

HALIFAX'S ECONOMIC STRATEGY:
BUSINESS CONSULTATIONS

July 2010

Submitted By:



HALIFAX CHAMBER
OF COMMERCE

stronger together



Message from the President and CEO

Valerie Payn



As part of the Chamber's involvement in the next iteration of Halifax's Economic Strategy, we held a series of consultations with the Halifax business community to compliment industry and sector specific consultations being held by the Greater Halifax Partnership (GHP). Members of the business community, as well as Chamber Board members, Past Presidents and Board Chairs, and those involved in the 2004 Economic Summit provided their input and insight into the direction of the Strategy, and reviewed the proposed visions, priority areas, and strategic goals.

We heard overwhelmingly that what the proposed Strategy lacks is a core vision for Halifax - something that sets our city apart from the rest, giving us a competitive edge. As well that the proposed priority areas and strategic goals outlined, while on the right track, are unclear, inconsistent, generic, too broad, and too difficult to measure.

Contained within this document are more specifics of our consultation discussions, but allow me here to share points that resonated with me:

1.) Productivity is the key. One of the reasons we need more productive jobs is that substantial net increase in the population and/or the labour market is not achievable and that the only way to grow or even maintain our GDP is to increase the output of a smaller workforce by increasing skills and training. This will in turn attract businesses looking for this type of talent in a globally tight labour market and incent entrepreneurs to start highly productive enterprises utilizing the abundance of highly skilled talent that is attracted to the region.

2.) The presence of a "vibrant and attractive urban core" if one is to believe popular thought, is certainly a core element to attracting both businesses and the people they want to employ in those high wage, high productivity jobs. However, the timing of both the private and public investment needed to make this happen will only come when those organizations and their talent are producing revenue and paying taxes. Luckily, studies have shown that a promise of a bright future is almost as powerful a draw as a "vibrant and attractive" reality.

3.) Far more pressing is the creation of a supportive "entrepreneurial ecosystem".

At its most basic, business should feel as welcome as we like to think immigrants should be. Those with ideas and energy should be greeted with a resounding YES! from the average Joe on the street to the Mayor and the Premier All those who make economic & business development and promotion their calling should be uniting in ensuring that new and growing businesses have what they need to become globally competitive.

And finally, 4.) Before you can market Halifax as a global city it has to be a global city. And in order to be a global city it must do all of the above and more.

In many ways we are already a global city and maybe even a globally competitive city but this is as much by accident as by design. To be a global city we must measure ourselves against global objectives and forget about Moncton and our list of benchmark Canadian cities.

To be a globally competitive and global city we need to understand what the global market is looking for and what we have that meets at least some of those needs. Alternatively, we need to be confident in ourselves, proud of ourselves, as the best city in the world for some if not many things. We may not be the biggest or the richest but we could be the most livable, the happiest, the friendliest, the most sustainable or the most balanced city in the world.

We can make the most of what we have and promote the fact that we have a safe, clean, friendly city that is just the right size so that anyone who wants to be a big fish has only to step forward and do it.

We can be the start-up city that is a breeding ground for good ideas and an incubator of commercialization.

We can be the city that only has two degrees of separation.

Those who want to live in the biggest, richest city in the world you are welcome to do so but if you want to live life to the fullest then check out Halifax - the best little city in the world.

A Snapshot of the 2011-2016 Economic Strategy Consultations

Commentary on the proposed vision, priority areas and strategic goals

Positives:

- Good start - the core areas are good
- Business community glad to be consulted and want to be involved
- Lots of interest from business community in shaping the Economic Strategy
- Generally hitting it right, but needs work on tone, and inspirational language

Negatives:

- The proposed visions, priority areas and strategic goals feel status quo
- Needs clarity, and should adhere to definitions of each as laid out in the document
- Needs clarity around the priority areas and strategic goals - some are too vague while others are too detailed
- Business is noticeably absent - as part of Steering Committee and throughout vision, priorities, and strategic goals
- The priority areas and strategic goals speak of too many strategies and plans, not action oriented items

Halifax's Economic Strategy 2011-2016

The 2005 - 2010 Economic Strategy: Strategies for Success, began as a strategy for *our* city. A strategy everyone - government, business, individuals - could look to for direction - a clear vision of where our city was going, and how we were going to get there.

Strategies for Success expires this fall. All three levels of government and the private sector agree that a renewed Economic Strategy for 2011-2016 is immediately required to lift our city and region to the next level of economic development and growth.

Objective:

The Greater Halifax Partnership is leading the development of Halifax's new five-year economic strategy that will spell out:

- Challenges/opportunities, a vision, priority areas and strategic goals for economic policy and programming initiatives through 2016 and;
- Action plans to support the implementation of each of the goals that outline:
 - Roles and responsibilities of the three levels of government and the private sector;
 - Tasks, timing, costs, and anticipated financial contributions;
 - The measures that will be used to track progress and measure results.

Governance

To support and direct efforts the following governance model has been established:

- Mayor and City Council own the initiative and will approve the final product;
- The Mayor's Economic Advisory Committee will provide high-level advice on the review and renewal;
- A Steering Committee, chaired by Paul Kent, President and CEO of the Greater Halifax Partnership. The Steering Committee will provide strategic guidance and direction to the Project Management Office (PMO), under the management of Allan Cocksedge.

Steering Committee Members:

Andrew Boswell
Halifax Chamber of Commerce

Dan English, Chief Administrative Officer
Halifax Regional Municipality

Stephen Lund, President and CEO
Nova Scotia Business Inc.

Dick Miller, Chair
Mayor's Economic Advisory Committee

Valerie Payn, President
Halifax Chamber of Commerce

Ian Thompson, Deputy Minister,
NS Dept. of Economic and Rural Development

Debbie Windsor, Vice President
Atlantic Canada Opportunities Agency

Phases

The project will unfold in four phases:

Phase 1: April 15 - July 15

Taking stock and initial consulting on Challenges/Opportunities, Vision, Priority Areas, and Strategic goals.

Phase 2: July 15 - September 15

Finalizing of the Challenges/Opportunities, Vision, Priority Areas, and Strategic goals and preparation of the first drafts of the action plans, outcome measures and implementation plan and approach.

Phase 3: September 15 - December 20

Consultations on the Action Plans, Outcome Measures, and Implementation Plan and ongoing engagement.

Phase 4: January - March, 2011

Obtaining approvals of strategy, launch of the strategy and agreement for ongoing implementation and engagement.

Halifax Chamber Business Community Consultations: Reviewing the proposed visions, priority areas and strategic goals

With the current Economic Strategy for the city and region set to expire this fall, the time has come again for the Chamber to provide input and feedback on a new Halifax Economic Strategy to guide us through the next five years towards even more successful economic growth.

At the Chamber's June 2010 Economic Strategy stakeholder consultation sessions groups were provided with preparatory materials regarding the Economic Strategy as well as proposed visions, priority areas and strategic goals. In each of the Chamber's three consultations with the business community participants were asked to discuss the proposed items, recommend changes, and highlight focus areas. Here is a summary of our findings:

Vision

When discussing the proposed visions, participants were in agreement that tone plays a critical role, and that any vision for Halifax needs to be inspiring and motivational and give people the feeling that something is happening, that our city has a vibrant, prosperous future. The vision should also be short, memorable, and be a quotable statement that can be embraced by all.

The vision should showcase Halifax as a world class small city, and a hub of economic and social prosperity that embraces growth, innovation and enterprise.

The majority of participants also said that the vision must capture Halifax as business friendly, "open for business".

Participants were asked to give their top three words that describe "their Halifax in 2025", themes and guiding words that emerged:

Vibrant	Competitive
Prosperous	Open for business
Thriving	A magnet for talent
Diverse	Fearlessly collaborative
Livable	Innovative
Sustainable	Halifax

Priority Areas & Strategic Goals

When looking at the proposed priority areas and strategic goals there was a general consensus that they were on the right track, but there were suggestions for improved clarity, organization, and wording.

It was also discussed that based on the definitions provided for priority areas and strategic goals that the priority areas should be captured in one word, with the proposed priority area as the strategic goal, and the strategic goals as tactics.

We have outlined suggested changes and thoughts for each of the proposed priority areas below:

PRIORITY AREA ONE

Priority Area: PRODUCTIVITY

Strategic Goal: More and better qualified people for high wage and productive jobs.

Tactics:

- Development and implementation of a comprehensive learning strategy to re-skill workers to a level that allows them to compete for high wage and more productive jobs.
- Development and implementation of an enhanced external recruitment and retention strategy to attract and retain high skilled workers from the rest of Canada and internationally.
- Design and implement an engagement strategy with the young professional community to ensure their active involvement with the design and implementation of economic development initiatives.
- Design and implement a “talent” strategy to ensure that all elements of the population participate actively in the labour market.

Consultation Thoughts:

- Should we phrase this more around “enterprise” or “wealth creation” rather than “job creation”?
- Tactics that seemed to be missing: the critical jobs piece and creating a competitive environment
- Too many “plans for a plan” - each tactic is about developing yet another strategy

PRIORITY AREA TWO

Priority Area: URBAN CORE

Strategic Goal: Development of a vibrant and attractive urban core as the primary economic driver

Tactics:

- Develop and implement an aggressive strategy to attract significant private investment to the urban core to address the issue of downtown office and residential stock.
- Implement a five-year public infrastructure improvement program including targeted service and maintenance improvements.
- Develop a plan for the building of renowned cultural institutions.

Consultation Thoughts:

- The tactics for this priority area seem reasonable
- Question; is creating a vibrant urban core an economic driver, or is it table stakes?

Priority Areas & Strategic Goals Continued...

PRIORITY AREA THREE

Priority Area: OPEN FOR BUSINESS

Strategic Goal: Development of an ecosystem of entrepreneurship to reduce commercial risk and improve productivity.

Tactics:

- Undertake a regulatory and tax review to identify and advocate the changes to the policies and regulations at all levels of government that impede economic growth in Halifax.
- Design an engagement strategy between the economic development organizations and the college, university and technical school community to identify and act in partnership or initiatives to support economic development, improve productivity and promote entrepreneurialism.

Consultation Thoughts:

- Tactics are passive
- Strategies are government centred - where is business in this?
- Where is the ecosystem?
- Two of the three proposed strategic goals speak of designing a plan - this is just a plan for a plan
- Needs more focus on people and skills and other areas/elements of an ecosystem - support system

PRIORITY AREA FOUR

Priority Area: BRANDING

Strategic Goal: Market and enhance assets of Halifax as a “Global City”

Tactics:

- Develop and implement an enhanced trade and investment strategy that builds on the current international market development activities underway.
- Continue the development of an internationally competitive transportation system covering all modes that support the efficient movement of goods and people.
- Design and deliver a wide-reaching public relations and communications program designed to change the awareness and perception of the players in Halifax regarding the growth potential and opportunities in the international marketplace.

Consultation Thoughts:

- The tactics speak too much of international versus global - sounds like a strategy for the Port
- Enhance Halifax - eliminate HRM
- Heavily focused on transportation
- What about marketing to ourselves?
- This is where we should be defining our unique assets - all roads will lead back to branding

The Future of Halifax: The Economic Strategy Manifesto

Economic Strategy Manifesto

Look to the Long Term

The strategy must address the issues of the long term and consider the realities of the future 10, 15, 25 years forward.

Comprehensive - Systems Thinking

Any strategy must consider the many actors and agents who affect the outcome of actions. We must also consider the impacts of events well beyond our borders and our time.

Understandable

While the analysis of any strategy of this importance needs to be rigorous and extensive the communication of it should be simple, engaging and understandable by most if not all.

Unique

There is no “one” economic strategy and in order to be sustainable and competitive our strategy must be unique to us, playing upon our strengths in light of our competitor’s positioning.

Compelling

The future needs to be approached optimistically and framed in a compelling and inspiring vision that creates enough incentive to accept change and enough reward to pursue it.

Sustainable

For people: the strategy must propose a course of action that allows for the perpetuation of a desired quality of life in the long run.

For business: the strategy must support enterprise level strategies that provide for a viable, competitive and profitable organization in the long run.

At its annual Board Offsite in June 2009, the Halifax Chamber’s Board of Directors identified the following key principles they believe should be included in the development of the 2011 - 2016 Economic Strategy:

- Long range focus
- Unique to Halifax
- Positive/proactive – bold and inspirational
- Simple, compelling, understandable
- Relevant measurements to overall goals

In addition to these key principles, the Halifax Chamber developed an Economic Strategy Manifesto in hopes of expanding the thinking of those involved and to ensure business thinking is entrenched in the next iteration of our city’s strategy.

“

[The 2005-2010 Strategy] was a good start, a good base upon which to build. We have learned many lessons throughout - let's make good use of these lessons. Let's use the best of business principles and apply them to the next Economic Strategy - bold yet simple, unique, easy to communicate, measurable....and keep a steady hand on the wheel as we maneuver Halifax into the future. It is ours to have - do we have the courage?”

- Focus group participant on being asked
'Provide us with your view of the Economic Strategy results'