

## Submission to Halifax Chamber electronic news letter

April 21, 2010

As an advocate for our local, provincial and regional universities, the April 2010 edition of Business Voice certainly caught my attention. If nothing else, it made clear to me that much more work needs to be done by our organization and our member universities to ensure local business leaders have heightened awareness and deeper understanding of the fundamental value and powerful contribution of higher education to Halifax's economic prosperity now and in the future.

The feature article about the Chamber's new Chair Jeff Forbes (Forbes Driving Change) was insightful and troubling. I am certain Mr. Forbes will be an outstanding leader of the Chamber. However, in order to fulfill that promise, he will need to avoid glib and facile assessments.

Mr. Forbes expresses his "... *passion for the business community*" but, at the same time, opines that in terms of Halifax's universities, "*There's room for amalgamation there*". The latter comment, in and of itself, would appear to run counter to the Chamber's stated mission of 'being an advocacy organization to promote local business interests'.

For the record, four of Halifax's six universities as well as the Association of Atlantic Universities (AAU) and Interuniversity Services Inc. (ISI) are long-time, engaged members of the Halifax Chamber and have consistently contributed to many important Chamber initiatives over the years. And, all of our institutions are well-represented at virtually every Chamber event.

However, more to the point and contrary to what Mr. Forbes apparently believes, our universities are among Metro biggest business enterprises that play a vital role in the local economy. Don't believe me? Let's check the facts: universities employ 6,033 workers in high quality, high paying jobs which generate \$332,615,000. in annual earned income, representing 4.3% percent of the income generated in the local area economy. Since most of university budgets goes to pay salaries, most of the revenue generated stays in the local economy. In terms of employment alone, universities employ more people than the provincial government and only slightly less than the federal government. And, not to put to a fine a point on it, in addition to salaries and benefits, Halifax's universities annually expend another \$130 million in the local economy. There are many Canadian cities and Chambers that would be envious of those employment and economic impacts.

And, that isn't re-circulated government revenue. Nova Scotia's universities attract more than 60 percent of their total revenue from sources other than the Nova Scotia Government and are one of this province's leading export industries.

Here's how the Greater Boston Chamber describes the value and contribution of its local universities: "*The world-class colleges and universities in Greater Boston are the crown jewel of the region, and attract some of the world's most brilliant minds. Numerous colleges and universities are members of the Chamber ...*"

If only the Halifax Chamber's leadership held its university members in the same high esteem!

Nancy Conrad, the Chamber's Senior vice-president, policy, in her column (Halifax: Innovation required) offers that one solution to improving local innovation and productivity is "...to strengthen the links between academic institutions and the business community; in other words, to find ways to commercialize the research generated right here in Halifax".

Ms. Conrad goes on to say, "Without a major focus on innovation and productivity by government, the business community and the nonprofit sector, we may find ourselves struggling to attract and retain talented people and businesses in the future".

Conspicuous by its absence from this latter statement is the role of Halifax's universities. We are in the people attraction and talent development business. By way of example, most of the health care specialists in our local hospitals are here because they also hold university appointments and rely on Dalhousie University's Medical School to provide the sophisticated research environment necessary to support modern clinical care.

In addition to our attraction and retention of highly qualified personnel and the education and cultivation of future talent, Halifax's universities annually attract close to \$150 million in R&D funding, 80 percent or more from outside the province.

Here's what the Greater Boston Chamber has to say about its local universities and colleges in its 2009 Competitive Scorecard: "*The Scorecard shows that Massachusetts' colleges and universities play a vital role in promoting and sustaining innovation – providing the basis of the 'innovation engine' that drives our economy*".

And, the Greater Boston Chamber has a clear advocacy policy when it comes to promoting local innovation:

*"In order to maintain and strengthen the Massachusetts higher education sector's position as an innovation leader, the Chamber will, maintain the financial strength of colleges and universities by sustaining the strong commitment to federally sponsored R&D"*.

If the Halifax Chamber is indeed serious about improving local innovation and productivity and the attraction and retention of top talent, its leadership should adopt a similar strong, public commitment to its universities and become the leading advocate for increased federal R&D investment in our city and its higher education sector.

Finally, Paul Kent, President and CEO, Greater Halifax Partnership (GHP), in his update column (Aligning our growth priorities), talks of the need for governments to align with "*growth sectors, including insurance, finance, information and environment communications technology, aerospace, the environment, oceans and an often over-looked area – the Department of National Defence.*"

Now we know that Mr. Kent is a strong supporter of our universities and understands their value in the achievement of GHP's economic development objectives. Local university leaders have and continue to play a significant role on the GHP's Board, so all the more puzzling is Mr. Kent's omission of the university sector from his list of vital growth sectors that would benefit from aligned support from all levels of government.

Perception is reality. So, despite the misperceptions of some business leaders about the value and contribution of our universities, the reality is decidedly different.

Universities are a vital economic anchor and engine in Halifax; they serve as talent magnets and producers of the next generation of professionals, business and community leaders and they are the local drivers of R&D and innovation. These are just some of the obvious, powerful and critically important benefits of having a strong, vibrant university sector within Halifax which unfortunately is either overlooked or under-valued by those who, quite frankly, should know better.

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