

NOW OR NEVER:
AN **URGENT** CALL TO
ACTION
FOR **NOVA SCOTIANS**

**Overview of Provincial
Government Strategy and
Actions**

UNSM
May 23, 2014



Outline: UNSM Presentation

- What provincial government has done/will do
 - Private Sector Growth, Demographics, Attitude
- What Nova Scotians can do/want to do – recognizing the need for broad based action
- Thought for municipalities: a few possible areas of focus for municipalities to address our common challenge

The Issues:

Commission Report says,

“...the population of Nova Scotia is slowly dwindling, its industries are languishing and its wealth... is considerably lower than the central provinces... and the opportunities for enterprise and investment are correspondingly small.”

Commission Report says,

“The result of this condition is that the younger men and women are more or less compelled to leave the Province and to search for careers in other parts of Canada or other countries”

Commission Report says,

“While this pressure is being exerted on Nova Scotia, other parts of Canada act as magnets: they offer greater opportunities of employment at higher wages and a greater probability of promotion”

**- All from Report of the Royal Commission
Provincial Economic Inquiry – October 24, 1934**

Commission Report says,

Attitude shift required... government can't do it alone.

"An increase in the pace of industrial development in Nova Scotia depends on the degree to which all segments of the... communities can work together... Government alone cannot and should not be expected to shoulder the entire burden of industrial development."

"Government, however, has some extremely important roles to play... risk capital, trade... promotion of research..."

**- Report to Department of Trade and Industry,
March 1955**

Municipal Governance Systems

Commission Report says,

“... Nova Scotians – even in rural areas – have been led to expect a way of life more comparable to what they see in other jurisdictions: consequently there has been a rise in expectations and demands for increased services...”

“... a reassessment of the entire municipal structure had been needed, with a view to discarding what was redundant, unsuitable and inefficient, and to reorganizing it so as to enable it to provide efficiently an appropriate portion of the total provincial services”

- **Graham Royal Commission Report, 1974**

Commission Report says,

“Everyone agreed we are overgoverned and too often look to government for answers and solutions.”

“It was noted if there were to be any chance of economic success, all three parties would have to buy into the paper’s concepts, and the paper could not fall prey to partisan politics.”

- **Report on the Public Consultation Process,
Encounter on the Nova Scotia Economy
May 22-30, 1991**

**“Those who cannot remember the past are
condemned to repeat it.”**

- George Santayana
Life of Reason

**“Those who don’t know history are doomed to
repeat it.”**

- Edmund Burke

oneNS Report: 2014

Key Findings/Key Observations

- Yes, there is a crisis and it does threaten the basic economic and demographic viability of our province
 - [Viable – derived from the French work *vie* 'life']
- But, there is an improving macroeconomic climate and Nova Scotia has the assets, opportunities, institutional capabilities and human capital (people) to advance to a better state.
- Without **private sector growth**, the provincial government **does not have** the revenue base to keep generating new employment, investment and aggregate spending.
- Demographic growth and economic growth are intertwined and the trends have been negative

oneNS Report: 2014

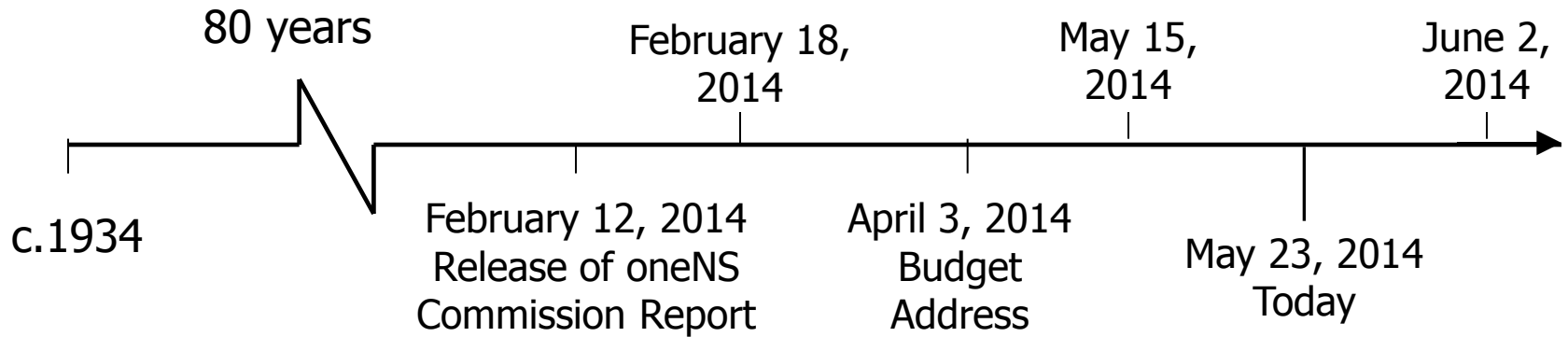
Key Findings/Key Observations

Successful pursuit of the proposed goals will require much more **effective** and **efficient deployment of current resources**

and

Changes in attitudes, policies, and practices across all business, government and community sectors

Timeline: Deep-Rooted Challenges



No quick fixes or magic solutions. Concerted, coordinated and focussed effort required.

Game Changers

- Political leadership: All party/all level commitment
- Multi-sector commitment to growing both the economy and the population
- Break down misunderstanding about interdependence of our rural and urban regions and economies
- Greater integration and coordination of economic development programs
- Stronger partnerships with Federal Government
- A new attitude: “can do” - “want to do” - “if it is to be, it is up to me”

Response, to be clear, is:

- Provincial Government's objective is to make material progress in leading, supporting and working with Nova Scotians in advancing steadily toward the 19 goals set out in the oneNS (Ivany) Commission Report.
- Stretch goals to be achieved over the next 10 years to address the economic and population challenge

Demographic Goals

Goal 1: Inter-Provincial Migration

Nova Scotia will be averaging a **net gain of 1,000** working age persons per year. (Over the past 10 years the province has lost an average of 800 persons per year because of net outmigration).

Goal 2: International Immigration

With the cooperation of the federal government, Nova Scotia will be receiving annually its proportionate share (2.7%) of all new international immigrants to Canada, i.e., approximately **7,000 new permanent residents per year** (The current 5-year average is 2,400 per year).

Goal 3: Retention of International Students

An annual average of **10% of foreign students** graduating from Nova Scotia universities, the Nova Scotia Community College and other education and training bodies **will be making choices to become permanent residents of the province** (i.e., roughly double the current rate).

Economy Goals

Goal 4: Business Start-Ups

The Nova Scotia economy will be generating **4,200 new business start-ups** per year, a 50% increase over the current 10-year average

Goal 5: Value of Exports

Nova Scotia will have increased the total annual value of exports (international and inter-provincial), currently in the \$14 billion range, by 50% to exceed **\$20 billion**.

Goal 6: Firms Participating in Export Trade

The number of Nova Scotia firms participating in export trade will have increased by **50% over the current level of 850**.

Goal 13: Venture Capital

The five-year average for per capita venture capital investment, which was \$24.80 over the 2007 to 2011 period, will be equal to or better than the Canadian average (currently **\$41.10**).

Goal 14: Tourism Expansion

As Nova Scotia's leading source of service sector exports, gross business revenues from tourism will reach **\$4 billion (approximately double the current level)**.

Economy (cont'd)

Goal 15: Fisheries and Agriculture Exports

The value of exports from the fisheries (including aquaculture) and the agricultural sectors will each have **doubled** on a sustainable basis. (The report prepared for the Commission by APEC identified current fisheries and seafood exports valued at \$860 million and agricultural exports at \$240 million).

Goal 16: Domestic Markets for Agricultural Products

The value of agricultural products produced for, and consumed within, the Nova Scotia domestic market will have **doubled**. The current value is approximately \$230 million.

Workforce Goals

Goal 7: Labour Force Participation Rate – Nova Scotia

Nova Scotia will have a labour force participation rate at least as high as the Canadian rate, bringing more than **25,000 Nova Scotians into permanent attachment to the labour market** (The Nova Scotia rate is currently 63.4% compared to the Canadian rate of 66.4%).

Goal 8: Employment Rate – First Nations and African Nova Scotians

The employment rate (i.e., percent of the working age population currently employed or “officially unemployed”) for First Nations and African Nova Scotians will be equal to the provincial average.

(The rate is currently 62% for African Nova Scotians and 53% for First Nations people, compared to the provincial rate **of 68%**).

Goal 9: Youth Employment

Nova Scotia’s youth unemployment rate (currently 19.5%) will be at or better than the national rate in that year (currently **14.0%**).

Education and Training Goals

Goal 10: Post-Secondary Education and Training

The proportion of Nova Scotia's working age population with a post-secondary certificate, diploma or degree, including apprenticeship completion, will have increased from the current **55% to 65%**.

Goal 11: Universities Research and Development

Through both individual initiative and expanded collaboration, and with support from government, Nova Scotia's universities and the Nova Scotia Community College will have doubled research funding to total **\$360 million**.

Goal 12: Research and Development Partnerships

The number of **research and development partnerships** between business enterprises and Nova Scotia universities and the Community College will have doubled from an average of **1,000 per year to 2,000 per year**.

Governments have the “R”

Goal 17: A Province-Wide Plan to Achieve Nova Scotia’s New Goals for Sustainable Economic Growth and Population Renewal

By the end of calendar year **2015** the Nova Scotia government, in **collaboration with the municipal units**, will have put in place, with **appropriate legislative supports**, a comprehensive development plan with **practical strategies to meet the 2024 population and economic renewal goals set out above.**

Goal 18: Reform of Municipal Government and Regional Service Structures

Once the development plan described above is in place, the provincial government will immediately **initiate a comprehensive review of current municipal government structures and of federal and provincial regional service delivery systems**, improving efficiency, cost effectiveness and community engagement.

Goal 19: Fiscal Health

By 2024 the Province of Nova Scotia’s net debt to GDP ratio, which was 36.7% for the year ending March 31st, 2013, will be **30% or less.**

- All levels of government can support – and create the climate – to achieve the other 16 goals.

What provincial government has not done:

- No short-term “fixes” just to say “we’re taking action.”
- No raising expectations re: capacity or lack of complexity: not “master of the economy.”
- No validating existing programs or the status quo.
- No crowding out of community and citizen ownership of the problems and the solutions.

History shows us attempts at short-term solutions make the path more challenging.

The First Step of Strategy



Determine which direction you want to head.

Goals help inform our choices.

Recommendation from the oneNS Report:

- “The most **basic and essential transformation** that the Commission proposes is that we **reinvent ourselves**”



The New Nova Scotia: what Nova Scotians can do

- a “can do” province
- a “want to do” province
- empowering broad-based actions: “if it is to be, it is up to me”—the power of one
- The ONE Nova Scotia Coalition will allow Mayor Corkum, the UNSM and other leaders from many sectors help set the direction for Nova Scotia and empower broad based action—and then lead by example

Thoughts for Municipalities

- **Attitude:** Willing collaboration among municipalities and province/ challenge defeatism and active pessimism/ lead attitude change
- **Economy:** recognize role and capacity to drive or impede private sector growth
- **Demographics:**
 - - be a welcoming environment/value newcomers and be a place where people don't want to leave
- **Strategic land use planning/strategic investments**
 - avoid everything being a "one off"