

State of the Municipality Address 2017
Halifax Chamber of Commerce
Mayor Mike Savage
November 1, 2017

[VIDEO PLAYS]

Good afternoon. It's a pleasure to be here for what is my sixth State of the Municipality address. I want to begin by acknowledging that we are gathered today on the ancestral lands of the Mi'kmaq people.

We are all beneficiaries of the peace and friendship treaties with this region's First Nations, and we will all benefit when we find a new way forward based on the principles of Truth and Reconciliation.

Thank you to the Chamber and the Partnership for coming together to host this event for the second year in a row, and to all of you for spending your lunch with us. Thanks as well to Roger Howard and RBC for sponsoring this event again.

I want to take a minute to recognize my Council colleagues who have worked hard to support and advance many of the things I will discuss today.

I should also acknowledge the hard-working, knowledgeable staff at HRM, and say thanks to the staff in my office, a small but mighty team.

Two of them are moving on. Sarah Douglas started law school last month and Josh Bates leaves this week to work with the Province's new Accessibility Directorate and the unstoppable Gerry Post.

All the best to you, Sarah and Josh.

I also want to acknowledge that our new Fire Chief Ken Stuebing is with us today. Welcome aboard, Chief.

Halifax Explosion

Every city has its watershed moments. Times that define it, for good or for ill, sometimes both. That moment for us was 100 years ago.

Just prior to the Halifax Explosion, we were a highly relevant and prosperous port city.

Until that seminal moment: 9:04 a.m. December 6, 1917.

In a flash, our city was devastated by the largest manmade explosion the world had ever seen. The people of Halifax and Dartmouth found death, injury, and destruction all around them.

The blast brought our city to its knees, overcoming citizens with the need to respond to tragedy on an epic scale. You know the numbers: 2000 dead, more than 9000 injured, a city in ruins.

And, yet, even in Halifax's darkest days, glimmers of light emerged.

The heroism of Vincent Coleman, whose name will grace our next ferry.

The support of Boston and other friends.

And the sheer resilience of the survivors.

It could well have spelled the economic and social collapse of this city. But with steely resolve and strength of purpose the people of Halifax rebuilt. A civic poster two years after the Explosion, proclaimed the following:

“Men say the day of miracles is passed; but there is a vision of regeneration here that fringes the miraculous. A new city has risen out of the ashes of the old.”

Indeed, out of this tragedy emerged improved medical treatments, social housing, a public health system, the beginnings of great institutions like the CNIB, United Way Halifax, and the Canadian Red Cross

From comfortable to confident

In the intervening century, Halifax has seen success and failure, steps forward, steps back.

A comfortably mid-sized city emerged, home of the Canadian Navy, a popular university town with a good night life, a nice city to visit and a fine place to live.

We did okay.

But, again, I would also suggest, a city that was often slow to challenge the status quo, to expect more of itself.

Young people came here to go to school, and maybe to retire decades later, but they moved elsewhere to build their careers.

Decade after decade, immigrants landed at Pier 21 only to quickly move on to larger cities that held more opportunity.

But we did well enough for Atlantic Canada, out performing smaller centres in this region. No complaints.

When we gather on December 6th to commemorate all that was lost, let's think too about how those herculean efforts so long ago can inspire us 100 years later.

Because I would suggest the days of “good enough” are no longer good enough.

I now see us as a city that believes we can compete with anybody, large or small.

A city that can leverage our natural and earned advantages to create new wealth for more people, without leaving others behind.

A city that sees possibility where we didn't see it before.

A city not content to coast on the remarkable work of previous generations.

Halifax's time

In many ways, I believe this is Halifax's time. It's time for big ideas and decisive moves.

Our Economic Growth Plan has set Halifax on a path to grow our GDP from \$18 billion to \$30 billion and increase our population to 550,000 by 2031.

Since our adoption of the plan in April 2016, our population has risen to more than 426,000 people, growing much faster than the national average.

That's 8,000 more people in a single year who decided to pin their futures on our city. The Conference Board of Canada's most recent report predicts our population could grow at the same rate this year.

These are great numbers, but here is my favourite stat:

For the past two years, we have seen an unbelievable increase in the number of 25 to 39-year-olds in Halifax:

➤ 2,560 more in 2015

➤ and 3,800 more in 2016

Almost half of our population growth is in this key demographic – unlike anything we have ever seen before. These are the people that every city covets, many of them international and contributing to immigration retention rates north of 70 percent.

This clearly has not always been the case.

Throughout the first nine years of the 2000s we were losing people in this key age demographic, as you can see in this chart.

But, things have turned around, slowly at first, and then dramatically over the past two years.

Today, business confidence is at the highest it's been since the Halifax Partnership began gauging it, with 88 percent of those surveyed saying they are very or moderately optimistic about the future.

Consumer confidence in Halifax also reached its highest point in August, according to Corporate Research Associates.

Ross Jefferson from Discover Halifax, who's here today, tells me it has also been a stellar year for our billion-dollar a year tourism industry.

Now in its 5th consecutive year of growth, the Halifax industry saw record-setting visitor counts in 2016 with over 5.3 million “heads in beds”. And, this year, we’re on track to beat that.

People are coming to Halifax.

A couple of weeks ago, I welcomed Mayors and other leaders from cities from around the world here for the World Energy Cities Partnership meetings. We had people here from six out of seven continents.

They were very impressed with what they found here – an interesting, vibrant, progressive city. I know many will return for business opportunities or vacation.

Business, start-up growth

Cities are all about people. If we draw people to Halifax, you never know what might happen.

Look at RBC choosing Halifax for its Canadian shared services centre, creating hundreds of skilled jobs.

On Quinpool Road, RBC is preparing to open its Digital Advice Centre, another great opportunity for young people, including

co-op students, to find skilled work.

IBM's Global Delivery Centre is besting its own hiring trajectory at their stunning offices in Bedford.

Just as global companies are finding Halifax, homegrown companies are building client rosters around the world.

Data analytics company Kinduct is signing so many major sports clients it's hard to keep up.

Bedford's amazing REDSpace has doubled in size over three years, and landed among the top 10 finalists for a prestigious Private Business Growth Award.

Volta, Halifax's tech super hub, is undertaking a massive 60,000 square foot expansion at the Maritime Centre.

Since 2013, Volta's been home to 40 tech companies, many of which have already flown the start-up nest: Proposify, Dash Hudson, Athletigen and many others.

What is remarkable about these companies is most of them didn't even exist five years ago. For that matter, IBM and RBC had not yet opened their major centres here in Halifax.

We were anything but a tech city. How quickly that has changed.

In 2015, Halifax was home to more top 25 tech start-ups than any other city in Canada. Our tech sector employment has jumped 53.8 % over two years.

In 2016, our city was ranked among Canada's top tech hubs to live and work in, ahead of Winnipeg, Edmonton, Kitchener-Waterloo and others.

We would not have appeared on any such list five years ago.

This is what momentum looks like.

I want to introduce you to Paul Doddrell. Paul is a Managing Director with Australia's Pepper Group, a residential mortgage, consumer lender and loan services company.

When his company began the search for a new location, Halifax was not on their radar. At least, not until NSBI caught wind that Pepper was looking and asked them to come see the city for themselves.

From an initial cut of 16 cities around the world, it came down to Warsaw, Poland, and Halifax. They chose Halifax and are

now preparing for their move into the Nova Centre. So, thank you Paul and welcome to Halifax.

Why, is this happening? Why are our fortunes changing?

Conditions for growth

I propose the new swagger in our step represents the constellation of good timing, good luck and the good sense to recognize that we have something worth building on the East Coast.

You can see it; you can feel it.

Great initiatives like extending the Nova Scotia Nominee's skilled worker immigration stream to international graduates in 2014 was an important step forward.

So too is the Atlantic Growth Strategy with its focus on immigration, skilled workforce, innovation, trade, climate change action, infrastructure investment and government cooperation.

As well, the Halifax Partnership's Connector program and Game Changers are helping new graduates and newcomers build networks that lead to professional jobs – just one of the outstanding benefits of the Partnership.

It feels like we're moving in the same direction – public sector, private sector, institutions, and organizations all fixed on a destination that will see more people from more parts of the world choose Halifax.

The massive Irving Shipbuilding contract has given us a manufacturing edge, but it's doing much more than putting a new generation of shipbuilders to work.

This contract is paying dividends throughout its supply chain, propelling the growth of a robust defense cluster, and providing a stable plank in the diverse Halifax economy.

Sound urban planning and big public investments like our Central Library, the Halifax Convention Centre and the Discovery Centre have helped spur unprecedented private sector construction in our urban core.

This intensity of development is accomplishing important ends. In trades, professional services, and suppliers... people are working.

Growth attracts people, especially young people. It brings them home and it brings them here for the first time. Growth tells new graduates this place holds potential for them, the opportunity to launch a career and to make a life right here.

Two days ago, BMO released its Blue Book fall outlook for the country. It pointed to the staggering residential construction in Halifax, which is at its highest level in 40 years.

As each of these projects move from construction to completion, more people are living and working in proximity to downtowns on both sides of the harbour, and in well-planned communities outside the core.

Growth means entrepreneurs open restaurants, bars, new hotels, and reinvent existing ones. It allows for new four-pads, a revitalized Dartmouth Sportsplex, even IKEA!

The city's pulse quickens; people are out enjoying themselves, spending money, and forming attachments to their city.

There is no question we have been in an unprecedented period of development. Check out the dramatic change in our skyline in just three years, from May 2014 to April 2017.

And, we've been busy too improving civic infrastructure, from streets and watermains to cool projects our first shared streets at Argyle and Grafton.

Come join us in celebrating the opening this Saturday.

Growing cities are not without their headaches, we have all experienced the traffic tie-ups, detours and closed sidewalks.

Changing city, innovation

Unquestionably, the Halifax we know is changing. My Council colleagues appreciate and support the benefits of a growing region, and they are painfully aware of its challenges.

Just the other day I took an angry call from a woman who told me she waited in traffic three times that day. I tried to explain the short construction season, the importance of investing in civic infrastructure. She would have none of it.

Finally, I said, “Darlene, we’ve been married 30 years, can this wait until I get home?”

I don’t mean to make light of our community’s growing pains, they are very real. But let me say what I have said many times: Cities that aren’t growing are slowly dying, even if they don’t know it.

A great city is never finished. Buildings go up, buildings come down, communities grow, infrastructure is built or replaced, old industries make way for the new.

This is as it should be.

Today, we see new possibilities, the rising tide of innovation.

Working with our universities, NSCC, public and private sector Halifax is harnessing its ocean advantage.

Most of you know that unprecedented investments are being made in the Dalhousie-led Ocean Frontier Institute and a former Coast Guard station is being transformed into the Centre for Ocean Ventures and Entrepreneurship – COVE.

Last month, an industry-led oceans pitch joined the shortlist for the federal Innovation Superclusters Initiative. This could be massive for us!

Think Silicon Valley of the sea, with industry leaders such as Emera and Clearwater, government and research communities propelling growth and fostering a successful ocean start-up community.

Beyond oceans, and just a block away from Volta, Dalhousie University's \$64 million Innovation and Design in Engineering and Architecture (IDEA) campus is coming out of the ground, uniting faculties while incorporating state-of-the-art design labs and research facilities.

Across the harbour at Innovacorp, Dal's Dr. Jeff Dahn is running Tesla's research and development centre for its potentially

world-changing batteries. It marks the first collaboration between Tesla and a Canadian university.

Innovation is not a buzzword. It's real, it's happening in cities around the world and it's happening here in Halifax's growing innovation district.

Take a look at this if you don't think an innovation district has emerged.

Amazon HQ2 bid

I would much rather be the Mayor of a city that finds its innovation sea legs than the Mayor of a city that watches from the shoreline.

And so, on October 19, we submitted Halifax's bid to become the second headquarters for Amazon.

Amid the positive buzz that met Halifax's bid, a few folks weren't so keen. I've read the tweets (some of them anyway).

Where would be put that many people? How would we fill so many high-skilled jobs? What would happen to traffic? We don't have the bike lanes. Or a subway.

In the face of long odds, we decided Amazon HQ2 presented one of those “damn the torpedoes” moments.

Our value proposition for Amazon is the same one I speak of when I’m in Toronto, Boston, or China or anywhere else I travel.

It’s Halifax TLC: Talent, Location, Cost.

Halifax is one of the most educated cities in North America, we have a stable and broad economy even as we commit wholeheartedly to innovation.

We get the job done for a price that could never be matched in Vancouver, Toronto or Seattle.

While we were at it, we let Amazon know about our enviable quality of life, about our beaches and wilderness area, places like the 100 Wild Islands and the Purcell’s Cove Backlands that will be preserved for generations to come.

We talked about our craft beer industry, Nova Scotia wine country, our distilleries, our rich built heritage alongside bold new construction. Naturally, we boasted about our universities and college.

We discussed our connections to the world with the “big ship ready” Port of Halifax, the fastest growing port in all of Canada, busy formulating a strategic plan for a competitive future.

We included our award-winning Stanfield International Airport, with last year’s record-setting passenger count.

We also told them we are building a new relationship with the Mi’kmaq who have lived on these lands for more than 13,000 years, even as we reach out to attract more people from around the globe.

We were clear that we will welcome Amazon’s people just as we have welcomed people of all backgrounds, faiths, ethnicities and sexual orientation for years.

It was inspiring to watch how quickly people galvanized around the bid.

They put in long days that ran into nights and weekend - even giving up Thanksgiving weekend - all with the understanding that even if we don’t win we will be ready for the next time, and the time after that.

Whatever your thoughts on Amazon, it tells us something we cannot afford to ignore: Cities of all sizes must be adaptable, smart, and ready to compete in a rapidly evolving knowledge economy.

City initiatives and challenges

At the city, we are taking up the demands of a modern, growing forward thinking Halifax.

We are managing our finances, paying down our debt and taking a hard look at the best way to use new powers to influence commercial taxation.

Make no mistake, we have challenges ahead that will require political leadership. I believe we have the right people in the right places to become more customer and business-focused.

Red tape continues to be an issue, one we are addressing with this Chamber and CFIB input and many others, but not as fast as we – or you – might like. That is going to change.

We also face the challenge of all governments: A very high percentage of our costs are labour-related. In our police department, it's 91 percent; in fire services 94 percent.

We value the contribution of all our employees, but a recent arbitrator-imposed wage package of 2.75 % a year over 5 years would be a major strain on anybody's budget.

And, transportation is always a challenge.

Whatever means you choose to get around our communities can lead to frustration. This is why we're updating the transportation network with an Integrated Mobility Plan that prioritizes people.

One of the key deliverables of the plan is to shift more trips to active transportation and transit. By 2031, we expect to see 30% of all commuting trips made by walking, cycling or public transit (and that could include commuter rail).

Our ability to modernize our transportation network is critical to our efforts to keep pace, as is our ability to plan well for growth without compromising livability.

Work to replace the Cogswell Interchange with a connected, human-scale urban neighbourhood continues.

Staff are deep into detailed plans for friendlier new roads, separated bike lanes, active transportation paths, building sites for residents, four acres of parks, and a district energy system.

But, it's more than that, Cogswell is a statement about where we are headed in these rapidly changing times.

Future ready city

The future is coming fast.

We see it in cities that are testing autonomous vehicles and planning for zero carbon futures. We see it in the Nevada desert where the HyperLoop is already being tested, to transport people and goods using electric propulsion through low-pressure tubes.

As we expand our economy and make room for more people and new ideas, we must make every effort to ensure the benefits of innovation and growth don't accrue only to those who are already doing well.

Last year I told you about our plan to work with the United Way to fight poverty. I am pleased to let you know that this work - which I co-chair with Sarah Napier – has been moving quickly.

Chamber Chair Mark Fraser and other business leaders have been active, effective members.

From our rural communities to the heart of downtown, we are working to help more people up the economic ladder. I encourage all of you to check out the Poverty Solutions work on our engagement site.

We're not sitting back; important work is already underway.

We are hoping to expand our low-income transit pass to include all Income Assistance recipients in HRM, working with our provincial counterparts.

We're also working with the province to integrate a Fair Entry program, so no one needs to repeatedly prove they are of limited means before they can qualify for HRM programs and services.

We have asked for a Charter amendment to enable inclusionary zoning, an effective tool to increase the supply of affordable housing.

The fabulously successful Mobile Food Market will continue to receive our support as it rolls into communities throughout our municipality with affordable, fresh fruit and vegetables.

Close

As we look ahead to December 6, a century since the most extraordinary event in our city's history, I believe that day will

also mark an important new chapter for us, one that sees us as a city of growth.

In size, yes, but more importantly, in ambition.

To be clear, this city and its political leaders have made important decisions that have provided huge benefits to citizens, long before I and some of my Council colleagues were elected.

The decision a decade ago to clean up Halifax Harbour, for example, was both bold and visionary.

But today we are tackling and overcoming challenges decades in the making.

Halifax is reaching higher, to become a city where we demand more of ourselves

Where entrepreneurs thrive.

Where ideas flourish.

And where compassion lives.

Where we build with inspiration, and protect our natural environment with determination.

Where we no longer settle for what's probable, but reach for what's possible.

And, yes, Amazon would be nice to get, but just being in the game makes us stronger and better able to compete.

Smart cities understand their history and acknowledge their past. We stand on the shoulders of those who accomplished great things in the face of tough odds, as the people of Halifax did 100 years ago.

In a great city, the pressing question is not just “What has happened?”; it’s “What’s next?”

I am proud of this Council and the work we do collectively for all our communities and I am proud of the city we share and continue to build together.

Thank you.