sector:

1. Information Technology

Industry Features:

Total Est. Firms	749 (55% of NS/NB total)
Total Est. Employment*	5,880 (65% of NS/NB total)
Employment per 1,000 pop.	9.3 (NB-3.8, NS-7.7, CAN-10.4)
Growth Rate (1999 – 2002)	# of firms up 68%
Size of Firms (employment)	1-19: 82%, 20-99: 14%, 100+ : 4%

Main Sub-Sectors:

Computer Systems Design; Graphic Design Services; Software Publishers
Internet Service Providers; Data Processing, Hosting; Computer Training

Industry Support Activity:

Main R&D Centres	eLearning (U de M); Communications (TARA); Global Info. Networking Inst. (Dal)
Industry Training Facilities	Six university programs; Six community college programs; 19 private college programs
Industry Support Services	InNovaCorp; Geneio; TARA; government support
Total Exports (2001)	N/A

2. Industry Training

Industry Features:

Total Est. Firms	332 (43% of NS/NB total)
Total Est. Employment*	3,600 (50% of NS/NB total)
Employment per 1,000 pop.	5.7 (NB-3.8, NS-5.3, CAN-4.7)
Growth Rate (1999 – 2002)	Computer training up 110%, overall training institutions up 43%.
Size of Firms (employment)	1-19: 84%, 20-99: 13%, 100+ : 3%

Main Sub-Sectors: Community Colleges; Computer Training Schools; Technical and Trades Schools
Professional and Management Development Training; Athletic Instruction.

Industry Support Activity:

Main R&D Centres	eLearning R&D at several institutions
Industry Training Facilities	N/A
Industry Support Services	Various industry associations
Total Exports (2001)	N/A

**See page 70 for the method used to calculate estimated employment in each emerging/significant sector.*

3. Consulting, Engineering and R&D Services

Industry Features:	
Total Est. Firms	1,600 (55% of NS/NB total)
Total Est. Employment*	7,441 (70% of NS/NB total)
Employment per 1,000 pop.	11.8 (NB-5.6, NS-8.2, CAN-13.4)
Growth Rate (1999 – 2002)	# of firms up 54%; total employment up 50%*
Size of Firms (employment)	1-19: 86%, 20-99: 11%, 100+ : 3%
Main Sub-Sectors:	Engineering services; Management consulting; HR consulting; Environmental consulting; Scientific & technical consulting; R&D consulting
Industry Support Activity:	
Main R&D Centres	TARA; InNOvaCorp; Genieo; dozens of University research centres
Industry Training Facilities	Dalhousie; Université de Moncton; St. Mary's and NS Agricultural College; Comm Colleges
Industry Support Services	Incubators; industry associations; etc.
Total Exports (2001)	N/A

4. Film & Sound Production Activities

Industry Features:	
Total Est. Firms	319 (40% of NS/NB total)
Total Est. Employment*	1,523 (65% of NS/NB total)
Employment per 1,000 pop.	2.4 (NB-0.7, NS-1.8, CAN-2.3)
Growth Rate (1999 – 2002)	# of firms up 100%; sector employment up 66%*
Size of Firms (employment)	1-19: 80%, 20-99: 19%, 100+ : 1%
Main Sub-Sectors:	Motion Picture and video production; Motion Picture and video distribution; post-production; Record production; music publishers; sound recording studios
Industry Support Activity:	
Main R&D Centres	N/A
Industry Training Facilities	Several of the Corridor's Universities and colleges offer related training
Industry Support Services	There are several film and sound studios in the Corridor Government support
Total Exports (2001)	N/A

5. Marketing/Communications/Public Relations

Industry Features:	
Total Est. Firms	345 (57% of NS/NB total)
Total Est. Employment*	2,298 (80% of NS/NB total)
Employment per 1,000 pop.	3.6 (NB-0.7, NS-2.7, CAN-3.2)
Growth Rate (1999 – 2002)	# of firms up 20%; employment up 30%*
Size of Firms (employment)	1-19: 78%, 20-99: 21%, 100+ : 1%
Main Sub-Sectors:	Advertising agencies; public relations; media buying agencies; display advertising; Direct mail advertising; marketing research; photographic services
Industry Support Activity:	
Main R&D Centres	Digital Design Lab (NSCAD)
Industry Training Facilities	Most of the universities and colleges offer related programs
Industry Support Services	Industry Associations; Awards programs
Total Exports (2001)	N/A

**See page 70 for the method used to calculate estimated employment in each emerging/significant sector.*

6. Food Manufacturing

Industry Features:

Total Est. Firms	254 (22% of NS/NB total)
Total Est. Employment*	7,430 (31% of NS/NB total)
Employment per 1,000 pop.	11.7 (NB-23.7, NS-18.5, CAN-9.3)
Growth Rate (1999 – 2002)	# of firms 6%; employment growth 1%*
Size of Firms (employment)	1-19: 68%, 20-99: 23%, 100+ : 9%

Main Sub-Sectors: Animal food manufacturing; Milk manufacturing; seafood preparation; bakeries; commercial bakeries; Soft drink manufacturing; breweries; frozen food manufacturing; meat processing

Industry Support Activity:

Main R&D Centres	Food Research Centre (U de M); NS Agricultural College
Industry Training Facilities	NS Agricultural College; several college level programs
Industry Support Services	Government support; industry associations; incubation centres
Total Exports (2001)	$1.7 billion (2001) up 8% since 1999; packaged seafood driving the growth

7. Fabricated Metal Products Manufacturing

Industry Features:

Total Est. Firms	187 (46% of NS/NB total)
Total Est. Employment*	2,676 (39% of NS/NB total)
Employment per 1,000 pop.	4.2 (NB-5.4, NS-3.0, CAN-7.8)
Growth Rate (1999 – 2002)	# of firms up 17%; employment up 21.5%*
Size of Firms (employment)	1-19: 68%, 20-99: 27%, 100+ : 5%

Main Sub-Sectors: Plate work & fabricated structural products; ornamental & architectural metal; machine shops; Coating, engraving, heat treating; metal window & door manufacturing; Prefab. Metal buildings

Industry Support Activity:

Main R&D Centres	Geneio
Industry Training Facilities	Most community colleges offer related training; universities offer engineering programs
Industry Support Services	Government support; industry associations
Total Exports (2001)	$260 million (2001); 80% increase since 1999

8. Wood Products Manufacturing

Industry Features:

Total Est. Firms	155 (33% of NS/NB total)
Total Est. Employment*	1,505 (35% of NS/NB total)
Employment per 1,000 pop.	2.4 (NB-4.5, NS-1.1, CAN-3.9)
Growth Rate (1999 – 2002)	# of firms up 17%; employment up 26%*
Size of Firms (employment)	1-19: 87%, 20-99: 10%, 100+ : 3%

Main Sub-Sectors: Wood kitchen cabinet and countertops; institutional furniture; wood office furniture; Structural wood products; wood window and door manufacturing; wood container manufacturing

Industry Support Activity:

Main R&D Centres	Several university based research centres
Industry Training Facilities	Community colleges offer related training
Industry Support Services	Industry associations; government support
Total Exports (2001)	$1.8 billion (2001) down $200 million since 1999

**See page 70 for the method used to calculate estimated employment in each emerging/significant sector.*

Asset Summary: Research & Development Capacity

The region as a whole spends much less on R&D than most other provinces. However, a large percentage of the R&D infrastructure in Nova Scotia and New Brunswick is located along the Corridor. As an example, **18 of the first round of ACOA's Atlantic Innovation Fund projects** were awarded to Corridor-based organizations. The total government funding for these projects is $57 million and that will be leveraged 2-3 times by the sponsoring organizations. This represents 60% of the total projects in New Brunswick and Nova Scotia and almost 70% of the total funding. The **National Research Council (NRC) has made major new investments** in their R&D capacity along the Corridor in the past two years including the eLearning Lab at the Université de Moncton and at their Institute for Marine Biosciences in Halifax. The **Telecom Applications Research Alliance** is stimulating R&D in the telecom sector as well as providing venture capital.

Other highlights:

- There is a significant amount of defense related R&D in the Halifax area
- There are 75 research centres/chairs affiliated with the region's nine universities and degree granting colleges.
- There are six research centres conducting R&D in the oil & gas area.
- There are three research centres conducting ocean technologies-related research.
- There are six research centres conducting environmental-related research.
- There are eight research centres conducting biotechnology-related research.
- There are a number of R&D incubators/support organizations.

Asset Summary: Volume of Commerce

Nova Scotia and New Brunswick have **a strong and balanced interprovincial trade profile** with approximately 13% (or $1 billion) of the interprovincial trade going each way. This is the most balanced adjacent province trade relationship; however, there may be room to improve as a number of sub-sector imports from Quebec and Ontario could potentially be supplied by Corridor-based companies. **Imports to New Brunswick and Nova Scotia are up** 100% in the past ten years mostly driven by oil & gas products, automobile related and ship and boat building imports. The vast majority of the region's imports are from the U.S. **Exports are up 150% over the last ten years** with 50% of that increase coming from oil and gas related exports. Other significant exports from Brunswick include sawmill products, seafood, paper mills, tire manufacturing, fishing, frozen foods, aquaculture and electric power.

In general the volume of shipped products through the Corridor has decreased over the past decade. The percentage of Canada's total **exports that are transported through Atlantic Canada is down 25%** since 1987. The percentage of Canada's total **imports that are transported through Atlantic Canada is down 47%** in the same time frame. **Air freight traffic in the Corridor is up** in the past few years but air freight traffic in Atlantic Canada overall is down 50% since 1990. **Cargo activity at the Port of Halifax has been declining** in recent years while it is on the increase at the other regional ports. In addition, **CN Rail volumes are down** in the past ten years but both the Port and rail volumes are expected to increase in 2002 and beyond. By contrast, **Cruise ship activity at the Port of Halifax is up strongly** in recent years.

Halifax International Airport **departing passenger traffic registered a decline from 1999 – 2001** but this turned around in the second half of 2002 while Greater Moncton International Airport departing passenger traffic has been increasing since 1997. The number of scheduled passenger carriers is increasing at both the Halifax International Airport and the Greater Moncton International Airport.

Telecommunications traffic is up significantly in the past ten years as a result of the rapid growth in the Corridor's call centre sector.

Asset Summary: Utilities Capacity

Access to cheap and abundant utilities including electricity, natural gas, water and telecom services is a main benefit of the Corridor. Some highlights include:

- The Greater Moncton region is being serviced by natural gas. Additional NB communities such as Sackville are coming online. Nova Scotia communities are on hold.
- The Corridor is served by two local service telecommunications providers: Aliant and EastLink
- All of the major communities along the Corridor are served by broadband infrastructure.
- All of the major communities along the Corridor could service small to medium-sized call centre requirements as well as telework programs, etc. Some of the peripheral communities still require broadband access. Rogers and Eastlink provide some of the Corridor's communities with residential broadband services.
- The Corridor is served by several long distance providers including: Aliant, Eastlink, Sprint, AT&T Canada and Primus Canada.
- The Corridor is served by four wireless telecom providers including: Aliant, Rogers AT&T, Microcell and Telus.
- Many of the industrial parks along the Corridor can accommodate heavy energy users.

Asset Summary: Other Economic Assets

The **quality of life offered to the residents** along the Halifax-Moncton Growth Corridor is a major regional strength. On average, the Corridor offers lower housing costs (purchase price and taxes), lower utility cost and insurance rates, lower direct health care costs and lower cost recreational activities. For example, the average green fees on the Corridor's top golf courses are in the $35 (US funds) range. In addition, the crime rate in Corridor communities is among the lowest in North America. In addition to lower costs, the Corridor offers a **wide array of recreational activities.** The Corridor has more golf courses per capita than most U.S. states and Canadian provinces. The Corridor has numerous four season outdoor activities from skiing and snowmobiling to hiking trails and beaches. There are **over 600 tourism assets in communities along the Corridor** (not including accommodation or restaurant facilities). Over 50% of the tourism assets along the Corridor are classified by the two provincial tourism departments as outdoors and include such activities as golf, hiking, expeditions, skiing, etc.

A few tourism/recreation statistics:

- Number of Golf Courses in the Corridor: 42
- Number of Provincial & National Parks in the Corridor: 106
- Number of Museums in the Corridor: 49
- Number of Trails in the Corridor: 20
- Number of Beaches in the Corridor: 45
- Number of Festivals & Markets in the Corridor: 20
- Number of Covered Bridges in the Corridor: 18
- Number of Lighthouses in the Corridor: 19

Key Halifax-Moncton Corridor Interdependencies

One of the outcomes of the asset mapping process was to extract the key interdependencies and linkages that are characteristics of the Corridor. There are at least eight main areas in which over time strong interdependencies have built up within the Corridor.

1. Geographic interdependency

Although this is a given, the Corridor research underscored the geographically connectedness of Halifax, Moncton and the communities in between.

- All Nova Scotia road traffic will pass on the main Corridor highways and through Greater Moncton.
- All air cargo shipped via the Halifax and Moncton airports will pass on the main Corridor highways.
- All rail cargo follows the path of the Corridor.
- All tourism traffic in the region and with PEI as a destination must pass on Corridor highways (by car).

2. Reliance on a Common Labour Market (the mobility of the workforce)

Perhaps the most revealing interdependency from the research was the mobility of the workforce within the Corridor. Over the 13-year migration pattern reviewed in the research, some 60% of the total in-migrants to Albert and Hants counties came from other counties within the Corridor.

- This is evidence that people will migrate within the Corridor for employment.

Labour Mobility Within the Corridor

	Total In-Migrants (1988-2001)	From Corridor Counties	% of Total
Albert	21,450	12,699	59.2%
Colchester	26,919	10,931	40.6%
Cumberland	13,739	5,871	42.7%
Halifax	207,783	25,779	12.4%
Hants	28,973	17,336	59.8%
Westmorland	72,183	17,980	24.9%

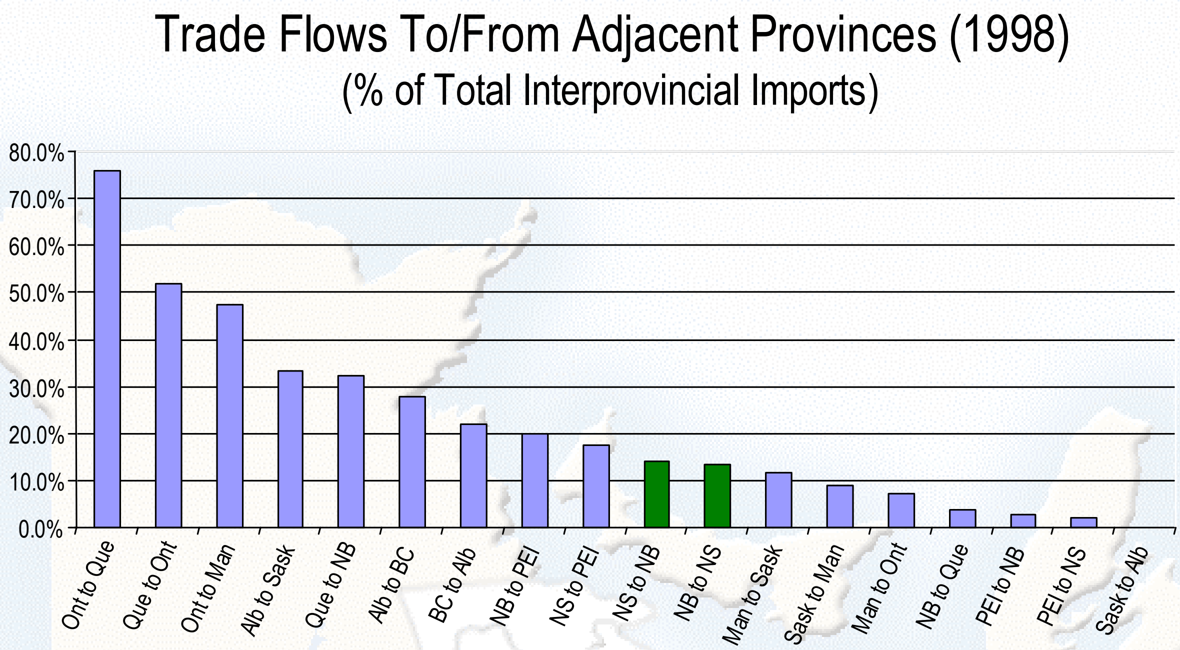
3. Training/Education Interdependency

The post secondary education sector could be the single largest asset in the Corridor. The research shows a significant amount of interdependency within the Corridor. Highlights include:

- Dalhousie University's association with the Nova Scotia Agricultural College in Truro.
- There are five private colleges with multiple campuses within the Corridor.
- There are multiple public Community Colleges along the Corridor with varying curriculum offerings.
- Hundreds of students travel within the Corridor for Post-secondary education (no statistics on this but significant ad hoc evidence)

4. Commerce Interdependency (Wholesale & Retail Trade)

The trade relationship between Nova Scotia and New Brunswick is the most balanced of any adjacent provincial trade relationship in Canada.



- Wholesaling margins on goods shipped from Nova Scotia to New Brunswick are the province's second largest export ($111 million in 1998). This indicates a significant amount of wholesale goods are shipped from the Nova Scotia to New Brunswick market.
- Wholesaling and retailing margins are among New Brunswick's top exports to Nova Scotia (collectively $83 million in 1998).
- The Greater Moncton retail market supports consumers well into the Nova Scotia portion of the Corridor.
- The Greater Halifax retail market supports consumers up to the Truro area and beyond.
- Greater Moncton and Halifax are both warehousing hubs with over six million feet of cold storage capacity.
- Both the Greater Moncton and Halifax regions attract retail customers from each other's market.

5. Transportation Infrastructure Linkages

Related to commercial activity, the Corridor's transportation infrastructure is highly linked.

- Most of the major highway shipping companies have facilities along the Corridor (Armour, Midland, etc.).
- The main CN Rail line runs parallel to the Corridor's highway infrastructure and has multiple terminal points along the way.
- Almost all of the Maritime provinces' air cargo is shipped through the two international airports.
- The Greater Halifax International Airports services passenger traffic from all of Atlantic Canada. For niche markets, the Greater Moncton International Airport services a wide passenger base.

6. Tourism/Recreation Interdependency

The research reveals a well-developed tourism infrastructure that offers some natural synergies.

- Greater Halifax offers a significant amount of tourism assets and is the staging area for Corridor-based tourism activity.
- Greater Moncton is a hub for tourism activity in Southeastern NB, Northwestern NS and PEI.
- There are many tourism and recreational assets in the various Corridor communities that are unique (Crystal Palace in Dieppe, Parlee Beach in Shediac, the Casino in Halifax). This diversity makes for good tourism linkages.

7. Professional/Technical Services & Support Linkages

The research reveals that there are specialized resources located along the Corridor that provide support for industry at all points along the Corridor. Examples include:

- Agricultural and agri-food capacity in Truro.
- Recycling facilities in Amherst.
- Language translation services in Greater Moncton.
- Specialized legal expertise in Halifax.
- Marketing and communications expertise in Moncton, Sackville and Halifax serving the whole Corridor.

8. Industry Interdependency (limited)

The various industries located along the Corridor have developed many linkages over time including:

- Regional industry associations that service clients in all Corridor markets (i.e. the Atlantic Provinces Chamber of Commerce in Moncton and BOMA Atlantic real estate association in Halifax).
- Coordinated trade efforts (through industry associations and government trade missions).
- Shared regional suppliers.

Areas with Limited Interdependency

- Supplying local consumer markets with goods/services produced in the Corridor.
- Associations – while there is some coordination, most industry associations are limited to their local geographic markets. Because the adjacent Corridor markets are for the most part too small for many of these activities, they do not get any of the benefits of collective action. Halifax is home to a number of high quality industry associations such as the Life Sciences Development Association that could benefit other communities along the Corridor.
- Economic Development – the Corridor initiative should go along way to support this.
- Urban/Rural linkages – there does not seem to be much collective action in this area. Natural linkages have emerged over time but collective action could build these linkages much more deeply.
- R&D activity – there seems to be only limited collective action in this area.
- Infrastructure development – there does not seem to be much coordination in this area.

The Halifax-Moncton Growth Corridor Research Portal

Address: www.shiftportal.com/corridor

The Research Portal is a ‘live’ version of this research report. It includes numerous graphs and charts, clickable maps of the Corridor and links to supplementary research.

The research portal is password protected and is not intended to be a ‘marketing’ tool as of yet. Some of the content is not intended for a wide, public audience. It could be converted to a public-facing marketing tool at the request of GHP and Enterprise Greater Moncton.