

Halifax Regional Municipality

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Cities are the economic engines of the Canadian economy. They are centres of innovation that enhance productivity and attract people and business. A number of recent studies have demonstrated that the economic success of Canada's cities is vital to the success of the country as a whole. In particular, the Conference Board of Canada has identified nine hub cities in Canada which are the lead economic metropolitan areas in their respective provinces. Economic growth in these cities drives an even faster rate of growth in smaller communities throughout their provinces. Among Canada's hub cities, Halifax is unique in that it is the only regional hub city, driving the economies of communities throughout Atlantic Canada. The Conference Board found Halifax's impact in every test conducted for the Atlantic Provinces. The more Halifax's economy grows, the stronger Atlantic Canada as a whole will become. Strategic allocation of investment will create a win-win scenario for both large and small communities. Right now municipalities are reaching a crossroads in terms of their responsibilities and access to sufficient revenues. Municipal infrastructure is the foundation of our economy. Our small businesses need quality roads and bridges to deliver goods and services. Workers need fast, efficient public transit to connect them to jobs. And growing companies count on high-quality community services—from libraries to hockey rinks—to attract skilled workers. Municipalities are responsible for 53 per cent of Canada's infrastructure—up from 34 per cent in the 1960s—but must rely on an out-of-date property tax system which delivers only 8 cents from every tax dollar to meet our growing responsibilities. Municipalities need to deliver and expand services to fulfill our ability to drive national prosperity by attracting people and investment. In the last few years, the federal government has developed a stronger partnership with municipalities that has begun to address some of the infrastructure issues we face. This work must continue, particularly in the lead up to the federal long-term infrastructure plan coming in 2014. In addition, it is time to take a serious look at the municipal tax structure and start frank discussions on how to improve municipal funding systems so that cities' revenues align with the services they are responsible for delivering.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Investing in infrastructure plays a dual role in ongoing job creation. Initial construction and ongoing staffing and maintenance provide a steady source of employment for communities. On a higher level, improved infrastructure systems play a key role in attracting people, particularly mobile workers in the knowledge economy, who kickstart innovation that leads to increased productivity. HRM has benefitted significantly from federal investment in recent years. Federal funding support for the Central Library, the Canada Games Centre and the new downtown convention centre has leveraged millions in economic impact for Halifax. Hundreds of jobs are being added to the regional economy: · Central

Library – 422 jobs during construction phase, 175 jobs per year during operation; · Canada Games Centre – 652 jobs during construction phase, 282 jobs per year during operation; · Convention Centre – 1700 jobs during construction phase, 27,000 jobs during first 10 years of operation. Developing the green economy is another opportunity for municipalities to work with the federal government in creating jobs and building sustainable communities for our citizens. Over the past decade municipalities have undertaken thousands of projects to stop pollution, save energy, and reduce emissions. HRM has been a national leader in implementing sustainable practices that strengthen our economy. Our solid waste system is a fully developed, innovative and comprehensive program that supports hundreds of local private sector jobs. Our conversion to LED traffic lights has conserved energy and realized cost savings, while supporting Nova Scotia’s growing LED manufacturing industry. The Solar City program will, if it proceeds with support from the Federation of Canadian Municipalities, deliver both cost and energy savings to homeowners and build the local solar panel industry. By working with federal and provincial partners, municipalities could invest in many more proven, cost-effective projects, and jump start federal strategies to build a greener economy.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

HRM’s Economic Strategy aims to build a welcoming and inclusive environment for underrepresented groups, and work with the Provincial government and business community to attract and retain immigrants. Provincial work around foreign credential recognition, retaining international students and increasing the provincial nominee program cap would all assist with the looming skills shortage.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada’s population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

Research and development hubs are key contributors to innovations that increase productivity. Halifax is fortunate to be home to a number of industry clusters that are world-class R&D hubs: oceans, life sciences, shipbuilding, aerospace & defence, and digital and IT development. In order to grow these hubs, municipalities need to attract knowledge workers whose contributions will help enhance productivity levels. To do this we need the tools that build attractive, sustainable and dynamic communities. One of the most important services municipalities provide is public transportation. HRM has expanded its transit services by 32% since 2006 and has almost one million passengers annually. Public demand continues to grow for service to new areas, increased frequency of existing routes, and expanding transportation modes to include more ferries and light rail. However HRM, like other municipalities does not have the funds to meet this demand. As a result, there are more cars on the road and more time lost due to traffic. Traffic gridlock costs Canadian motorists and the economy more than \$5 billion in annual delays. The average Canadian spends the equivalent of almost 32 working days a year commuting to and from work. Traffic gridlock negatively impacts productivity by slowing the movement of goods, services and people to a standstill. To compete globally, Canada needs fast, efficient transportation networks that connect companies to customers, workers to jobs, and communities to international markets. However, a lack of long-term funding and coordination among governments has allowed traffic gridlock to spiral out of control and critical gaps to form in Canada’s air, rail, road and marine linkages. HRM fully supports the FCM’s call for a national transportation strategy that will provide better coordination among governments through targets for reduced commute times, renewed federal and provincial funding for public transit, and established timelines for filling strategic

gaps in Canada's transportation system.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

The new federal wastewater regulations approved by the Canadian Council of Ministers of Environment (CCME) were finalized in spring 2012. Municipalities support the intent of the regulations and their goal of improved human health and environmental protection and strengthened wastewater regulation. However the cost to upgrade wastewater systems, most of which are owned by municipalities, to meet the new regulations is crippling. No costing strategy has been developed and no federal or provincial funding sources have been identified. The new regulations will require one out of every four communities to construct or replace wastewater treatment systems across the country. Halifax Water estimates a cost of \$2 billion to upgrade its system alone. Municipalities simply do not have the financial capacity to undertake these upgrades on their own. The CCME Wastewater Strategy is national in scope and set down in federal law. It is appropriate for it to have a dedicated national funding strategy.