

## WHAT NOW? (ONE)

The choice for the Maritime region is clear. It could say no to economic opportunities and encourage still more out-migration and see the population shrink to the 500,000 or so people who perhaps could be supported comfortably, though not luxuriously, through a natural-resource-based pattern of development—the ports, the beautiful coast line, the lakes and rivers, the small farms, tourism and what remains of the fishery and forestry.

The region, however, could do better, much better. I do not accept that our region is devoid of ideas and potential for economic development. We can halt the slide and we need to do so with a sense of urgency. First, we need to accept that there are no printing presses tucked away in government offices spewing out dollars. Wealth has to be created. The role of government is to create the circumstances for economic success – history has shown that it is not very good at managing economic success. Managing economic success is better left to the private sector.

We must begin by dealing with an attitude problem, which is more evident in the Maritime region than in other regions. I recognize that it is considerably easier to move away from a culture of dependency if you are sitting in Alberta, where geography has handed you one of the world's largest reservoirs of oil and gas, in Toronto, where the fast growing Canadian financial sector is concentrated, in Ottawa, where bootstraps are tied to thousands and thousands of well-paying federal public jobs and numerous consultant contracts and where more and more federal government jobs from the regions are transferred; or, in Montreal and Southern Ontario, where federal government investments in the automobile, aerospace, pharmaceutical, research and development and high-tech sectors have created thousands of jobs and enabled entrepreneurs to launch new businesses. They constituted important bootstraps.

The challenge is to define an approach to human resources that speaks to the requirements of a small region, with relatively small urban centres, and which remains dependent on natural resources (forestry, fisheries, mining, agriculture, aquaculture, transportation and tourism). The approach also has to square with the region's aging population, out-migration of educated youth and an inability to attract skilled workers from away. No small challenge, to be sure.

Quality of education does not seem to be the problem. Some fifty percent of the students at Dalhousie University, for example, are from out of the province. And yet higher education in the Maritimes is all too often seen as a "ticket out of town." Investments in higher education in the Maritime region may well be contributing to the increased competitiveness of other Canadian regions. The "ticket out of town" is tied to university graduates having the skills to secure higher paying employment outside the region. The most educated are the most mobile.

When it comes to human resources, all sectors in the Maritime Provinces cry out for closer cooperation between governments, the private sector and the para-public sector. Not only do we need closer cooperation between the three provincial governments, but bureaucratic silos within these governments also need to be broken down. In turn, the private sector needs to be brought in more closely to assist in matching skills to jobs. These measures may not generate the kind of "whiz bang" ideas or the kind of visibility that politicians look for but they do hold promise. The challenge is to deal with a problem common to many Maritime communities: people without jobs co-existing with jobs without people.

We have jobs available in our region but we do not have people with the right skills to fill them. Officials with the Halifax Shipyard were crisscrossing Canada in the fall of 2015, looking for qualified

workers, from database administrators, electricians to production controllers (among many others), to work on ships in support of the national shipbuilding procurement strategy. I met, in recent years, with a number of local business owners who rank the lack of qualified staff as their number one challenge. This is particularly the case with the region's manufacturers and processors in the fishery and wood product sectors. One owner employing over four hundred skilled and low-skilled workers in the forestry sector in northern New Brunswick, an area that has been plagued with economic difficulties including a constant loss of population, wrote to say: "the business is going great, only one problem—a lack of workers to do all the things that we could do." He is not alone. An entrepreneur in the fish processing sector from southeastern New Brunswick told me the same thing. Our region's private sector consists largely of small firms without an immediate capacity or the necessary resources to assist governments and community institutions in shaping a new approach to human resources development. Government officials and educational facilities have to reach out to small businesses, not the other way around.

The region's community organizations need to become important economic actors for our region. By community organizations, I am referring to the region's relatively large public and not-for-profit institutions, notably universities, hospitals, schools and municipal governments. They are among the largest employers and purchasers of goods and services in the region. They also possess specialized knowledge and presumably a deep commitment to their communities. A call centre may well decide to move its operations from Moncton to India to take advantage of lower wages, and with it, jobs away from the community. The two local hospitals and the two or three local universities are not going to pick up and leave. In that sense they are our anchor institutions. Community institutions give their communities job security and stability. What more could they do? The first step is for community institutions to accept that they have a role to play in promoting economic development in their communities and regions that extends beyond their traditional functions. They will need to go beyond teaching and carrying out research, looking after patients, collecting property taxes and delivering municipal services.

Community institutions can simplify procurement processes, an important point in the Maritime region given that small businesses make up the bulk of the region's business community. They, or their administrative arms, as well as the in-house capacity found in the various faculties of management, could help grow the capacity of small local businesses to develop proposals and submit tenders for procurement contracts. This is done in other regions. More could also be done to assist small firms to tap into what community institutions have to offer in terms of expertise in various fields from marketing to engineering, particularly the universities. University faculties are still too prone to look inward and small firms do not have the capacity or resources to roam the halls of universities to see who or what may help their firms to grow and become more competitive. The challenge for public bureaucracies is to reach out to their community's business leaders rather than sit back and wait for the business leaders to knock on their doors. This also applies particularly to provincial and federal bureaucracies in the economic development field.

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