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We must grow our capital city to truly grow our province

By FRED MORLEY

Here's a riddle: What do Sir Paul McCartney's spectacular concert on the Halifax Commons last Saturday and the election of a majority NDP government in June have in common? Give up? Well, it seems to me both were events that a lot of people didn't think would ever happen here.

It's never happened before, some said. Too much of a risk, said others. But, to quote another '60s icon, the times, they are a-changing.

It may seem a stretch, but I believe we have reached an important turning point in the economic development of our biggest city and our province. And Sir Paul's concert and the election of a new government (whether you personally like either the former Beatle or Darrell Dexter or not) are symbols of our growing confidence.

And, if my take on this is right, we need to embrace our future now and truly set aside old thinking. It's time to accept change and grow.

Consider the following.

Last year, for the first time in history, we became primarily an urban planet. More than half the Earth's population now lives in cities. We are part of this world. We are a modern urban economy, but sometimes we don't think that way. In Nova Scotia, perception is playing catch-up with economic and demographic reality.

Reality looks like this: Two-thirds of Nova Scotia's population is clustered in the centre of the province, less than an hour's drive from the capital. Add in CBRM, the Maritimes' third largest urban centre, and three-quarters of Nova Scotia is urban. Virtually all Nova Scotians are within an hour's drive of a major town or city. We know that Halifax accounts for half of the provincial economy and one-fifth of all economic activity in Atlantic Canada.

Halifax has so far resisted the downturn in the provincial economy. Projects like Dartmouth Crossing, Bedford West and HRM by Design show that our people and our business have strong faith in the future. Growth in financial, IT, and aerospace clusters are the envy of the nation. Not a bad base on which to build.

Important observers of the Canadian economy see this reality. Conference Board of Canada research identifies nine hub cities in Canada — Halifax, Montreal, Toronto, Winnipeg, Regina & Saskatoon, Calgary & Edmonton, and Vancouver. CBoC identifies these cities as the economic engines in their respective provinces. Their growth drives the growth of their provinces, and in the case of Halifax, the entire Atlantic region.

The facts are in. Cities are the primary drivers of growth in Canada ... and the world. They are the magnets for the talent that drives the creative economy. Attracting talent is only the

first step. What's really tough is holding it. The handful of places in Canada that manage to anchor their talent will be the places that grow coming out of recession. These growth centres will have a unique clustering of creativity, innovation, opportunity and industry. Nova Scotia has a shot at a healthy rate of growth if we support and grow its hub.

Here are some ideas on how to get there.

- Invest in key infrastructure. That means bricks and mortar, but also innovation and creativity. Our investments need to be measured by how they succeed in attracting and holding people.
- Invest in the capital and re-energize the downtown of Halifax. I've been in every provincial capital, and no province takes its capital for granted. If we want people to invest in Nova Scotia, we have to invest in the showroom. Consider a Provincial Capital Commission.
- Invest in growing the high-growth, high-wage sectors that will provide the quality opportunities needed to anchor people in our province. This means better taxation and smart regulation. Eliminate "investment taxes" on manufacturing and financial institutions and let those industries pull us forward.
- Remember that countries and provinces don't compete for talent, cities do. Many areas can produce talent, only a few can retain and attract it. There is a war for talent coming. Let's get ready for a fight.
- Build on success. Make sure our people magnets, our universities and community college campuses are nationally and internationally competitive. Build on successful economic strategies at the provincial and municipal level and create stronger linkages between the two.
- Open an Office of Urban Affairs. We are a 21-century urban province.
- Develop a people strategy because that's where our success as a province will begin and end.

We need to grow our major city to truly grow our province. So, with apologies to Sir Paul and his former song-writing partner, John, things really are getting better all the time. Let's make sure we seize the opportunity before us.

Fred Morley is executive vice president and chief economist for The Greater Halifax Partnership, which acts as a catalyst for economic growth and building confidence in Greater Halifax.

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