

OPPORTUNITIES FOR **Sustainable Prosperity** 2006

*An Updated Economic Growth Strategy
for Nova Scotia — Highlights*



Opportunities for Sustainable Prosperity

Introduction

The 21st Millennium has ushered in an era of remarkable change in Nova Scotia and the world. Understanding that change, and charting a course toward a sustainable and prosperous future, are two key goals of *Opportunities for Sustainable Prosperity*.

Opportunities for Sustainable Prosperity also builds on the foundation set by government in its 2000 strategy – and advances it to ensure that lasting economic growth will continue well into the future.

During consultations in communities right across the province, business people, industry representatives, community leaders, and public servants provided insight on new approaches and opportunities. The experiences of local businesses, emerging international trends, and some fundamental realities facing all jurisdictions around the world shaped *Opportunities for Sustainable Prosperity*.

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What We Heard

Six years ago, Nova Scotians said that government's approach to economic growth had to be open, consistent, inclusive, and fair. These principles are still important in 2006, however, other themes have emerged with greater frequency and deeper emphasis.

- **“Quality of Life” is Important to Nova Scotians.** Nova Scotians clearly want economic growth to secure the future of their communities and provide opportunities for their children – but not at the expense of quality of life.
- **Everything is Connected.** Economic growth is affected by many different factors and impacts many parts of our lives.

- **Our Tax and Regulatory Structure is Critical.** Business people emphasized the importance of a positive business climate to the competitive position of the province.
- **Collaboration is Necessary, Valuable, and Challenging.** This includes governments, communities, and businesses inside and outside our province.
- **Our Successes are Diverse.** Opportunities exist across the economy rather than in a few specific industries.
- **Nova Scotia Companies Work in a Global Marketplace.** What happens far away can have an immediate and powerful impact on the Nova Scotia economy. We need to expand our world view to identify and capitalize on these opportunities.
- **Address Current Trends and Anticipate Emerging Trends.** This includes discussing possible solutions to a declining and aging population, as well as keeping an eye out for the next trend and what it means for Nova Scotia.

Where We Want to Go

Nova Scotia's vision, laid out in 2000, still applies today. It is a vision of "*...a thriving Nova Scotia that by 2010 is the best place in Canada to live, work, do business, and raise families.*"

The following statement is also still valid and compelling ...

we will know we have arrived when our economic activity, carried out in a socially and environmentally sustainable manner, generates the necessary public revenues to maintain the strong health, education, and social systems that Nova Scotians expect.

Our 2006 strategy places a new emphasis on sustainable prosperity or sustainable competitiveness. In fact, this idea – that we must build a competitive economic and cultural model that is sustainable into future generations – is at the heart of this strategy.

Sustainable competitiveness deals with much more than economics and financial wealth. It also encompasses our health, our education, our environment, and our social standards. And it recognizes a need to protect and enhance the distinct quality of life that we cherish here in Nova Scotia.

Sustainable competitiveness represents a dramatic shift in thinking. This new approach aims to develop an economy that enhances the social and natural systems that support its growth through the adoption of new and emerging technologies, good stewardship, and good design.

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Sustainable competitiveness embraces the concept of a “circular economy,” one that moves in a cycle of growth and renewal through eliminating waste and encouraging diversity in social, human and natural capital. The end result will be a society that is able to adapt to rapid change and to renew itself. It will be a society that shuns waste – not just solid waste, but also wasted money, wasted ideas, wasted talents, wasted potential.

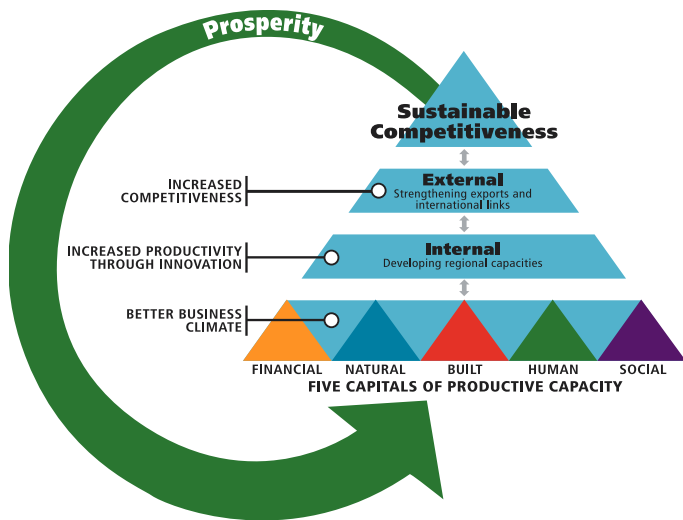
In many ways, Nova Scotia is already a more progressive, sustainable, competitive economy than many of us realize. Even our traditional industries like the fishery and forest industries have adapted by learning to sustainably harvest renewable resources. We will achieve our vision by building on this type of success.

How We Will Get There

In 2000, Opportunities for Prosperity highlighted strategic elements of economic success. Since 2000, we have developed a better understanding of how these factors interact to create prosperity.

Economic Growth Model

The diagram below shows the links between the strategy's overarching goal – sustainable competitiveness – and its five building blocks.



- **Financial Capital** includes conventional assets such as savings and investments. Money flows through our model and allows us to reinvest in our capacity and perform the transactions that drive economic growth.
- **Natural Capital** includes natural resources, land, and ecosystems. This building block is fundamental. Its integrity must be preserved if prosperity is to be sustained.

- **Built Capital** includes machinery, buildings, and infrastructure.
- **Human Capital** is represented by the people of Nova Scotia, and the knowledge, skills, competencies, and attributes they possess.
- **Social Capital** refers to the strength of relationships among people, companies, organizations, and government in a society.

On this solid foundation, a sustainably competitive and prosperous Nova Scotia economy can be built. There are three fundamental elements or characteristics of such an economy.

Better Business Climate – Put the right human, social, financial, natural and built capital in place, and you have, by definition, improved the business climate.

Increased Productivity Through Innovation – Increasing productivity means optimizing the use of resources, increasing capacity and eliminating waste. Innovation can strengthen the internal economy of Nova Scotia and each of our regions.

Increased Competitiveness – A more productive economy will make Nova Scotia more competitive in the world. This competitiveness will enable us to meet a primary goal – capturing increased revenue through trade, attracting new companies, and investment to Nova Scotia.

Strategic Focus

- *Trade & Competitiveness* – Support economic growth through an integrated, collaborative approach to international trade, investment, and development of sustainable goods, services, and communities at world standards. Priorities: export development, reducing barriers to trade, and attracting investment.
- *Productivity Through Innovation* – Promote increased productivity through innovative products and processes that eliminate waste of all kinds. Priorities: innovative processes / improved efficiency, innovative products / commercialization, demonstration projects, business incubation, and procurement.
- *Business Climate – Environment for Growth* – Create a business climate that attracts out-of-province investors and encourages local businesses to start and grow in ways that support sustainable competitiveness. Priorities: provincial tax structure, provincial regulatory environment, provincial procurement, and public policy and monitoring.
- *Financial Capital – Investment* – Ensure that financing is available for opportunities that will create a more sustainably competitive economy. Priorities: access to capital – capacity building, opportunity management, and gap analysis.
- *Natural Capital – Sustainability* – Manage our natural capital to sustain our quality of life, our economy, and our environment. Priorities: sustainable competitiveness.
- *Built Capital – Infrastructure* – Support infrastructure that can be sustained, and will augment current and future economic activity. Priorities: transportation, broadband and wireless, education and health, municipal infrastructure, industrial lands, and federal presence.

- *Human Capital – Labour Force* – Take a long-term view to ensure that Nova Scotia’s workforce continues to be a magnet for business. Priorities: population and educational system (public and post secondary).
- *Social Capital – Regional Capacity* – Capitalize on ways to expand economic opportunity throughout the province, maintaining a balance in quality of life. Priorities: community development, regional planning and development, and entrepreneurship and small business.

Making It Happen

Opportunities for Sustainable Prosperity is the province’s economic strategy for the next five years. It seeks to position Nova Scotia as a sustainably competitive society where nothing is wasted – money, ideas, talent, potential, or natural resources. A place that can compete in the global business world. A place where prosperity means more than just a bigger bottom line.

Opportunities for Sustainable Prosperity includes many action items. Using the broad resources of government, we will work to deliver them all, and will report regularly on that progress. Over the next year, we will pay special attention to four key items:

- Building a skilled workforce
- Making affordable energy available
- Increasing our productivity
- Developing the Atlantic Gateway.

Government cannot do it alone. We can provide leadership and direction, but the real engine of economic growth is the private sector – businesses and individuals working on new ideas and new opportunities.

Measuring Nova Scotia's Performance

Our vision is “a thriving Nova Scotia that is the best place in Canada to live, work, do business, and raise families.” We will use the following measures to check our progress.

Thriving Nova Scotia

- By 2010, Nova Scotia's real GDP per capita will be five per cent closer to the Canadian average.
- By 2010, Nova Scotia's personal disposable income per person will increase by five per cent.

Best Place to Live and Work

- By 2011, Nova Scotia will experience a net in-migration of individuals under the age of 30.
- By 2010, Nova Scotia will attract 3,600 immigrants per year.

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Best Place to do Business

- By 2016, Nova Scotia will improve its national ranking on the “business gross fixed capital formation (excluding residential structures) as a percentage of GDP” measure.

Best Place to Raise Families

- By 2016, Nova Scotia will improve its percentage on Statistics Canada's “strong sense of belonging to their local community” measure.

The ultimate goal of this strategy is to make Nova Scotia an even better place to live for generations to come. Our progress will be marked by the difference it makes in the lives of Nova Scotians – for the long-term, lasting good of the province.



*For an online version of the document and supporting materials visit
www.gov.ns.ca/econ/ofsp/*

