

## The Greater Halifax Partnership – Economic Development Arm of HRM

The Greater Halifax Partnership (the Partnership) is the catalyst for economic growth and confidence in Greater Halifax, the economic hub of Atlantic Canada. We have deep insight into the city's emerging trends and changing needs because of committed involvement and unequalled private sector investment, and government support. Staying one step ahead of opportunities and issues, we mobilize resources to accelerate the economic growth of Greater Halifax.

The Partnership will work to:

- Attract new investment
- Keep and grow business
- Strengthen our community

... to create economic growth and prosperity for Greater Halifax.

### History

In 1995, the economic scenario in the region was bleak. The entire country was struggling to pull itself out of recession, a recession felt deeply in Nova Scotia. Budgets were being cut, and the Province had announced significant public service layoffs. The Federal Department of National Defense was reducing the military presence across country, a considerable blow to Halifax, home of Canada's East Coast Navy. Over 8,000 government jobs and over \$300 million in annual payroll were lost in the market. Nova Scotia ranked last in employment growth in Atlantic Canada, and consumers were worried about unemployment. As a result, confidence was at a low.

The business community was also experiencing a growing level of frustration with the past approaches to economic renewal and development. A handful of visionary business leaders recognized that despite the economic gloom that permeated the region, Halifax was positioned to grow and prosper if properly guided.

At the same time, the amalgamation of the former cities of Halifax and Dartmouth, town of Bedford and county of Halifax, provided opportunities for the new Municipality to look at more innovative and efficient ways of doing things. The future of the regional economy was an issue of prime importance. In early 1996 Halifax Regional

### A Unique Model

Created in 1996, the Partnership is a unique private-public model now copied throughout North America. More than 130 of our most influential businesses and all three levels of government invest in the Partnership. With their support, we leverage every municipal economic tax dollar three times to build business confidence, secure business stability and growth, research and report economic trends, and remove roadblocks on behalf of business.



At the same time, the amalgamation of the former cities of Halifax and Dartmouth, town of Bedford and county of Halifax, provided opportunities for the new Municipality to look at more innovative and efficient ways of doing things. The future of the regional economy was an issue of prime importance. In early 1996 Halifax Regional Council directed the Municipality to pursue the concept of an economic development “partnership” with the private sector. The motivation behind such a partnership was the centralization of all economic development functions within one body, which would be responsible to Regional Council, the private sector and the community in general. Together, these stakeholders had the greatest opportunity to tap the remarkable potential of Greater Halifax.

As the largest city east of Québec and north of Boston, Halifax was uniquely positioned on Canada’s East Coast, with superior accessibility by air and sea. The work force was unparalleled - highly educated and productive - and the overall population was young and growing. Paired with a quality of life that is unsurpassed, Halifax needed leadership and momentum.

Those visionary leaders knew that if the entire community became involved, the potential for Greater Halifax to become a vibrant economy was immeasurable. Working together with the newly amalgamated Halifax Regional Municipality and the Chamber of Commerce, the group devised a new model for supporting and accelerating economic growth.

It was a public-private model, led by the private sector, for supporting and accelerating economic growth - a Partnership whereby business and government would share the responsibility, the accountability and the cost.

As a result, the Greater Halifax Partnership was born - a partnership funded by three levels of government - federal, provincial and municipal - and the private sector.

## A Recognized Leader

The Partnership has become a recognized leader in developing a private/public economic development organization, with cities from across the country and around the world seeking our advice and direction on building a similar model, including: Edmonton, Alberta; Ottawa, London and Sudbury, Ontario; and Kushiro, Japan.

## Early Goals

The mission of the Greater Halifax Partnership was clear — to keep, grow and bring new business to Greater Halifax.

The founding directors of the Partnership were very specific in what they set out to achieve in the first five years:

1. Grow the economy. Support the creation of 20,000 new jobs and reduce unemployment.
2. Build and leverage a brand appropriate for the city.
3. Reduce the cost of economic development to municipal taxpayers.
4. Attract and retain at least \$1 million in local private sector investment in support of the Partnership and its economic growth initiatives.

## Success

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All of those early targets have now been well-surpassed. Today there is a 31% increase in the number of jobs from 164,000 to 216,000. The unemployment rate has dropped from 8.7% to 6.6% - consistently well below national average. There have also been 35,000 new housing starts.

Municipal funding for economic development decreased from \$4 million (prior to the Partnership being created) to a current level of \$1.4 million.

The Partnership has become a recognized leader in developing a private/public economic development organization, and has received many awards from

## Strengths & Weaknesses

### Strengths

- Strong relationships with:
  - HRM staff/Council
  - Federal and Provincial Government
  - Other economic development/community groups – NSBI, Destination Halifax
- Private sector investor engagement
- Leadership on key issues/diverse Board of Directors
- Ability to engage with small and medium businesses in our area – consistent with the business landscape in Greater Halifax

### Weaknesses

- Challenging managing in a public/private environment.
- Have to work with many masters and sometimes it is tough to balance between the private and public side. When it is in balance, the partnership is both potent and meaningful
- Securing annual financial commitments from the private and public sector takes significant effort and resources. Also, given

peer organizations like EDAC and IEDC for our marketing activities and program initiatives.

In 1996, our goal was to attract \$1 million in private sector investment in the Partnership over five years. We now secure more than that annually, with an investment commitment of \$1.36 million in 2009 and a cumulative investment of \$13.8 million since inception. At the same time we have increased our number of investors from 44 to over 130, with 90%+ retention.

And it's not just investment in our organization – many major organizations like Research in Motion, Admiral Insurance, Consolidated Fast Frate, and Flagstone have chosen to set up shop in our area.

## Operating Environment – Relationship with HRM

The Partnership is a focused organization that works collaboratively with many organizations in Greater Halifax to implement Halifax Regional Municipality's (HRM) Economic Strategy - the roadmap that guides our work. We are the true economic development arm of HRM and a valued partner.

### Highlights of HRM Relationship

- Five year services agreement with the municipality;
- Close working relationship with HRM staff/Council; and
- Creating financial leverage – the Partnership takes HRM's investment and leverages it 3 times with private sector and Provincial and Federal contributions

## Economic Update/Success

- Our economy has held its own, despite the recession.
- We have a stable mix of sectors with a services based, knowledge intensive profile.
- Economic hub – many assets like the port, international airport, downtown, and sectors like financial services, universities, ICT, health, DND etc.
- Big gains in employment (In August, 2009 we had 9,300 net new jobs the most in the country and this trend continues).
- CIBC's Metro Monitor Economics on December 1, Halifax moved to 1st place in overall economic activity in a ranking of all Canadian metropolitan areas from a 5th place position earlier in the year.
- Business confidence in Nova Scotia, and Halifax by proxy during the first few months 2010 were the highest in the country according to CFIB December Business Barometer.

HRM Economic Strategy

HRM's Economic Strategy, *Strategies for Success*, was unanimously adopted by Halifax Regional Council in 2005. The Strategy was developed with input from a large number of community stakeholders and it sets the economic focus for the entire community for a five-year period. It has five focus areas:

- Supercharge our labour force
- Leverage our creative community
- Create a gung-ho business climate
- Capitalize on our reputation
- Convert rivalries into partnerships

As HRM's lead economic development agency, the Greater Halifax Partnership enables the Municipality to extend its reach into areas of strategy implementation beyond the normal scope of municipal government. The Partnership has aligned its business plan and organizational efforts towards achieving the outcomes of the Economic Strategy.

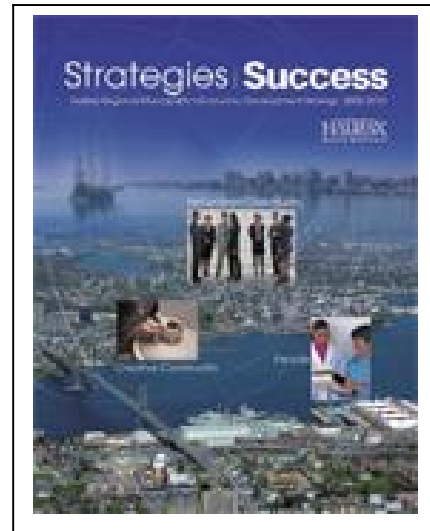
In all, there are three general roles defined for Strategy implementation:

- HRM as owner of the Strategy on behalf of the greater community
- GHP as the lead in implementation and creating alignment among the many organizations that have a hand in implementation
- The Halifax Chamber of Commerce as independent scorekeeper and advocate for keeping the strategy top of mind and pertinent to all stakeholders.

As the five-year timeframe for the original Economic Strategy comes to an end in 2010, these three organizations have come together, along with representatives from

the Provincial and Federal government, to review the success of the past five years and develop an updated Strategy for 2011-16. The broad-based

collaboration over the past five years has created a foundation for even better buy-in from the broader community and increased alignment of purpose.



## Priority Areas

Overall – the model of the Greater Halifax Partnership creates the economic conditions for success in our region.

- Promote and market Halifax as the economic hub of Atlantic Canada
  - As the hub grows, so does the Province and Region – only at an accelerated pace
  - We have significant assets here in our region, and we are not starting from scratch
  
- Create value through the power of collaboration and connection
  - It has a multiplier effect, but only when everyone is working as hard at creating value for others as they are for themselves.
  - Reducing contentious interaction between levels of government. Also, increasing engagement between the public and private sectors leads to a much better result for all.
  
- Engage our public and private sector investors
  - Engagement, working together, and creating collective conditions for success leads to a higher level of self sufficiency in the region.
  
- Create an unprecedented level of focus and alignment
  - Focus means agreeing on and advancing what is significant. Not the usual incremental growth on multiple fronts.

