

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

Education and Knowledge Consultation

Monday, July 19, 2010

1:00 – 4:00 p.m.

Location: EduNova, 1533 Barrington St.

Champion & Facilitator: Ava Czapalay, EduNova

Participants

- Shawna O’Hearn – International Health Office, Dalhousie
- Gaye Rawding – Department of Education
- Nancy Foran – Certified Management Accountants Association
- Jim Denver - Acadia University
- Chris Hornberger – Halifax Global
- Pernille Fischer-Boulter – Kisserup International Trade Routes
- Dan Walsh – International Services section, Halifax Regional School Board
- Tom Musial – International Language Institute
- Ava Czapalay, EduNova

Observers

- Allan Cocksedge, Greater Halifax Partnership

Session Recorder

- Krista Hall, Greater Halifax Partnership

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

Introduction & Consultation Overview

1. Project Overview – Allan Cocksedge
2. Champion Role – Ava Czapalay
 - Ava is a member of the Mayor's Advisory Committee and acts as a representative and champion for the education and training sector.
 - It's important to make sure the Education and Training sector is fully defined because many people (feds, province, municipality) put the education sector down as a key economic driver but they do not completely understand the breadth and depth of the sector and what it has to offer to NS in terms of economic capacity.
3. Participant Introductions
4. Meeting Flow

Participant Feedback

Opportunities and Challenges

1. What is your overall reaction to the opportunities and challenges

- There are a lot of challenges and not as many opportunities
- There is an opportunity with EduNova. This organization is a voice for our sector. This is unique and should be highlighted.

International Focus

- There are opportunities in international focus – we have a strong trade alliance with the Caribbean. There are lots of exporters on whose reputation and experience we can build. This opportunity exists in the education sectors and some others as well.
- Only 1 in 30 companies does any exporting. We are the worst exporting province in the country, but there is some strength there and opportunities to grow, particularly in the Caribbean.
- Caribbean
 - We don't have as big an impact as we think. Toronto is bigger and is the city people think about when they talk about Canada. The market is not as big as we think.
 - Acadia – fortunate that we have strong relationships throughout the islands. As a result, we are on their radar when it comes to specific programs. This past year Acadia made three visits. From the school network, 514 students were interested in coming to NS for post-secondary study. We attract and admit anywhere between 35 and 50 (multiply that by \$30K per student to get the economic impact). There is some movement, but we could do more.
 - Education as an export in nearby markets like the Caribbean – some see opportunity in exporting education and training to nearby markets (like the Caribbean) while others are more cautious and think the sector shouldn't be complacent and think the Caribbean market is for the taking – they need to keep other markets in mind.

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

- When export statistics are captured it is data on products not services. Education exports are not reflected. It should be. It is an under recognized opportunity

Population growth

- Immigration
 - It seems like we are behind the curve nationally. If the federal government is responsible for immigration across Canada then why is NS doing so poorly?
 - We are not only having great competition with other countries but also the western provinces which have partnered to make the visa process a bit easier. Atlantic Canada should look at doing something similar.
 - DFAIT has been successful in securing funding for a branding and international recruiting strategy; it is the national recruiting effort to bring students to Canada at all levels. It has not moved forward because of jurisdictional issues (is it education or training? Is it a role for the provincial government or the feds?) The provinces won't move forward until it's clarified who can use the brand. Quebec is very much in the mix. It's still uncertain whether the private language institutes will be allowed to participate in the brand. It's a federal/provincial issue but it does affect us.
 - Questioning immigration stat in consultation materials. This must be a snapshot of a particular lower period of immigration because five years ago when we had the nominee program we had more immigrants than other provinces.
- International Students
 - It's difficult for students to get visas to study in Canada. It seems to differ depending on the country they are coming from. We get comments from abroad that Canada is on the short end because it's difficult to get a study visa. For Languages Canada this is the number one challenge. This has a huge impact on our business.
 - There is a big opportunity to retain international students who will immigrate here. This is an overlooked opportunity. Acadia put an enormous effort on international recruitment (over 100 countries) but they don't seem to stay. After second year, the students struggle. This year, they are putting a lot of focus on creating programs and services that improve their experience. Acadia is not located in HRM but it does depend on our transportation system and lifestyle offerings that international students use and enjoy.
 - We are a perfect location for international educational efforts (e.g. time zones). Europe is looking at making it mandatory for students to study abroad. There is a big opportunity here that NS should be in on at the front end with the free trade agreement. We should focus on getting those European students to come here. Dalhousie just signed an MOU to bring 10 students to the centre for sustainability. It's both an economic benefit (international students studying here) and an opportunity to grow our population by retaining those students.
 - Bringing in international students requires a lot of resources. Yes, there is an economic impact, but it takes resources for often a small number of

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

students. Dalhousie has been talking to other universities about partnering to expand programs that help retain students and make their experience positive.

- We have about 120 countries represented in NS through the education sector. This is unique. Other provinces tend to focus on a small number of markets.
- We have to tie the international students into the business community. We don't bridge the gap for the students and the business community. International students could advise on business and government trade missions to their countries. If we bridge the gap we will be more successful in retaining students. Help immigrants build a sense of community.
- We have about 2000 students in our high schools from overseas schools. Of those 2000 very few go to NS universities. Ultimately, we want these students to go to university here, so we are focusing on developing a strategy to keep them here.
- We should gather testimonials from graduating students who have stayed and built a career here to attract other students and encourage them to stay in NS.
- Take issue with the fact that HRM got a D in the area of attracting international students in the Chamber report card. This is a very complex issue.
- Chartered Accountants – employers are giving feedback that students are not proficient in English. We need a more global solution or partnership model that helps all of us. We should see ourselves less as competitors and look at growing our city and region. If we had the opportunity to create more specialized programs or to develop a broad mentorship program we could grow Halifax. We could make Halifax the Mentorship Mecca for people who are looking to grow their career. Also, we don't have expertise in the areas that we want to grow here. We need more specialized programs that meet employer needs.

○ Retention

- We should also be looking at retention rates. We may attract people but are they still here 5 -10 years later or are they in Vancouver or Toronto.
- There is an opportunity to identify a good immigration program that focuses on attraction and retention. We have a far larger number of immigrants that leave after a year because we don't have programs/initiatives to keep them here. BDC has a good program matching private businesses that are for sale with immigrant entrepreneurs. ISIS has a mentorship program that helps immigrants become part of the community which will help with retention. There are good programs, but there's not a formal retention strategy.
- Chinese business community - One of their goals is to grow the Chinese business community here and retain people. They are hoping to develop a

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

China town in Halifax but retention is a huge issue for them. Have they been included in this dialogue? There is an opportunity with this community.

- Iranian and Chinese communities choose Nova Scotia because we don't have minority communities. They become more immersed in Canadian culture and are forced to learn and speak English.

Government Competition

- It seems that the private language training sector suffers because the government is our biggest competition. Within the last couple of years Université de St. Anne received \$25M grant to establish French language training centres across the province including in Halifax. The university began offering language trainings to the government at below market value in such a way as to drive the private sector out of business. ILI could not compete so we closed our French language department because they could not compete with the government which is using our tax dollars in order to provide duplicate services. It is a matter of policy. It is a matter of whether or not the government should be creating programs using tax dollars that duplicate and drive out private business.
- Department of Immigration – the government has been setting up a variety of immigrant settlement programs in Halifax. The programs duplicate what the private sector has been and can provide. There are proposals that have gone out that they are not contract for services and they do not go through the tendering process. Rather, they are contributions to operations. The guidelines for receiving funding under these programs are that you must be not-for-profit. The government establishes duplicate programs at not-for-profit organizations that can then receive supplemental funding. This is another matter of policy. There should be a level playing field so the private sector could operate at parity with government funded programs. As a team in HRM we would probably be able to provide overall a better quality of service through cooperation and coordination. This would enable the private sector to be a more robust contributor.
- This goes beyond an issue of alignment and focuses on areas of competition. Does competition make sense in the education and training sector?

Green Wave

- Missing the green wave was identified as a challenge but we have environmental centres of excellence here that we could capitalize on. We need to grow this sector. We are leading the country in certain areas (like recycling) that we could grow and market.
- Vancouver is doing a great job in sustainability. The city does a lot of outreach to promote and encourage people to go outside. This is an attraction for people. There is a lot of vibrancy on the streets.

Transportation

- However we talk about globalization, in the final analysis it depends on cheap transportation. We are not in a competitive position with the west coast when we are attracting South East Asian students. We have somewhat of advantage going over the Atlantic. ILI is finding a direct correlation between transportation costs and their ability to attract students.

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

Inertia / Resistance to Change

- Challenge – Inertia / resistance to change. People are doing a lot of great work but we work in silos. There is a big issue around communication. Inertia / resistance and communication issues are linked.
- We have a pretty closed business community. It's very tough to break into the business community. If people are not able to make connections and participate in the community then they will leave.

Connecting Education and Jobs

- There should be a very strong correlation between education/training and jobs that we are trying to bring in and grow.
- To what extent are universities opened to matching/developing education programs with career opportunities that are available in the area? Traditionally, there has been a huge disconnect here. There should be a formal strategy and process in this area for HRM.

2. Which opportunities and challenges are the most important/least important and why?

Top Challenges

- Overall recruitment and branding effort to recruit immigrants and students to NS is under resourced
- Unnecessary Competition
 - Public / private competition
 - Interprovincial competition
- Gap between the business community and the education and training sector that should be bridged. Whether it is a gap between service or students and business.
- Not a great connection between research and business community. Lots of research but not as much action. There is an opportunity to bridge the gap to commercialization in a more effective way. Waterloo University has done a good job at this. We have private sector companies that are having their research done elsewhere because they aren't aware of the opportunities here. There needs to be a broader vision and strategy for the universities and business community to capitalize on the strength we have in our universities.
 - In reference to the research component within medicine at Dalhousie, Post Docs, PHD's, Masters students are doing a lot of the research. There are opportunities to keep these students and connect them to the business community.

Other Priorities (to the sector)

- Partnership and Alignment
- International Focus
- Immigration (Demographic Shift & Population Growth)
- High-value jobs
 - Define high-value. High-value can mean jobs that keep people here, not necessarily high-paying jobs.

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

- Population growth
 - It's of key importance because many other issues are connected to this. We are seeing a lot of out-migration. To sustain our infrastructure, high-value jobs, education sector, we need people. We need to promote the region better.
- Downtown core
 - Focus on urbanization taking place in HRM. There seems to be some vibrancy.
 - There are prominent architects who have left because they can't get work here because of inertia and resistance and lack of investment in the downtown core
 - Barrington St. is terrible
 - There's no vision for the downtown core
- Concentration of post-secondary institutions
 - This is both an opportunity and a challenge. The reality is that student bodies are going down and funding is dwindling. Universities need to step up and say who they are and what they want to be. Is it really about being bigger and better than everyone else, or better at what we do? NSCC has done a good job at marketing and partnering with the business community.

Least Important (to the sector)

- High carbon dependence
- Downtown core
 - Not as important - we try to keep high school kids out of the downtown

Vision Statements

1. What is your first reaction to the draft vision statements?

- Lose the bullets
- Take out the word "more"
- It doesn't tell me anything about Halifax
- This doesn't really tell us where we want to be.
- Some of this seems more like a mission
- "Quality of life" is not an important statement anymore. It's too subjective.
- Having trouble with the word "is". Maybe, this is what we want to become or strive to be. No, actually a vision statement is a present tense statement of what you aspire to be.
- Vision should be inspiring
- Should be directional, short, and inspiring

2. Do you see your sector's future represented in the statements?

- Should include something about education and training sector in the vision
 - Is it enough to say that Halifax is recognized as a smart city? No it's not.
 - The statement about attracting people and jobs relates to education and training
 - Don't like the word "smart"
 - What about "highly educated" or "exceptional talent"

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

- Word “innovative” is often overused but we could find another word that means the same thing. This is important for the education sector.

3. If not, what changes would you propose?

- Hub
 - Some people like the phrase “globally oriented hub city” – we are the hub of business, education, health, etc.
 - Others suggest staying away from “hub” because Moncton and Truro have already branded themselves as this. Hub could also alienate other parts of NS
- This doesn't speak about the quality of life – the livability of the city.
- “Prosperous” is a good word
- Should include:
 - Talented
 - Safe
- Citizens of the city need to be proud of our city. It should be reflected in the vision. It's not all about being recognized externally.
- Perhaps we need to put it out to the public (online contest) to come up with something
- “Proud of the Place We Live” (testimonial type vision) that can be qualified by bullets of why
- Speak with new employers and immigrants and ask them why they came here?
- Smart City. Smart Move. – means more than anything in the visions presented in the materials.
- “Halifax is an international destination of choice” (for students, business, etc)

Priority Areas and Strategic Goals

1. Do you agree with the areas and goals? If not, what do we need to add, revise or remove?

- Outlined here are four areas - People, urban core, entrepreneurship/business and global city - are these the four priority areas that we think need to be addressed?
 - Education and training sector is covered under #1
 - Two of these focus on the urban area. Greater Halifax is not all urban.
 - Quality of life issue doesn't appear in any
 - People, business, livability infrastructure (e.g. transportation, urban core) – these are the things that make a city successful.
- The goals are garbled; they are trying to say too many things.
- Keep it simple and focus on the four things that will make the city successful.
 - Attract and keep highly qualified people
 - Attract and retain business
 - Infrastructure
 - Livability

Add

- Need a specific priority area and goal related to the education sector or human resource planning. It is included implicitly but not specifically.

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

Priority Area #1

- Perhaps add “Human resource development through public / private cooperation” – this covers a lot of the points we’ve talked about
- We’ve missed a fundamental piece – retaining the qualified people we have. We say we want more qualified people but we can’t retain the people we already have because we don’t have the opportunities for them. We need a focus on growing successes first.

Priority Area #2

- Downtown core is important as part of a larger infrastructure priority area. It shouldn’t be a priority area in and of itself. Have this as a strategic goal not a priority area.

Priority Area #3

- Goal #2 - “Designing an engagement strategy....” - couldn’t agree more but it seems to exclude the private sector. Add “public and private education and training”. The private sector influences the need for education and training. It needs to be a partnership between “the economic development agencies, private sector and education and training.”
- Knowledge Economy – Change priority area #3 to include the knowledge economy. We are unique in this way. Entrepreneurship priority area is too narrow. Second strategic goal is good but it’s broader than entrepreneurship. This priority area should include all business not just entrepreneurs.
- Sectoral Growth
 - If sectoral growth is chosen, then it shouldn’t be done in silos. It should be cross-sectoral. Collaboration should be required. Don’t want five sectors chosen at the exclusion of others. No winners and losers.
 - There is a real risk in identifying sectors, but we also can’t be everything to everyone
 - There are already winners and losers depending on who gets funding. We’re talking about pre-determined, planned sectoral growth.

Wrap-up – Allan

- We are now reworking all of these pieces based on the feedback
- Feedback today is quite consistent with what we’ve been hearing. Good news is that there is lots of consistency.
- The summary of today’s session will be sent to you as soon as possible.

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

APPENDIX – Descriptions & Questions

SECTION 1: OPPORTUNITIES AND CHALLENGES

Thinking about the opportunities and challenges below:

- What is your overall reaction to the opportunities and challenges?
- Is the list complete? If not, what is missing?
- Is the list accurate? If not, what revisions would you propose and why?
- From the point of view of your sector, which opportunities and challenges are the most important/least important and why?

OPPORTUNITIES

Hub City

- Conference Board identifies Halifax as one of 9 Canadian Hub Cities
- Halifax is Atlantic Canada's economic hub.
- Economic growth in Halifax drives an even faster rate of growth in the province and region
- Overall, the region benefits from growth in Halifax

High Value Jobs

- Halifax has critical mass in high-value sectors like Finance, Insurance and Real-estate, Digital Industries, Oceans, Life Sciences, Aerospace and others

Alignment

- Fiscal and economic challenges provide a motivation to realign priorities and spending....to focus on growth in high wage jobs and high value sectors

High Education Levels

- Halifax has among the highest post-secondary education levels of any city in Canada
- Education levels drive economic growth -Research by the US based CEOs for Cities shows that education levels in cities accounts for almost 60% of economic growth

Concentration of Post Secondary Institutions

- Halifax has among the highest concentration of post secondary education institutions and students in Canada
- The sector's value relates to its high wage direct jobs, its ability to act as a hub of research and innovation, and its role as a talent magnet
- As enrolment of Nova Scotia-born students declines because of demographics and high costs, the ability of these institutions to attract and retain international students has significant potential

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

CHALLENGES

Demographic Shift

- A demographic profile close to the Canadian average within a province that has the oldest population in Canada
- Over 45,000 Nova Scotians will retire from the labour force and another 9,500 new jobs, all within the broader Halifax area, will be created by 2014
- Thus, 55,000 job openings between 2009 to 2014
- With population growth stagnant it is likely that wage pressure and the need for productivity investments will increase dramatically

Population Growth

- Up until the recent recession Nova Scotia had been battered by outflows of young professionals and skilled workers headed to areas of better economic growth and higher wages
- The population growth rate of Halifax dropped below the pace of major cities in neighbouring provinces
- Immigration has been limited, slower than past trends and slower than in neighbouring provinces

Taxation

- Personal taxation is higher in Nova Scotia than every Canadian province, with the largest differential at the high wage –high skill end of the spectrum
- Corporate taxation is the highest in Canada. Nova Scotia remains one of the last provinces to remove investment inhibiting capital tax
- Nova Scotia needs new investment to boost productivity and retain key companies (If a company is not investing it is dis-investing)

Regulation

- Major regulatory reform usually takes place without full consideration of the economic and business costs
- Regulatory costs affect business climate and ultimately the fiscal health of governments

Inertia/Resistance

- Sectors and groups benefiting from existing programming and current sector focus tend to resist change
- Some members of our elected leadership, the public sector, and implementing organizations may resist necessary change

Missing the Green Wave

- Nova Scotia is among Canada's most carbon dependent provinces
- Tidal energy is an area where Nova Scotia seems to have a competitive advantage

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

Productivity Growth

- Nova Scotia has one of the worst productivity performances in Canada and Canada is among the worst in the G20
- A policy focus that put jobs growth ahead of quality jobs and a fiscal regulatory climate hostile to productivity improvement has hurt productivity growth

Partnership and Alignment

- There is little strategic alignment of economic development resources among federal, provincial and municipal governments and between agencies and departments of individual governments
- Lack of consensus in areas like gateway, infrastructure priorities, labour force policies and other areas has stalled progress

International Focus

- Nova Scotia has among the worst export growth of any province in Canada over the last decade
- Most business activity is focused on delivery of goods and services in local markets
- The value of externally oriented business and organizations as the key economic generators in our economy is not well understood by policy makers or business organizations

Myths on Growth Drivers Need Correcting

- “Last mile” efforts at a fully “wired” province will have limited economic benefits
- Political and economic policies that emphasize geographic balance over economic opportunity constrain growth
- Traditional areas of government policy attention often focuses on low wage, low growth, seasonal, low skill, low productivity, but vocal industries
- Nova Scotia has missed most of the early stage green-tech opportunities. Most government efforts have been on the regulatory side which often have economic costs. Government investment in Green-tech industry has been limited
- Old style politics, which features urban rural divisions hurt economic growth
- It is likely that net new growth in Nova Scotia will be in the region surrounding and including Halifax

Overdue Public and Private Investment in the Downtown Core

- About 20% of land in the downtown core is vacant land
- Beyond basic maintenance, HRM has not invested in the Core since amalgamation in the mid-90s

High Carbon Dependence

- Adds cost burden to both individuals and companies
- Contributes to greenhouse gas problems

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

SECTION 2: VISION

Thinking about the vision statements below:

- What is your first reaction?
- Do the statements describe what we want to be in HRM?
- Are the statements valid?
- Do you see your future reflected in the statements?
- If not, what changes would you propose?

Vision – Alternative 1

Halifax is recognized by the rest of the world as a more creative, innovative, internationally competitive, and globally-oriented hub city providing:

- Increased economic and social well-being not only to people in the HRM but also to Nova Scotia and the Atlantic region;
- More high value and sustainable jobs that will attract highly qualified people of diverse backgrounds and;
- A quality of life that is the “envy of the world”.

Vision –Alternative 2

Halifax is recognized around the world as a smart, international and competitive city where:

- X% of the 25-45 year-old population has completed post-secondary education;
- X% of the city's GDP is driven by international business;
- Is found the most competitive business environment in Eastern Canada and;
- X number of high-value jobs have been created.

SECTION 2: PRIORITY AREAS AND STRATEGIC GOALS

Thinking about the list of priority areas and strategic goals below:

- Do you agree with the areas and goals? If not, what do we need to add, revise or remove?
- Which areas and goals are the most/or least important to the future of your sector and why?
- Which areas and goals should we focus on right away in order to give momentum to the implementation stage?
- Do you have any thoughts on how we organize to achieve these goals?

Priority Area #1: More and better qualified people for high wage and more productive jobs.

Strategic Goals:

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

1. 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.
2. 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.
3. 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
4. Design and implement a “talent” strategy to ensure that all elements of the population participate actively in the labor market.

Priority Area #2: Development of a vibrant and attractive urban core as the primary economic driver.

Strategic Goals:

1. 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
2. Implement a 5 year public infrastructure improvement program including targeted service and maintenance improvements.
3. Develop a plan for the building of renowned cultural institutions.

Priority Area #3: Development of an “ecosystem” of entrepreneurship to reduce commercial risk and improve productivity.

Strategic Goals:

1. 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 HRM.
2. Design an engagement strategy between the economic development organizations and the college, university and technical school community to identify and act in partnership on initiatives to support economic development, improve productivity and promote entrepreneurialism.
3. Develop and deliver a strategy for business attraction and retention that targets the creation of highly skilled jobs and limiting the exit of skilled and educated young people.

Priority Area #4: Market and enhance assets of Halifax as a “Global City”

Strategic Goals:

1. Develop and implement an enhanced trade and investment strategy that builds on the current international market development activities underway.
2. Continue the development of an internationally competitive transportation system covering all modes that supports the efficient movement of goods and people.

HRM's Review and Renewal of the Economic Strategy 2011 – 2016

3. Design and deliver a wide-reaching public relations and communications program designed to change the awareness and perception of the players in the HRM regarding the growth potential and opportunities in the international marketplace.