Innovation Systems Research Network The Social Dynamics of Economic Performance

Halifax City Region Study Theme 3: Inclusive Communities and Civic Engagement

Data Summary Report for Halifax, Nova Scotia

Case study investigator: Jill L Grant Research assistants: Karin Kronstal, Robyn Holme, Aaron Pettman School of Planning, Dalhousie University

Summary prepared by Karin Kronstal and Jill L Grant

4 August 2009

Development policy in many Canadian cities today shows the influence of theories espoused by Richard Florida (2002, 2005) about the contribution of the "creative class" to economic development. Notions of partnership and collaboration between government, private sector, and non-governmental organizations have affected decision making processes and management practices. A study of 15 Canadian city regions, led by Dr David Wolfe at the University of Toronto, is investigating the social dynamics of economic performance. This report presents some preliminary findings from one of the questions of the national study: namely, to what extent does the economic performance of city-regions reflect their ability to generate effective new forms of associative governance and collaborative leadership?

Halifax Regional Municipality (HRM) in Nova Scotia is a medium-sized city in the study, with a population of 372,858 in the 2006 Census. Created in 1996 (when the province amalgamated the city of Halifax, the city of Dartmouth, the town of Bedford and the County of Halifax), HRM has a vast rural hinterland around its harbour and urban core. As the largest city in Atlantic Canada, and the provincial capital, HRM has extensive health care services, higher education facilities, government agencies, and business services. The Department of National Defence has several bases in the city region. The port receives goods for transhipment throughout North America, and Burnside Industrial Park is the largest such facility in Canada east of Montreal. The workforce in HRM is more educated and more commonly employed in a creative industry than average for Canadian cities (Table 1).

Cunada în 2000 (Spencer and Vinodrai, 200	09)	
Feature	Halifax	Canada
In creative occupations	38.0%	33.2%
Population with BA or higher	24.0%	18.1%
Population with college diploma or higher	47.1%	39.8%

Table 1: Comparison of selected features of Halifax Regional Municipality to Canada in 2006 (Spencer and Vinodrai, 2009)



In 2004 the Greater Halifax Partnership (GHP) commissioned a study that showed Halifax housed a cluster of creative industries and a highly educated workforce (Gertler and Vinodrai, 2004). GHP adopted a 'creative cities' approach to economic development. The influence of Richard Florida, whom the GHP brought to speak in Halifax in 2004, permeated the HRM economic plan for 2005-2010. The plan, *Strategies for Success*, came to fruition through the work of a high profile advisory committee of local business and social leaders (HRM, 2005a, 2005c). The plan envisioned "a prosperous, dynamic, globally competitive economy where creativity and risk-taking can flourish alongside a quality of life that is the envy of the world" (HRM, 2005a, 6).

Although Halifax Regional Municipality enjoyed population and employment growth over the last decade, the research reported here indicates mixed results. While partnerships are increasing and some examples of associative governance indicate the potential to change traditional ways of governing and doing business in the city region, respondents characterized the city and its political leaders as conservative and resistant to change. Power imbalances and insufficient resources leave those advocating for social and cultural development in a weak position. Respondents suggested that more could be done to foster economic, political, social, and cultural inclusion.

Overview of Study:

Drawing from theory that links economic innovation and growth to collaboration between firms, associations, and public agencies theme 3 of the study investigates the conditions that facilitate or inhibit effective leadership and broadly based civic engagement. The project hypothesizes that including community stakeholders in local governance creates a supportive context for innovation and leads to economic growth. Under the direction of Dr. Jill Grant, research assistants at Dalhousie University's School of Planning, conducted a series of 26 semi-structured interviews (with 27 respondents)¹. The interviews involved two categories of respondents: from civic associations (manager or staff) and from government departments and agencies (Table 2). Researchers used related interview schedules for respondents from the public and private sectors.

Sector	Manager	Staff	Volunteer	Elected	Total
Government					
- Federal	1	1	0	1	3
- Provincial	4	4	0	0	8
- Municipal	1	1	0	0	2
Civic Association	8	4	2	0	14
Total	14	10	2	1	27

Table 7. Interminus by respondent type [n-	
	-271
Table 2: Interviews by respondent type [n=	-4/1

¹ Robyn Holme and Aaron Pettman conducted and transcribed the interviews in the summer of 2006. Interviews took between 40 and 120 minutes and were recorded for transcription.

Table 3 shows the number of interviews by the primary focus of respondents' sector. Efforts to recruit respondents from the social development sector proved challenging: some high profile agencies declined to participate.

Primary Focus	Social Development	Cultural Development	Economic Development	N/A	Total
Government	2	3	7	1	13
Civic Association	2	4	7	0	13
Total	4	7	14	1	26

Table 3: Interview sessions by sector [n=26]

Since preliminary analysis of the interview data indicated that respondents identified the redevelopment of the Halifax Seaport as an example of successful collaboration leading to innovation and economic development, the team decided to investigate the project further. Masters student Robyn Holme conducted follow-up interviews in September 2006 with four additional respondents seen as especially knowledgeable about the process leading to the Seaport Redevelopment: this brought the total number of respondents interviewed to 31.

Holme's findings documented the significance of social networks linking local, provincial, and federal agencies in facilitating the development (Holme, 2006). Based on the Seaport case, Grant et al. (2008) described the ways in which creative cities theory influenced decision-makers and allowed them to overcome a history of poor intergovernmental relations and urban-rural rivalry to achieve a common vision for redeveloping part of the city. Key civic entrepreneurs – like the leader of an educational institution – played key roles in facilitating innovative project-oriented collaborations and partnerships.

Regional Context:

In 1996, the Province of Nova Scotia created the Halifax Regional Municipality (HRM). Although local political leaders largely opposed the change, Premier John Savage argued that combining local governments would save \$20 million annually in administrative costs and could enhance the national competitiveness of the city region. In the longer term, amalgamating promised to reduce the vicious inter-municipal competition for development that marked the region during the early 1990s (Bradford, 2003, 38). Amalgamation re-drew the political map: elected officials from 23 districts (with an average of 16,000 residents each) join the Mayor on HRM Regional Council.

That same year a new public-private economic development agency, the Greater Halifax Partnership (GHP), formed. Jointly funded by public agencies and private sector investors, GHP took the lead on economic policy for Halifax. For the first few years the

GHP operated separately from the Halifax Regional Development Agency (HRDA) established by the Provincial government in the early 1990s. GHP focused its efforts on existing business with high growth potential: typically larger, globally connected companies located in and around the urban centre. HRDA's primary clients (new and community-scale businesses) often located in the outer suburban and rural areas of HRM. In a 2003 report featuring these agencies as innovative models for community-based development, Bradford noted "One challenge for the future will be to address in a systematic way the synergies, or at least points of intersection, between these partnership bodies so as to avoid institutionalizing a divide between the social and economic dimensions of innovation" (Bradford, 2003, 42). Potential conflicts between GHP and HRDA resolved in April 2007 when GHP absorbed HDRA to form a single regional development agency serving the business community of the entire municipality.

The research reported here collected interview data in 2006, a decade after the creation of the HRM. Many respondents expressed concern about the size and diverse interests contained within the municipality, describing it as "one coat knit to fit everybody" (Interview 13, manager, economic development association) and "a very unwieldy beast" (Interview 8, manager, cultural development association). None of the respondents proposed a return to the pre-amalgamation option. "Amalgamation; you can love it or hate it, [but] we've got it" (Interview 5, manager, economic development association). As Kevin Morgan (2006, 16) notes "Theoretical conceptions of the city region are all well and good, but at some point they have to engage with the prosaic reality of local government as it is presently constituted".

A public servant who experienced amalgamation called it a stressful time during which "all staff were fired and had to compete for their jobs" (Interview 16, staff, provincial economic development). Most respondents believed that amalgamation failed to resolve the rivalry between urban and rural areas; indeed, some thought the situation had worsened as districts came to compete directly for attention and investment. Respondents from all sectors emphasized that amalgamation affected resource distribution. Many believed the urban areas lost political clout:

"Our [city] council is set up to be concerned about the outer, outer parts of the city.... Most of the time they're going to be more concerned about putting money in their own communities. That's where their constituents are, so you won't get a consensus to develop the peninsula" (Interview 17, staff, federal economic development).

Morgan calls this the problem of political scale within the city region.

"The problem of political scale concerns the disjunction between the local and the regional - that is to say between the local focus of unitary authority members (which is by definition confined to their local authority area, and very often to the much smaller area of their own ward) and the regional focus which is now deemed necessary for a more economical and strategic approach to service delivery" (Morgan, 2006, 22).

Many respondents described regional politics as reactive and based on short-term thinking. "Government spends every day worrying about getting re-elected four years from now" (Interview 1, manager, economic development association). Some described local political culture as "parochial" and "narrow" (Interview 26, elected official), even anti-social. "One of the greatest hindrances in developing a sense of culture and community is the fact that it presents no great value to the politicians" (Interview 9, manager, cultural development association). A manager for a cultural development association (Interview 8) noted, "I often find that it is a very small-city conservative government where some forms of innovation are concerned".

Some respondents reported a 'play-it-safe' political culture that inhibited innovation at the policy level. "Some amazing stuff could happen in this province if the people just had some political will, some political courage and some imagination" (Interview 8, manager, cultural development association). Some attributed this to a lack of incentive for decision-makers to take creative risks:

"I actually think the single biggest problem is that people aren't taking responsibility... There have been some creative initiatives, but there's not a lot of creativity behind the consultation of cultural policy. It is critically important for that to happen" (Interview 26, elected official).

The manager of a cultural development association (Interview 9) reported that "politically unacceptable" actors got excluded from decision-making bodies.

"If you're not politically acceptable in terms of politics, irrespective of the fact that you may have a great cultural contribution to make, you're not included. So, the best thing to do is to be totally neutral politically. But if you have the unfortunate position of being politically active and at the same time being able to contribute, they won't even talk to you: won't even talk to you in this province. It's unique here: it's probably the only place in the country where it's like that".

While respondents often described politicians as conservative or short-sighted, others proved sympathetic. "It's difficult for the government to weigh the different costs and opportunities and to not take advantage of short economic gain, but be willing to look at the long-term future" (Interview 10, staff, cultural development association). Another explained that the general public is "so preoccupied with the issues on the home front that [political leaders] struggle at times to look at the bigger picture...We all tend to live for tomorrow as opposed to a decade or two decades from now" (Interview 1, manager, economic development association).

Some respondents working in cultural development thought that government failed to recognize their sector's contribution to economic development. "Culture is not that far behind tourism in terms of size and the importance to society, and yet we're functioning on a quarter of the public investment" (Interview 24, manager, government cultural development). Respondents had particular difficulty identifying publicly funded programs that promoted social and cultural development in the HRM, as opposed to the rest of the province.

"Even though these groups are all local, the programs developers they're trying to have an impact on are provincial in nature. I don't really think of them as local, even though they are. I really racked my brain and I couldn't come up with anything municipal at all that we've had much to do with" (Interview 6, manager, social development agency).

One respondent spoke at length about his perception that of "three levels of government, none have a primary interest in developing the city of Halifax. We are abdicating the development of the city" (Interview 17, staff, federal economic development). This individual believed the provincial Office of Economic Development, like the HRM, "is driven by a premier and a cabinet who all come from rural Nova Scotia."² He saw federal agencies as likewise focused on rural development and gave the example of the Innovative Communities Fund administered by the Atlantic Canadian Opportunities Agency (ACOA). The respondent noted the urban centre of Halifax cannot access this funding, "the thought of ACOA being that Halifax is doing very well on its own." The manager of a cultural development association (Interview 7) saw political interests as sometimes conflicting with those of the arts community, providing the example of the provincial decision to close the Arts Council:

"[The arts community] came together and worked on that policy for a long, long time and eventually got it passed as an act of legislation in the '90s. Now, in 2002, our Minister of Tourism, Culture and Heritage decided to shut down the Arts Council...Honestly, people were extremely upset that they had worked so hard to put this thing in place and it was just taken away. There was work being done to try and get it to come back to life. They haven't had a lot of success but those kinds of things are still happening".

One provincial manager also saw the closing of the Arts Council as a political decision: "Arts councils are governed by a premise of arm's length funding, and of funding excellence. And the issue here is this: is if you only fund excellence, eventually you will only fund a small core at the top. That is exactly what happened: an analysis of their funding patterns revealed that over time they were funding less and less in the rural areas and more and more at the core of Halifax's arts community. When this government came in, it was primarily a rural-based government and it realized, 'well, nobody in my community's getting any money from that arts council'...History will tell us whether or not arts funding through the Arts Council was better than the way we're doing it, but one thing for sure is when they shut the Arts Council down they rebuilt this Partnership Council, they created a new model, and it seems like arts funding has gone back to where it was in terms of across the province" (Interview 24, manager, provincial cultural development).

² In 2006, Nova Scotia had a minority Progressive Conservative government predominantly elected from rural constituencies. The 2009 provincial election returned a majority New Democratic government well-represented by urban ridings.

Other public servants questioned the impact of urban/rural rivalry on public policy. One dismissed its relevance: "We're accused of doing too many deals in the HRM and we're accused of not doing enough in other regions...My personal opinion is that if everyone is upset at you, you're doing a great job" (Interview 18, staff, provincial economic development).

While many respondents saw crossover between their economic, social, and cultural development goals, some operated within a specific mandate and framework. As one government staff noted, "Our mandate is *economic* development, and so we don't liaise with cultural and social organizations directly. It's just not something that –it's not in our mandate" (Interview 17, staff, federal economic development).

Few respondents interpreted questions about 'innovation' as referring to the fine or performing arts; this may reflect the market-driven orientation of government's perceptions of the cultural economy. One respondent expressed frustration with this outward orientation and saw it as jeopardizing the work of artists at the cutting edge of their field. "If you're not selling your work, it is even harder because if your work is not geared towards a market, it is even that more difficult to explain why it is that you're doing what you're doing" (Interview 7, manager, cultural development association).

Respondents described the dominant local culture as conservative and slow to embrace change. "New ideas are thought of negatively here. The first reaction is 'No, we can't do that', and the second reaction is 'I don't think we should do that'" (Interview 17, staff, federal economic development). Another revealed the challenge of dealing with change: "Everyone fears change. I think we're slow to do it, or we go into something whole-hog and don't know what the hell we're doing" (Interview 5, manager, economic development association).

One respondent cited the debate over heritage conservation as an example of the reticence to accept transformation: "We're a little bit shackled by the past and by an inability to build a new building right next to an old one. It's not that we should be tearing down old buildings, but that we should be letting ourselves grow" (Interview 4, staff, economic development association). Another noted that while the overall orientation is conservative, individuals may be less so: "I think that comes down to people: some people like new ideas and some people aren't so keen on ideas" (Interview 6, manager, social development agency).

Several respondents saw risk-aversion as part of larger cultural problem. "We have a tendency to be our own worst enemy...We have concern or complaint that we're not regarded with the same level of sophistication as some other parts of the country, and then we turn around and don't necessarily behave like we've earned it either" (Interview 13). One said, "Businesses in this region need a bit of a leg up. We shoot ourselves in the foot with a culture of defeat" (Interview 4, staff, economic development association). Another respondent noted her organization see local companies as requiring a "little push...to look broader beyond their own boundaries and have the confidence to go out there and start exporting to international markets" (Interview 2, manager, economic

development association). While modesty may be a virtue in some contexts, respondents suggested that innovation and growth depend on confidence and entrepreneurship that may not always be evident in the city region.

Social Networks:

Halifax is a small city where social and professional circles overlap, allowing relationships and trust to develop over time. Many respondents cited access to social networks as a significant factor in how agencies collaborate:

"To me, that's where it really happens: the informal networking. That 10 pm call: 'Hey can you give us a hand?' That's what it's about. The formal structured networks cannot possibly be effective without the informal ones. That's just the way it is" (Interview 22, manager, provincial economic development).

Access to networks depends on a type of social capital that Lorenzen (2007) identified as 'civic capital'. Jen Nelles (2007) defined civic capital as involving interpersonal networks based on shared identity and goals within a specific region.

It is comprised of formal or informal networks between individual community members, between communities, or between community and the state. Civic capital acknowledges the critical role of local leaders in intensifying and formalizing collaborative networks within and between communities. (Nelles, 2007, 7)

Although respondents did not use the term civic capital, they recognized the value of face-to-face contact and relationship building within the region. Several respondents talked about the overlapping formal and informal networks within HRM that facilitate development and innovation across sectors. "We hold networking events so that the members can mingle; the ultimate goal is that they'll develop strategic relationships with each other" (Interview 11, staff, economic development association). A staff member of an economic development association (Interview 4) described efforts to bring people together from different sectors.

"One of the types of events that we do is relatively new to us is called an "Issues Breakfast." We had one not that long ago on sustainable energy. There was an architect who came who didn't know that [our organization] was doing anything about this issue, and he got in touch with a guy who does solar energy here in the city. So that's one really good way that we promote innovation".

Respondents suggested that scheduled events become necessary as careers progress and leave less time for social events. "So many people are trying to do as much as they can with, or fit in as much as they can with limited time" (Interview 4, staff, economic development association). "A lot of the networking that goes on is not even business networking, but you've given them that business reason to get together" (Interview 5, manager, economic development association). Respondents commonly suggested that lack of time and resources stimulated process innovations, such as combining business and social events to facilitate networking.

One respondent thought it a "Maritime thing" for the "real work to happen in the bar after the meetings, or at the parties at the Film Festival and other kinds of more social events" (Interview 8, manager, cultural development association). Another saw size as a significant factor: "If you antagonize too many people, then how are you ever going to work here? Everybody really knows everybody. You'll probably find that people are a little nicer here just out of necessity than they would be in a bigger centre" (Interview 14, manager, provincial cultural development).

One respondent expressed concern that the intimacy of the city can exclude newcomers. "It is a blessing in the sense that you can pick up the phone and you can call people who work in different organizations and they know each other. It's a curse in that it can be very daunting for people who do come from other places to come into a community that's this close-knit" (Interview 4, staff, economic development association).

Economic development workers stressed the importance of knowing the 'key players' in their sector. Some saw the municipal and provincial governments as highly successful in building relationships with the private sector, particularly in comparison to other places.

"We don't give ourselves enough credit for our successes and our ability to reach into the community and use community resources. I've been to other communities and I don't think their networks are as elaborate or sophisticated as ours" (Interview 21, manager, municipal economic development).

Others felt that though public-private networks are "very healthy state in comparison to other places, there needs to be more facilitation out there" (Interview 26, elected official). Respondents differed in their views of how to accomplish linkages. Some felt that sufficient networking opportunities exist but need promotion. One public servant spoke about keeping the private sector better informed. "I'm not talking about an email. We need more face time with those people" (Interview 22, manager, provincial economic development).

Demands for government transparency limited the ability of public servants to make decisions through informal channels.

"At any moment in time, I or my bosses can be asked to go down and sit in front of the Public Accounts Committee and explain what we did. You can only get informal for so long, because sooner or later, it's got to go to paper" (Interview 24, manager, provincial cultural development).

Integrating Newcomers:

Respondents agreed that Halifax can be a difficult place to be a newcomer, though opinions varied as to degree and cause. One native Nova Scotian said, "We just stick to our own a little bit" (Interview 20, manager, provincial economic development). A federal staff member originally from Western Canada made a more general criticism.

"New anything here faces an uphill battle" (Interview 17, staff, federal economic development).

Some respondents shared stories of successful integration:

"I know some people who have moved here from Toronto and came down to one of our functions. Now I've seen them at many of the events around town, so obviously they are looking to go to all the right things. The whole clichéd thing about Maritimers being so friendly, it's true" (Interview 7, manager, cultural development association).

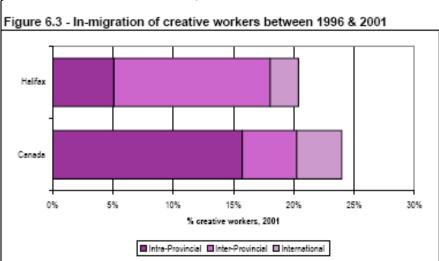
Many respondents, however, expressed some reservations about the depth of Maritime friendliness. "As much as we say we're friendly and open and so on, the facts are we aren't. We're closed...We say we are, but we don't act it" (Interview 1, manager, economic development association). Another said, "I find in Nova Scotia we do a good game of talking the 'royal we', but we don't walk the talk. So, I think it is very difficult for people to come in and that is something to be ashamed of" (Interview 22, manager, provincial economic development). Even genuine friendliness was not necessarily equated with interest in forming new relationships. "Although we're very friendly here, we're not always a welcoming community. We don't tend to welcome people into our homes or go out of our way to make opportunities to invite people over" (Interview 16, staff, provincial economic development).

Most respondents born outside the province reported persistent feelings of being an outsider. "I can't exactly put my finger on what can be done about it, but the question is 'Is it difficult?' and yes, it is" (Interview 15, staff, provincial social development). The feeling of social exclusion may be subtle: "Newcomers can get in so far, but you can't really get in all the way" (Interview 9, manager, cultural development association). One respondent thought the phrase "come-from-away" (CFA), which Nova Scotians use for those born outside the province, revealed "a parochialism in our society that is not as welcoming as it might be" (Interview 24, manager, provincial cultural development). Another noted that though she had "been here for 20 years, I still feel like I'm new" (Interview 6, manager, social development agency).

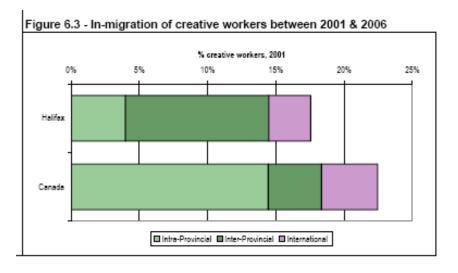
Most respondents stated that international migrants and visible minorities face significantly greater challenges to integration, particularly if they settle outside the HRM. "If you are a newcomer from the Maritimes, I think the answer is yes [it is easy to integrate]. If you are a newcomer from somewhere outside the Maritimes, I think it is somewhat more difficult. If you are an immigrant in the true sense of the word, it's not easy at all. I'm not proud to say that, but it's not easy" (Interview 22, manager, provincial economic development).

A 2004 study of HRM indicated annual population growth of 1.1% from 1996 to 2006 (HRM 2004). Immigrants comprised the bulk of the population growth. While proportionally fewer immigrants arrive and stay in Atlantic Canada than in other regions of Canada, approximately half of those who arrive in the region settle in the HRM: in each year of the 1996-2001 period over 1,600 new immigrants settled in the city.

Migrants from within Nova Scotia also contributed to the city region's growth. Statistics Canada (2008) indicates that for the period from 1997 to 2007 the average net loss of people leaving Nova Scotia for other provinces was 1366. However, as Spencer and Vinodrai (2009) note, more than half of the in-migration of creative workers came from other provinces during the 1996-2001 and 2001-2006 periods (see Figures).



Figures: Comparing in-migration of creative workers in Halifax to Canada (sources Spencer and Vinodrai, 2006, 2009)



Despite growing numbers of immigrants, respondents saw Halifax as culturally homogenous compared to larger centers. One noted that Halifax is "new at the whole immigration thing. If you compare us to Toronto or Vancouver, we are certainly not an ethnically diverse community and I am not sure that is a question the political leaders have been challenged to respond to" (Interview 23, staff, municipal cultural development). Another stated that "Halifax is less urban than its 400,000 people says that it should be. It's really a big collection of rural people throughout Atlantic Canada, and it changes who the city is" (Interview 17, staff, federal economic development). Respondents saw concerns about population decline as stimulating political and business interest to attract and retain youth and immigrants. Some saw retaining youth as an area of success: "We have one of the few cities in Canada that is actually keeping more of our youth than we're exporting to other areas, so I think some of the things that organizations are doing are obviously working" (Interview 2, manager, economic development association).

Integrating new immigrants was a complex policy and social concern. "I would personally like to see Halifax become more diverse. That's where the government plays a key role in their immigration strategies; enticements and barriers, or lack of barriers" (Interview 14, manager, provincial cultural development). "We don't have the large social networks that Toronto, or Montreal, or Vancouver would have - the culture, you speak the same language and all of that - so we need to be more welcoming" (Interview 2, manager, economic development association).

One respondent suggested the continuing economic and social marginalization of the African Nova Scotia community indicates racism ignored by local leadership. "The city is still divided by a racial line for God's sake. They talk about multiculturalism in this city and they haven't even resolved the pervasive issues" (Interview 7, manager, cultural development association). One respondent worried that lack of diversity among civic leadership prevents recognition of the barriers facing newcomers. "I don't think that we have caught up yet in terms of our diversity. Our civic leadership is not diverse. That's probably one of the reasons why they don't do a very good job of handling these issues" (Interview 6, manager, social development agency).

Many respondents spoke of the difficulties facing newcomers for whom English is not the first language. Difficulty with English may prevent access to services: "Even for us, it's difficult to figure out who's doing what. I couldn't imagine being a new immigrant to the place and having a challenge with English, trying to figure it out...It'd be a nightmare" (Interview 2, manager, economic development association).

A municipal staff member thought the HRM should adopt more sensitive policies towards non-native English speakers to facilitate access to services like permits (Interview 23, staff, municipal cultural development). Staff in provincial social development likewise observed that "Arabic is third most frequent language spoken in Nova Scotia but we don't have any services in Arabic" (Interview 25). Another provincial manager appreciated increasing diversity but stopped short of proposing service changes.

"I'm not so sure we have to change our structure to accommodate their languages, but we have to create structures that can help them evolve into the common languages. But we'd be silly to push their language out. We should foster their language and let them speak it, because it just makes us more diverse" (Interview 24, manager, provincial cultural development).

Respondents saw strong English language capacity as essential to obtaining employment; even functional English may not prove sufficient.

"Many times they do phone interviews for finance positions, which a lot of people seem to have experience in, but phone interviews for someone whose first language is Spanish is very difficult because they can't see lips, they can't get facial expressions and so it makes it even that much more difficult....A lot of people I've met are actually thinking of going back to Colombia, or to Peru because they don't want to work at the Casino anymore" (Interview 16, staff, provincial economic development).

Respondents frequently cited the Metropolitan Immigrant Settlement Association (MISA) as the "bridge from the country you left into Canada and in particular Nova Scotia" (Interview 1, manager, economic development association). The largest settlement service provider in Atlantic Canada, MISA earned glowing terms. "MISA is a tremendously valuable community resource...There's just so many other things that they do in helping people. That's one association that doesn't get enough recognition" (Interview 21, manager, municipal economic development).

Several respondents saw the job market in Nova Scotia as closed to newcomers and especially challenging for non-native English speakers. One respondent coming from the United States experienced difficulty job hunting despite extensive experience in his field.

"I found Nova Scotia quite provincial in the sense that all my references were a long distance phone call away. It was quite problematic. I didn't have somebody that they could just call up that they already knew and ask for a reference from me" (Interview 6, manager, social development agency).

Another respondent noted that the invisibility of the job market, where most jobs are never advertised, posed a problem for newcomers and for employers.

"An aspect of informal networks that we've found to be important is a challenge when it comes to hiring. For example, how people here do a lot of their hiring is through their informal networks. It's a challenge for a couple of reasons: for the people who are trying to get in and can't break into those networks, but also for the people who are doing the hiring in that way. As people go out west and there are fewer people to draw on, you have to relearn how you've been doing things" (Interview 4, staff, economic development association).

For immigrants from countries other than the United States, many respondents agreed "the biggest help for that scenario are the people already here from their country" (Interview 6, manager, social development agency). Respondents described the Greek and Lebanese communities as particularly strong with "a major impact on what the city looks like and how it feels" (Interview 4, staff, economic development association). Another respondent indicated that the Shambhala Buddhists, hundreds of whom relocated to Halifax from Colorado in the 1980s, had a significant impact in the business community. "I hear more and more about some organizations like the Shambhala group...There are a lot of significant business people who are a part of that community" (Interview 5, manager, economic development association). Clusters of migrants with shared language or religion help newcomers adapt.

Many respondents expressed concern about the long-term impact of economic barriers on Halifax's ability to complete on the international market for talent. The director for an economic development association (Interview 2) observed, "We're only going be successful attracting skilled immigrants if our businesses give them a chance". Respondents familiar with the labour needs of highly specialized industries discussed diverse ethnic communities as an amenity whose absence impacts their ability to recruit from some parts of the world.

"The work is here, the community isn't. It's very difficult and it's one of the HR issues that we see as being critical to the work of our industry is the ability to not only attract but retain highly qualified people from other countries" (Interview 5, manager, economic development association).

Failure of the business community to employ skilled workers from other countries was seen as a troubling sign at a time when Halifax was anticipating a labour shortage.

"I just think that we're slow to embrace the new. And we're suspect of anybody from away. And combine the two, and it gets scary. But with the way the economy is moving and the world is moving, we don't have time anymore. You know, if you can't be agile and ready to react to things right away, you're left behind" (Interview 5, manager, economic development association).

Several respondents saw attitudes and education as central to the problem. "In general, the business community just has a lack of cultural understanding what the needs of newcomers are and what they can offer to the region" (Interview 10, staff, cultural development association). One noted that disparity between perceived and actual behaviour may be stronger in a professional setting where employers are anxious to be perceived as providing equal opportunity.

"We still have this disconnect between what we say and what happens in practice. We see that in terms of the hiring of immigrants; even in our own survey work that we've done, when we ask, 'Would you consider hiring an immigrant?' 90% plus say, 'Yes, of course I'd consider it.' When we ask, 'Have you in the past two years hired an immigrant?' not very many have" (Interview 4, staff, economic development association).

Immigration Policies:

A high level of political interest in immigration during the past decade led to the creation of the *Nova Scotia Immigration Strategy* in 2005, a provincial document focused on attracting and retaining newcomers. One participant described the strategy as having stimulated increased collaboration between groups: "As issues get more profile and become more active, then people start to work together a lot more" (Interview 4, staff, economic development association).

Respondents gave several examples of successful programs for newcomer attraction, retention, and integration. One spoke of the HRDA's Community Sponsorship Program as championing or sponsoring potential immigrants; another mentioned the Provincial

Nominee Program as selecting candidates with a high probability of integrating successfully (Interview 16, staff, provincial economic development; Interview 21, manager, municipal economic development). The director of an economic development association noted that their organization is actively working with MISA to help newcomers overcome economic barriers through a work-experience placement program (Interview 2).

One municipal manager noted that creation of the HRM *Immigration Action Plan* in 2005 constituted a "tremendous success" (Interview 21, manager, municipal economic development). The HRM strategy aims to create and maintain a welcoming community for newcomers. As one provincial staff member observed, this is an ongoing challenge that cannot be met through special events or festivals.

"I think it has to happen in your day-to-day life for immigrants. Otherwise, they will find their neighbourhoods and there won't be integration. There'll be cultural event day such-and-such on August 10th or something" (Interview 15, staff, provincial social development).

Issues of foreign credential recognition contribute to professionals working in low-skilled positions. This may occur even in instances when newcomers immigrated on the basis of qualifications: "Newcomers want to integrate and bring experience from where they come from, but often the job they end up taking isn't the job that they are qualified to do" (Interview 10, staff, cultural development association).

"We're very heavily regulated in how people can be integrated into the workforce. You know, for aerospace and defence they have to have lived in a NATO country for 10 years before they can work in the sector in order to get certain security levels. The same with healthcare: sometimes people have to almost re-take their courses and their degrees over again. I think government needs to look at changes to that" (Interview 2, manager, economic development association).

Few participants spoke of the ways newcomers participate in political decision-making. Respondents spoke of immigrants as targeted by policies rather than agents in its creation. One government staffer linked this to the insider/outsider issue: "It takes a long time to gain the confidence of people, of decision makers, of policy makers. They're more confident in people that they've been dealing with for a long time" (Interview 17, economic development agency). One respondent expressed discomfort with the government's portrayal of the economic utility of immigrants in the Canadian labour market.

"I personally think it must be very offensive to come here and hear all this patronizing talk, 'You are our future. We really need and want immigrants.' To want and receive more refugees this is a creative force in our community but then they never turn and open the doors" (Interview 26, elected official).

One respondent suggested the city adopt a more interactive approach to managing diversity. "It isn't sufficient to just teach them about our culture, and integrate them into

our culture. I think we need to give them a sense of belonging by allowing them to contribute to the community" (Interview 15, staff, provincial social development).

Government and Power Sharing:

David Wolfe argues that power sharing between public and private agencies contributes to effective public policy:

"Local associations often possess relevant assets, such as knowledge of, and credibility with, their members, which the public sector needs to ensure the effective implementation of its policies. The sharing of power with a broad range of actors creates the opportunity for more meaningful dialogue to take place at the regional and local levels, which is central to the process by which parties come to reinterpret themselves and their relationships within the local economy" (Wolfe, 2009a, 14)

Respondents described government as engaging the private sector through three types of power sharing: consultation, partnership, and empowerment. The private sector attempts to influence government policy by lobbying, either as individual groups or through coalitions. Some respondents discussed increasing emphasis in recent years on co-operation between levels of government and across departments, though opinions on government coordination varied.

Questions about civic governance and innovation elicited different perspectives as to the basic purpose of government. For example, a staff member of an economic development association (Interview 4) saw government's role as "creating a good environment for business and letting businesses do the rest". A volunteer board member for a social development organization (Interview 12) believed government's "first responsibility is to the people, and *then* worrying about the bottom line".

Respondents in economic development argued that government should not compete with private sector interests. Few saw competition as a current problem, though one respondent believed the province intervened too much in the economy (Interview 16, staff, provincial economic development). Municipal development guidelines proved of greater concern to economic development respondents. One saw the HRM as setting "traps for developers" by selling downtown properties and refusing to issue development permits (Interview 3, staff, economic development association). Some stated that the new development guidelines (called HRMbyDesign), which the municipality was in the process of creating, could improve the situation by providing greater clarity. "If people know going in when they're doing development, I think that that makes it easier for them to innovate, because they have a sense of what they can and can't do (Interview 4, staff, economic development association).

Respondents cited the ability to lobby informally as an advantage to working in a smaller urban centre. The manager of an economic development association (Interview 5) noted that her group will "use whatever mechanism is available" to make their views known,

adding that "I've been literally known to walk around with my cart and it's been mentioned several times, 'Oh there's [the interviewee's name]. She chases me in the grocery store and I have to just listen to her because she's embarrassing". Public sector respondents had a positive view of strategic lobbying by NGO coalitions, noting it is far easier for government to interact with one representative than numerous independent actors. One municipal staffer cited the HRM (2006a) *Regional Plan* as an example of where "lobbying and challenging public policy" by a citizens group was effective in "moving HRM to the next level" of action (Interview 23, staff, municipal cultural development). Another municipal manager provided a pre-amalgamation example, recalling that in 1994 "there was a very loosely knit coalition of environmental and community groups and just plain citizen activists, who were the 'nuts and bolts' behind the development). The strategy adopted has been studied worldwide as a leading model in sustainable waste management.³

Her own organization having been involved in creating the HRM plan, one respondent felt "the city's done an excellent job in the last number of years involving different people and groups in the development of plans and activities" (Interview 4, staff, economic development association). Most respondents, however, had less positive experiences.

"I don't think anybody right now is overtly involved in local development strategies because they tend to take place behind closed doors" (Interview 5, manager, economic development association).

"It's the same people that turn up at these things. Even in the HRM planning process they found it very difficult to get a variety of people out. They just weren't communicating with groups in a way that they needed to be communicated with" (Interview 10, staff, cultural development association).

Some NGOs choose direct action when they are not consulted, or when they disagree with new policy. "Within hours we can react to a given piece of legislation or an announcement. We can mobilize extremely quickly" (Interview 12, volunteer, social development association). Respondents from the municipal government had mixed views on whether public criticism makes them more effective in their roles or leads to changes in policy.

"Local associations challenge government in terms of how we deliver a program, how we implement our policies. In that sense you could say they have made our job difficult because they will step forward and go to the media or council if we're not doing our job" (Interview 23, staff, municipal cultural development). "NGOs get themselves into a little bit of trouble because they very passionately believe in what they're interested in and tend to try to force decisions when they

³ Morgan provides an interesting parallel example from Wales, where collaboration between government agencies enabled an integrated regional sustainable waste management system. Morgan notes that "Arguably it is here, in sustainable waste management, that the case for the city-region is strongest of all"

as cost and benefits distribute among different levels of government (Morgan, 2006, 25).

are not the ones who ultimately are held accountable" (Interview 21, manager, municipal economic development).

Government respondents observed that community consultation has become an entrenched value in the public service. "It's the only way forward; the other way forward is to become a dictator and say 'that's how it is'. That doesn't work anymore" (Interview 19, manager, federal economic development). Government respondents recognized the value of involving NGOs.

"Local organizations are integral in two directions; for flowing information and advice up to government, and then at the end of the day they are going to be the recipients and participants in the actual program in development. So you need their concurrence and full cooperation" (Interview 17, staff, federal economic development).

Policy-makers characterized cultural and social development agencies as a resource whose grassroots connections and first-hand knowledge of the issues at stake was "their strongest card" (Interview 6, manager, social development association). "The key thing is to engage with these groups in consultation, make sure it's reflecting real needs and realities" (Interview 20, manager, provincial economic development). Consultations can help government assess community response to difficult choices. "There are no right or wrong answers to developing public policy. It's often a matter of trade-offs" (Interview 21, manager, municipal economic development).

Some respondents expressed frustration with what they saw as consultation without results. The director of a cultural development association (Interview 7) explained the sense of futility that developed around the consultation process:

"If you talk to a lot of the people who have been involved in the arts in Halifax or in Nova Scotia for a certain amount of years, they have been faced with these issues: certain issues again and again and again. They have provided their expertise on a volunteer basis over and over because they are trying to make a better situation. They know what will work. They are the people who are working and are skilled and yet they are having extreme difficulty actually getting action to happen. There's a large burnout rate".

Most respondents felt that government strategies for consultation needed improvement. Frequency was not perceived as the problem. "People always like to say we need to communicate more or whatever, but we're almost getting to the stage of over communication: too many meetings" (Interview 20, staff, provincial economic development). The quality of consultation proved more significant to respondents than the quantity.

Respondents expressed concerns about whether consultations can or should include all stakeholders. Many respondents identified the large number of active non-profit agencies ("a cast of thousands" (Interview 18, staff, provincial economic development) as an ongoing issue. The number of stakeholders may seem overwhelming: "I'm a huge fan of the consultation process, but sometimes they just get out of control" (Interview 5,

manager, economic development association). One respondent observed that coordination of shared interests within the NGO community facilitated effective consultation with government. Since his group "has many, many stakeholders, we do our own efforts to bring those stakeholders together," he speculated on the potential for other "forums or policies that could facilitate that sort of collaboration" (Interview 15, staff, provincial social development).

Respondents linked partnerships to the funding relationship between organizations and government. For example, one government respondent described his department as "partnering more and more with other government agencies, primarily because we're going to them for money" (Interview 24, manager, provincial cultural development). Public sector respondents reported increased partnerships with non-governmental agencies:

"There's been an evolution where we used to 'do'; we would develop the policy and then also be the delivery agents and the doers. We have shifted more towards making policy, managing programs and then partnering with third parties, whether it be the private sector or community groups" (Interview 20, manager, provincial economic development).

Association respondents less commonly reported having partnerships with public agencies, likely because the interview schedule for associations did not include a question to this effect. Those in public-private partnerships viewed them as positive exchanges, though potentially requiring compromise. A respondent from one organization involved in a partnership with government noted that when "the city put out a moratorium on development we supported that at some expense to our position with respect to our member companies" (Interview 4, staff, economic development association). Partnering with government may involve some risks to associations by influencing their positions and agendas.

When government has the funds, sets the policies, and fixes the parameters for projects, the partnerships that may result prove far from equal. While government respondents describe policy changes as opening space for the non-government sector to act, critics of neoliberalism might argue that partnerships create a new form of dependence for non-government associations with precarious financing.

Respondents from all sectors suggested that government should empower local organizations to meet objectives by providing expertise and resources rather than developing and operating programs themselves. Respondents saw a top-down approach to community development as ineffective: "Governments can't 'do' or solve. At least in this sphere of economic development, it really has to be up to local groups and agencies" (Interview 20, manager, provincial economic development). Most public sector respondents welcomed this shift and saw it as a more effective model of service delivery. As one staff member for a provincial social development agency stated, every local organization "has to come to grips with its own objectives and is best suited to develop its own strategy to get there" (Interview 15).

Discrepancies emerged in how public sector respondents from different agencies or departments understood their leadership role. For example, a staff member for a federal economic development agency had what he termed a "visionary" view of government, in which public agencies liaise between communities and sectors (Interview 17). A provincial staff member proposed a more active role in which the government encourages innovation by providing policy incentives: "I think policy should be a carrot approach" (Interview 18, staff, provincial economic development). A respondent from the economic sector stressed that government provides the guiding vision. "They really have to bring the minds to the table. They have to listen to business. They have to listen to the universities. But I think what they really have to do is show leadership" (Interview 2, manager, economic development association).

Public sector respondents reported working with colleagues in other departments and agencies "out of necessity, because the issues are big issues and affect everybody" (Interview 14, manager, provincial cultural development). A federal manager called for a 'horizontal' strategy that cuts across departments. "The issues that are in front of us are so complex that it touches several government departments in one run" (Interview 19, manager, federal economic development).

Though respondents from public agencies described good working relationships with their colleagues at other levels of government, private sector respondents perceived little to no coordination between public agencies. The manager for an economic development association (Interview 13) observed that the three tiers of government "very much work in isolation of each other, and more times than not in competition with each other". The manager for a cultural development association (Interview 7) observed that the province seemed "hesitant" to work with the city, while the manager of a cultural development association (Interview 8) reported that HRM has "often been at odds" with the provincial government. This respondent noted that poor communication between public bodies complicates NGO efforts to innovate:

"Often a problem in trying to make things happen is that you're just dealing with three levels of government that all operate in very different ways, may or may not talk to each other, and may or may not even get along" (Interview 8).

Respondents from the cultural development sector in particular described the lack of intergovernmental cooperation as an issue. A municipal staffer working on the cultural strategy (Interview 23) noted that "we don't have a tri-government or a three-level government commission or organization that some other cities have" and suggested that this limits the creative resources available to policy-makers. A respondent involved in creating both the HRM *Cultural Strategy* and the provincial *Heritage Strategy* likewise noted that coordinating the two strategies would have made sense but didn't believe it had happened (Interview 10, staff, cultural development association).

Respondents perceived federal agencies as less engaged in the community than their local or provincial counterparts. One federal manager reported having heard this criticism from stakeholders in the past. "It is often said to us that as a federal organization we set our mandate and our priorities and once that is finished we come to the table and say 'now

we can talk; we have already decided what our priorities are'." Though conscious that the federal government "should probably to some extent go and talk [to communities] earlier" in the process, the respondent said that doing so "makes it even more complicated" to set priorities (Interview 19, manager, federal economic development).

Several respondents saw Halifax's physical isolation from the political centres of Canada as disconnecting it from the national policy agenda.

"One of the major problems with the federal government is that policy is set in Ottawa, and Ottawa is isolated. We do a fairly good job in the region of working with community groups and consulting them, but we actually don't have a whole lot of influence over the ultimate policy that gets decided" (Interview 17, staff, federal economic development).

This respondent further noted that the unique trade relationship Nova Scotia has with the eastern United States may not receive due consideration in national policy.

Constraints on Civic Governance:

Respondents saw collaboration with other agencies as positive-sum game that saved time and resources, yet few provided current examples of effective projects. Many expressed the desire to connect with other agencies but faced financial, physical, and human resource limitations in trying to do so. Respondents noted that practical issues, like the workspace location, affected participation in social and professional networks, a key component of civic capital.

Respondents from social and cultural agencies interviewed believed HRM failed to recognize the needs and contributions of their sectors. One respondent noted that local artists and organizations often remained unaware of each other because they are "literally squirreled away in the nooks and crannies that they can afford. The HRM won't make those spaces affordable" (Interview 8, manager, cultural development association). Another said that the city-administered listserv HRM Arts, where cultural organizations post and discuss events, shows how little it takes to connect agencies.

"All the city did was put that mechanism in place, but I would say that has been extremely successful in terms of just letting us all know what's going on, which then gets passed on even further because we all have our own separate networks" (Interview 7, manager, cultural development association).

David Wolfe observes that civic capital "can be created, and the basis for doing so is the establishment of collaborative networks between various elements of the business and civic communities" (Wolfe, 2009, 19). One respondent likewise said that "Networks are more of a public good as there's not a private interest to support them" (Interview 15, staff, provincial social development). Yet, as a federal government staff member explained, public policy often recognizes the value of business-oriented social capital while overlooking its civic counterpart.

"The word 'innovation' just means process; a process of what? Government struggled with that for a long time. In 2002 the federal government created a

national innovation strategy, but it is a commercial, business innovation strategy. That's what we're still working on and we would consider that different from the networking and community development" (Interview 17, staff, federal economic development).

Respondents cited time constraints as an issue in all areas of operation; one called time the "biggest competitor this association has" (Interview 1, manager, economic development association). A federal manager observed "every local organization I interact with is way too busy and says 'Oh this is a great idea, *but*....' And if they came to me I might say the same thing because we all have too many things on our plate" (Interview 19, manager, federal economic development). Requests to participate on volunteer boards and committees can seem overwhelming: "Voluntary...God, everything is voluntary isn't it? The Chamber of Commerce, which we are a member of, is essentially voluntary. Mostly everything is voluntary" (Interview 22, manager, provincial economic development).

Respondents noted that a core group of community leaders often head up initiatives: "It seems to fall to the same people, who just shift hats" (Interview 8, manager, cultural development association). Many admired community champions but worried about the long-term impact of relying on a few individuals. "When you get one or two champions within the community that are volunteering they get burnt out" (Interview 23, staff, municipal cultural development). One respondent thought burnout more acute in rural areas of the HRM. "You get outside of Halifax and there is a dearth of capable volunteers...You end up having the same group of 10 people that you consult with all the time on the same issues" (Interview 17, staff, federal economic development).

Some agencies join coalitions or interest groups in order to optimize their time. As the manager of a social development agency (Interview 6) explained, "strategic membership in coalitions is a really good way to talk to other people who are very experienced with lobbying and to participate in planning things without necessarily having to go to all of them or be the one to administer them". The reported success rate of coalitions varied. One respondent from the cultural sector (Interview 7) described her community as having "lost a lot of players" as people have become frustrated by the slow pace of change. "They have gone elsewhere because there just haven't been the things to happen in order for things to go forward in cultural development".

In a paper exploring the local geography of social capital, Mark Lorenzen (2007) noted that social relations cluster in specific places: proximity matters. Respondents reported proximity of workplace as significant in initiating and maintaining social relations. Several respondents from different levels of government observed that clustering offices facilitates social and professional relationships. As one explained,

"The three levels of government work quite well together. We are all on the same street, we all know each other, we all go bowling together and go for coffee together, so the personal relationships are very strong" (Interview 17, staff, economic development).

Many NGO respondents recognized the geographic determinants of social capital. However, as the director for a cultural development association (Interview 7) explained, downtown office space is beyond the means of many agencies.

"There have been some organizations that do have physical spaces in the city, but capital funds have always been really difficult to acquire in order to do anything major. So it seems only the really big organizations can access that".

The respondent noted that in addition to the higher price of downtown real estate, the HRM "charges any artist in this city who is renting space in a commercial building-- non-residential building -- the business occupancy tax. There's no way [artists can afford that]" The respondent suggested that the city could address this through policy that "recognizes the distinction between what a commercial space is and what a studio space is."

Other respondents expressed frustration with the amount and quality of space available to artists:

"There's very little space in this town for performance, for theatre companies, that people want to put a show together and present it at a place that people aren't afraid to go to after dark or don't feel is a gloomy little hole in the wall. That doesn't seem to be addressed, either by the province or by HRM. So the arts are forced to hide out in dark corners, and because they're hiding out in dark corners, that really reduces the amount of communication...You know, "You have a photocopier, we need a photocopier, why don't we give you money so we can use your photocopier? In fact, why don't we just share office space?" (Interview 8, manager, cultural development association)

Wolfe (2009, 20) notes that lack of funding often impedes governance–based approaches, particularly when no government takes responsibility for the success of the initiative. Many respondents reported limited financial resources as preventing innovation and/or collaboration within their sector. One respondent working in economic development observed that the smaller research and development companies "don't have the opportunity to say, 'Okay, let's invest half a million and see what we get out of it.' No they can't, because half a million means immediately they can't do anything else" (Interview 19, manager, federal economic development).

All respondents believed government should provide some services and/or support to private agencies, with cultural and social agencies most likely to cite inadequate public financing as a concern:

"We have this really huge creative community in this province; it definitely is disproportionate to any other province. That means the public investment has to be disproportionate, and yet it's just the opposite: it's less than it should be. It's less at the federal level, it's less at the provincial level, and it's definitely less at the municipal level. So that's one of the challenges that we're trying to erase" (Interview 24, manager, provincial cultural development).

NGOs noted decreasing availability of core funding posed a challenge to their long-term viability. "It's very difficult. A lot of government organizations just give you money for

specific projects" (Interview 16, staff, provincial economic development). As "groups are asked to do more and more with less and less" (Interview 23, staff, municipal cultural development), they must use resources to meet short-term objectives rather than build organizational capacity. Their larger objectives get sacrificed to immediate government priorities and agendas.

Some government respondents saw the funding cycle as comprising relationships between agencies and associations:

"You don't have organizations that have a business plan beyond the current government calendar year. It's a challenge in terms of long-term development goals, because you can't really commit to them. You just never know how long they'll be around" (Interview 5, manager, economic development association).

One HRM manager felt the municipality "needs to use and build better relationships with organizations already in the community" before encouraging the development of new agencies (Interview 21, manager, municipal economic development). Another noted having many development agencies with similar mandates "is less effective at the formal level because they are competing for money" (Interview 23, staff, municipal cultural development). A provincial staffer put it in simple terms: "When you come from a family of five kids, there's only so much love that can go around" (Interview 18, staff, provincial economic development).

One respondent characterized intra-regional competition for funding as "fighting over crumbs rather than working together to build the pie" (Interview 2, manager, economic development association). The respondent suggested that when the Greater Halifax Partnership merged with HRDA it enhanced its development impact. Some noted that multiple service providers might render services less accessible to the public. "It can be daunting if you're a business person looking for help. It's hard to know where you're supposed to go, who offers what" (Interview 4, staff, economic development association).⁴

The director of a social development association (Interview 6) shared her experience trying to represent her members while maintaining positive relationships with funding bodies.

"We do have members that think we're too much in the pockets of the senior Community Services and there's some truth in that. It's important for us to have a

⁴ One respondent thought entrepreneurs in rural Nova Scotia face additional barriers: "A lot of clients that we deal with who are in the rural communities still have very limited education levels or very limited communication levelI can only imagine the number that start their businesses or look into it without ever contacting *any* government organization." The respondent speculated that informal networks might serve to fill this gap in the system. "A lot of times they'll look to those networks and other businesspeople to get information and then they just might call to do the things they *have* to do like register your business name" (Interview 16, staff, provincial economic development).

working relationship for many reasons... It makes it more difficult to do that part of our work if we're too strident with our social justice policy".

Respondents described reliance on public funds as constraining creative and political independence. A provincial manager noted decisions about content in the film and television industry often depend on cultural policy since "so much of their funding comes from the provincial and federal governments" (Interview 14, provincial cultural development). Public sector respondent saw poor corporate support and limited private investment as "one of the challenges in Nova Scotia's cultural development" (Interview 24, manager, provincial cultural development).

Employees from the provincial and federal government understood that publicly funded agencies are less able or willing to criticize government. Independent associations have greater ability to seek their own interests.

"We deal with some groups that don't want any government funding...You know, they want to be independent so they can represent their own voice" (Interview 20, manager, provincial economic development).

"Our community groups tend to be unfunded and to the extent that they're selffunding, that changes the power structure in the relationship between government and community. ...As opposed to "Here's what I think your policy should be," it's "Would you please consider this?" (Interview 17, staff, federal economic development)

Government managers and economic development representatives generally identified the problems with associational effectiveness as belonging to the associations: viz., competing with each other for project funding or clients. An alternative explanation might suggest that by shaping and reshaping the attention of civic association staff on a continuing basis the government system and funding processes undermine the ability of associations to engage meaningfully in civic governance. Associations chronically engaged in seeking funding have few resources to devote to social or cultural innovation. While associations in the economic development sector tend to be financially secured through the memberships of businesses with reasonably deep pockets, associations trying to support social and cultural development rarely have adequate resources to pursue their members' interests unimpeded by financial worries.

Local Competitive Advantage:

Growth of knowledge-based industries has changed the nature of Nova Scotia's competitive advantage. At one time, Halifax served primary industries and resource extraction. As a respondent noted, however, "The day of fish and lumber is gone" (Interview 15, staff, provincial social development).

Maskell and Malmberg (1999) suggested that four components comprise a region's unique asset base. These *localized capabilities* include 1) the natural resources available by means of proximity or trade; 2) infrastructure and the built environment; 3) human

capital such as workers' knowledge and skills; and 4) regional 'institutional endowment.' The latter encompasses formal institutions but also socio-cultural factors such as

"All the rules, practices, routines, habits, traditions, customs and conventions... the entrepreneurial spirit, the moral beliefs, the political traditions and decisionmaking practices, the culture, the religion and other basic values characterizing the region" (Maskell and Malmberg, 1999, 173).

Respondents named at least three localized capabilities that support economic, social, and cultural growth in the HRM. First, Halifax's coastal location provides a beautiful natural environment that attracts creative individuals, and facilitates local connections to global markets. The natural environment drew cultural and artistic workers to the region, and the vibrant cultural sector attracted other creative workers to the city region. Second, the many universities and colleges bring in international talent, produce skilled workers, and act as a bridging agent between public agencies and private firms. Third, a strong community of civic entrepreneurs enables quick response to exceptional opportunity or crisis. These three factors draw on multiple local capability types, demonstrating what Maskell and Malmberg call the "inter-connectedness of asset stocks" (1999, 177).

Respondents saw cultural development as central to the economic future of the HRM: "Culture is on everybody's agenda now. It's not some frivolous little side bar in society: it's become a corner stone to growth" (Interview 24, manager, provincial cultural development). Some observed that artists seek the combination of rural and urban lifestyles that Nova Scotia affords. "Especially the film industry, we've had some really successful film makers just get tired of the rat race whether it's in Toronto or Los Angeles, and they've moved to Nova Scotia for what they call 'quality of life'" (Interview 14, manager, provincial cultural development).

Less established artists drawn to Halifax's quality of life find employment in established industries such as film and television; respondents described a virtuous circle in which the presence of creative workers contributes to the vitality of these sectors. As one pointed out, the "infrastructure of artists and crew people and performers and crafts people already established here" provides a critical mass of human capital.

"So we need to make sure that there's enough going on here, enough support for that community to keep them here, to keep those companies functioning. The last thing we want is them packing up and moving to Toronto because that's where the majority of the industry is" (Interview 8, manager, cultural development association).

A few respondents expressed concern about the institutional capabilities of particular creative sectors; for example, one provincial manager thought that while the local music industry has a lot of talent, "the business acumen and the business infrastructure is not there", by contrast with the film and television industry (Interview 14, manager, provincial cultural development).

As a location of choice for artists, Nova Scotia exports many cultural goods. A manager in provincial cultural development (Interview 14) explained that his department travels to

"international marketing events and has a physical presence there so that our clients can network with people". Officials hoped to retain highly artistic individuals in the province by linking them to international markets.

"We say to artisans every day -- I say this to creators, whether they're visual artists or artists, craft people, artisans, musicians, writers, any element in the cultural sector: you can live here and you can sell there. You sell either in New York City or you sell in Boston or you sell in Chicago or you sell in Edinburgh or you sell in Glasgow or you sell in Germany or you sell in Dublin, and they do. They all sell there, and they create connections and relationships and those are their markets, and they don't have to leave here. They'd be taxpayers here, and in the mean time they're out telling the whole world" (Interview 24, manager, provincial cultural development).

Respondents in economic development stressed the importance of global markets to all knowledge-based industries seeking to expand the client base. "We have expertise here in the province, but we want to get them to markets where they can get contracts. The work is not here, so we're bringing the cash into the province" (Interview 18, staff, provincial economic development).

Many respondents noted that the universities play a major role in attracting and nurturing talent that leads to innovation. One staff member for as federal economic development agency (Interview 19) stated that his group collaborates with most of the universities in Nova Scotia, either by having staff who teach or by employing students as research assistants. A provincial economic developer staff person (Interview 18) called the HRM's highly educated work force its "number one asset," ready to be "packaged up and sold to prospective companies looking to set up operation". A municipal manager reported that the city has now "developed a Memorandum of Understanding with both the universities and with the community colleges" in an attempt to retain graduating students (Interview 21, manager, municipal economic development).

Researchers and staff provide critical soft infrastructure for the regional economy. "The universities bring the people with the skill sets. So while they're not involved in economic development, certainly they play a big role with people" (Interview 18, staff, provincial economic development). One federal manager noted that his agency provided primarily shared funding in order to encourage partnerships with the private sector. "Universities will only get between 40 and 60% of the dollars – they have to find the rest themselves" (Interview 19, manager, federal economic development). Through partnering with public and private agencies, the universities may bridge the gap between sectors. Some respondents felt, however, that public agencies could make greater efforts to connect the universities and professional networks to the larger community:

"The underutilization of our universities and our professionals is a part of the community's ghettoization...I don't want to sound like I'm utterly despairing because there are some good and inspired projects. But that happens more by default than by design, and that isn't enough" (Interview 26, elected official).

Civic Entrepreneurs:

Some respondents identified a core group of actors -- mostly from the business community --as playing a central role in the economic development of the city. One respondent called this group the "entrepreneurial class," describing them as "very dynamic, energetic, and active... They certainly have great influence on the activities of our association, the economy of the city and the province" (Interview 10, staff, cultural development association). Another said such people may operate "under the radar, but they are doing a lot for innovation. When we have a company that we think has very high potential, I know exactly where it is that I am going to take that company in Halifax...So those people, too many to list, are measured in tens" (Interview 22, manager, provincial economic development agencies and university presidents as community leaders. Municipal political leaders rarely received plaudits.

Wolfe (2009b) argues that such community leaders or 'civic entrepreneurs' play an important role in developing civic capital and stimulating economic growth.

"Civic entrepreneurs can bond members of a community to coalesce and formalize coalitions based on shared identities and interests. However, their most important role is in *bridging* the gap between communities and between the local governments and community actors. Civic entrepreneurs understand the importance of collaboration; they bring business, the community and government together to set and achieve long-term development goals. They can emerge from any sector of society – business, government, education and community organizations – but share similar characteristics of visionary leadership, charismatic personalities, interest in building the economic region and commitment to collaborative solutions." (Wolfe, 2009b, 184)

Asked to identify examples of innovation facilitated by collaboration, several respondents mentioned the decision of the company Research-in-Motion to expand into Nova Scotia in 2005 as the success of a coalition of business and government leaders under the banner Team Nova Scotia. "There are examples where we have put together things like Team Nova Scotia to tackle different projects and the cool thing here is there is no single organization saying, 'I did this.' It's, 'We did it'" (Interview 22, manager, provincial economic development). Pre-existing social and business networks allowed rapid deployment of a high profile group, including the Premier, to meet with RIM executives and persuade them that Nova Scotia would welcome their project.

Other examples of successful collaboration included the response to Hurricane Juan (Interview 4, staff, economic development association) and hosting the Juno Awards (Interview 24, manager, provincial cultural development). One respondent observed, "It tends to be more on specific issues that people come together, as opposed to the more holistic approach to how we're going to develop our community" (Interview 4, staff, economic development association). Several respondents noted that most agencies seemed willing to set aside differences to achieve a shared objective:

"Even though people have different mandates, those mandates have enough overlap that there's competition. But I've seen people just throw that aside on an issue, and just work well together" (Interview 5, manager, economic development association).

"When a real problem happens, you'll see the key players around the table put aside their differences. We've actually had comments made about that from businesses from outside that have come down and said, 'Wow, you people really do work together well'" (Interview 20, manager, provincial economic development).

Reports of civic entrepreneurship in the social and cultural sectors reflected a broader base of participants with less overlap of nominations from different respondents. The leader of a large charitable organization was mentioned by some as a leader in social development, and the president of a cultural institution was seen as influential in cultural development. Generally respondents in social and cultural development sectors pointed to collaboration and cooperation among groups more commonly than to specific individual leaders as the roots of innovation. The director for a social development association (Interview 6) described a current project, the Affordable Energy Coalition, as "One of the most broad-ranging coalitions I've ever been involved with. They have church groups, women's groups, people like us, professional associations and anti-poverty groups because we are dealing with fuel poverty in Nova Scotia". The respondent saw group cohesion as especially impressive given that members held divergent views on energy policy.

Respondents in all sectors expressed optimism about the successes that they had achieved through cooperation and anticipated greater interest in future collaborations. "We have tasted victory three or four times now. I just see that getting more and more powerful" (Interview 22, manager, provincial economic development). One respondent noted that successful collaboration builds resilience: "The strength of a community that has pride is that it recognizes opportunity and acts on the opportunity more often, but also has a better chance of sustaining the dips when they happen as well" (Interview 13, manager, economic development).

Concluding Notes:

The concluding notes offer preliminary thoughts about a series of questions related to the hypotheses of the Theme 3 study.

How did respondents characterize Halifax's political, cultural and social climate? Respondents described Halifax as a friendly but conservative city where new ideas often met resistance. While amalgamation facilitated rational decision making about the city region, some thought it increased political incentives to invest in rural areas rather than in downtown Halifax. Parochial politics in 2006 rendered left-leaning urban areas vulnerable in a province then led by conservatives. Respondents described social and professional networks as effective in facilitating collaboration between insiders but difficult to penetrate for newcomers and those lacking civic capital. Respondents expressed a desire for greater population diversity but believed immigrants faced cultural and political barriers when seeking employment and social integration in HRM.

How did agencies communicate, cooperate, and share power?

Government respondents described themselves as sharing power in several forms: setting objectives, developing projects, or providing funding to implement strategies. In HRM, private sector respondents reported lobbying government in social settings, through formal channels, and in coalition with other agencies. Most public sector respondents saw intergovernmental relations as healthy, but those outside government observed little cooperation between public agencies. Funding programs and processes rendered social and cultural associations vulnerable to government priorities and agendas: the discourse of empowerment belied a reality of dependence. While examples like the Seaport Redevelopment project revealed some power sharing, respondents suggested that government retained considerable power.

What prevented or enabled collaboration?

Respondents saw Halifax's strong networks as aiding collaboration though sometimes constrained by resources. Particularly in social and cultural development sectors, lack of physical, financial, human and political capital discouraged innovation and encouraged competition among agencies. Specific regional assets included a beautiful natural setting that attracted creative workers, proximity to global markets, a disproportionately large number of universities and research institutions, and a core group of citizens committed to the long-term vitality of the city.

Did respondents see collaborative leadership and associative governance as having developed in Halifax?

Respondents in economic development saw HRM agencies as fairly adept at utilizing a civic governance approach to achieve growth. Many cited strong interpersonal connections between business and institutional leaders as a determining factor in past successes. Examples of high-level civic engagement, such as Team Nova Scotia's pursuit of RIM, depended on a level of trust and communication enabled by tight social and professional networks. Yet respondents expressed concerns that few civic entrepreneurs take on many roles in the community. The associative governance that has developed proved relatively limited and project specific. Social and cultural development representatives felt largely excluded from some decision processes: engaging them more fully in associative governance requires an investment governments have not made. Respondents also acknowledged the challenge of including newcomers in a context where the dominant political culture remained relatively conservative and risk-adverse.

Did respondents see economic growth and innovation as linked to associative governance?

Local government created panels of economic, social, and cultural leaders to formulate the economic development strategy, the cultural strategy, the immigration strategy, and the urban design strategy. Notions of collaboration, inclusivity, and innovation permeate HRM documents as they do planning and development documents in cities across Canada. Plans and policies promote ideas of associative governance. At the same time, however, the interviews indicated that many in the social and cultural development sectors felt alienated from decision processes and under-appreciated. They lacked the financial resources and the space to play the roles they sought. They saw their ability to innovate and contribute to economic, social, and cultural development as limited by the ways in which government dealt with them. As a manager of a cultural development association (Interview 7) said, "If your work isn't considered valuable, it's very difficult to continue to do what you do".

Statistics suggest that HRM is economically successful. It is one of Canada's 10 regional hubs, scoring especially strongly in educational achievement and creative employment (Spencer and Vinodrai, 2009). The Halifax case study indicated that most respondents accepted the premises of the research: namely, that associative governance that facilitates civic entrepreneurship would stimulate economic, social, and cultural development. Yet the interviews also revealed HRM's imperfections. Practice failed to live up to the expectations of many respondents. Halifax was not as inclusive and welcoming as respondents expected it should be. Social and cultural development agents felt side-lined by a system committed to old-fashioned economic performance. The HRM case provides little support for the primary hypothesis of the study: that economic performance depends on the ability of the city region to generate effective new forms of associative governance. To some extent, it seems that Halifax's successes may have come in spite of a legacy of political conservatism and weak associative governance.

REFERENCES

Bradford, Neil. 2003. Cities and Communities that Work: Innovative Practices, Enabling Policies. *CPRN Discussion Paper F/32*. Ottawa: Canadian Policy Research Networks. Available at. <u>http://www.cprn.ca/doc.cfm?doc=318&l=en</u>

Florida, Richard. 2002. The Rise of the Creative Class and How It's Transforming Work. Leisure, Community, and Everyday Life. New York: Basic Books.

Florida, Richard. 2005. Cities and the Creative Class. New York: Routledge

Gertler, Meric and Tara Vinodrai. 2004. *Competing on Creativity: Focus on Halifax*. Report to the Greater Halifax Partnership, Halifax. Available at http://www.greaterhalifax.com/en/home/about_the_partnership/creativity.aspx

Grant, Jill L, Robyn Holme, Aaron Pettman. 2008. Global theory and local practice in planning in Halifax: The Seaport redevelopment. *Planning, Practice and Research* 23,4, pp 517-32

Halifax Regional Municipality. 2004. *Employment, Population and Housing Projections Halifax Regional Municipality.* Prepared by Clayton Research Associates and Cantwell & Company Consulting. Available at

http://www.halifax.ca/regionalplanning/publications/documents/HRMProjections_001.pdf

Halifax Regional Municipality. 2005a. Strategies for Success: Halifax Regional Municipality's

Economic Development Strategy 2005 – 2010. Available at <u>http://www.halifax.ca/EconomicStrategy/EconomicStrategy.html</u>

Halifax Regional Municipality. 2005b. *Immigration Action Plan*. Available at http://www.halifax.ca/Council/agendasc/documents/ActionPlanSept05_WebRes.pdf

Halifax Regional Municipality. 2005c. Economic Strategy Advisory Committee. http://www.halifax.ca/EconomicStrategy/AdvisoryCommittee.html

Halifax Regional Municipality. 2006a. *Regional Plan*. Available at http://www.halifax.ca/regionalplanning/FinalRegPlan.html

Halifax Regional Municipality. 2006b. *HRM Cultural Plan*. Available at http://www.halifax.ca/culturalplan/documents/CulturalPlan112007.pdf

Halifax Regional Municipality. 2009. *HRMbyDesign. Urban Design Plan.* Available at <u>http://www.halifax.ca/CapitalDistrict/RegionalCentreUrbanDesignStudy.html</u>

Holme, Robyn. 2006. *Social Networks in the Seaport Redevelopment in Halifax*. Master's Project, School of Planning, Dalhousie University, Halifax.

Lorenzen, M. 2007. Social capital and localised learning: Proximity and place. Technological and institutional dynamics. *Urban Studies*, 44,4, pp 799–817.

Maskell, P. & Malmberg, A. 1999. Localised learning and industrial competitiveness. *Cambridge Journal of Economics*, 23, 167–85.

Morgan, Kevin. 2006. The Challenge of Polycentric Planning: Cardiff as Capital City-Region? *Papers in Planning Research 185*. Cardiff University: Cardiff School of City and Regional Planning. Available at

http://www.cardiff.ac.uk/cplan/research/publications/workingpapers/challengeofpolycentricplanning.html

Nelles, Jen. 2007. Civic capital and governance in the Waterloo region. Presentation to the ONRIS Annual meeting, November 15. Available online at <u>http://www.utoronto.ca/onris/research_review/Presentations/PresentationDOCS/Presentations07/</u><u>Nelles07%20Waterloo%20Study.pdf</u>

(accessed 3 August 2009)

Spencer, Greg and Tara Vinodrai. 2006. Halifax: Innovation Systems Research Network City Region Profile, 2001 census. (*unpublished manuscript*) University of Toronto, available from the authors.

Spencer, Greg and Tara Vinodrai. 2009. Halifax: Innovation Systems Research Network City Region Profile, 2006 census. (*unpublished manuscript*) University of Toronto, available from the authors.

Statistics Canada. 2006. Census. Population by Polling District, Halifax Regional Municipality.

Statistics Canada. 2008. Net interprovincial migration for provinces and territories, 1981 to 2007. *Report on the Demographic Situation in Canada: 2005 and 2006*, catalogue number 91-209-x

http://www.statcan.gc.ca/pub/91-209-x/2004000/part1/t/t5-1-eng.htm (accessed 4 August 2009) http://www12.statcan.ca/english/census01/products/analytic/companion/mob/ns.cfm

Wolfe, D. A. 2009a. "The Strategic Management of Core Cities: Path Dependency and Economic Adjustment in Resilient Regions." *(unpublished manuscript)* Available from the author.

Wolfe, David A. 2009b. Introduction: embedded clusters in the global economy. *European Planning Studies* 17,2, pp 179-87