



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 15.1.4
Halifax Regional Council
March 21, 2023

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

DATE: February 10, 2023

SUBJECT: **Skilled Talent Recruitment and Retention Strategy**

ORIGIN

November 22, 2023 Regional Council motion (Item No. 16.2):

MOVED by Mayor Mike Savage, seconded by Councillor Lovelace

THAT Halifax Regional Council direct the Chief Administrative Officer to develop a strategy with the Halifax Partnership to proactively attract, house, and retain the skilled talent required to address our economy's acute labour shortages, with a focus on skilled tradespeople and labourers needed by the construction industry for housing construction.

MOTION PUT AND PASSED UNANIMOUSLY.

LEGISLATIVE AUTHORITY

The Halifax Regional Municipality Charter 2008, c. 39, s. 2:

The purpose of this Act is to (a) give broad authority to the Council, including broad authority to pass by-laws, and respect its right to govern the Municipality in whatever ways the Council considers appropriate within the jurisdiction given to it; (b) enhance the ability of the Council to respond to present and future issues in the Municipality; and (c) recognize the purposes of the Municipality set out in Section 7A.

Under Section 71, Business and industrial development, the Municipality may:

- (a) solicit and encourage the establishment and development of new, and the establishment, development and expansion of existing institutions, industries and businesses in and around the Municipality;
- (b) publicize the advantages of the Municipality or any part of the Municipality and the surrounding areas as a location for the establishment and expansion of institutions, industries and businesses;
- (c) pay grants to a body corporate for the purpose of promoting the Municipality or any part of the Municipality and the surrounding areas as a location for institutions, industries and businesses;
- (d) prepare and disseminate information about the Municipality or any part of the Municipality and the surrounding areas for the assistance of institutions, industries and businesses intending to locate or expand in the Municipality or the surrounding area.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Disburse \$208,572 (net HST incl.) to the Halifax Partnership in 2022/23 with funding from Fiscal Services to undertake enhanced and targeted international recruitment of skilled tradespeople and labourers needed by the construction industry to build housing, and to identify how local employers can help address the housing needs of its employees; and,
2. Report back to Council in 2023/24.

DISCUSSION

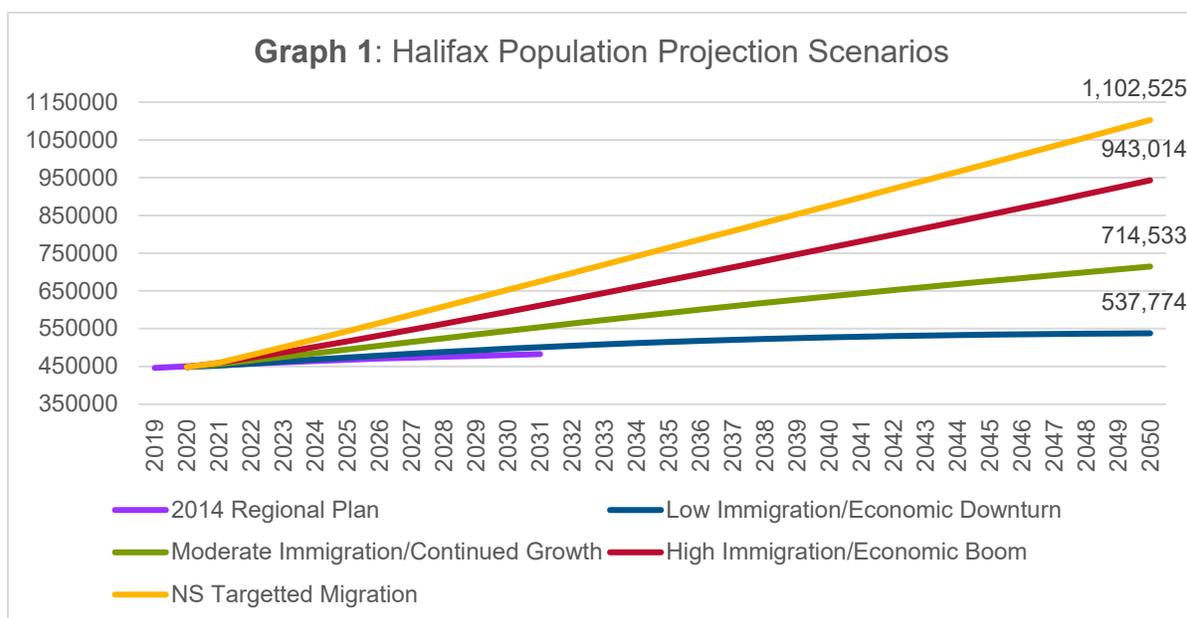
Housing and Population Change in Halifax

Unprecedented population growth observed in the Halifax region in recent years has changed the landscape of and needs for housing development. The Municipality has been focused on enabling new growth through intensification of the downtown and urban core and expansion in key locations close to existing services in the centre and suburban communities.

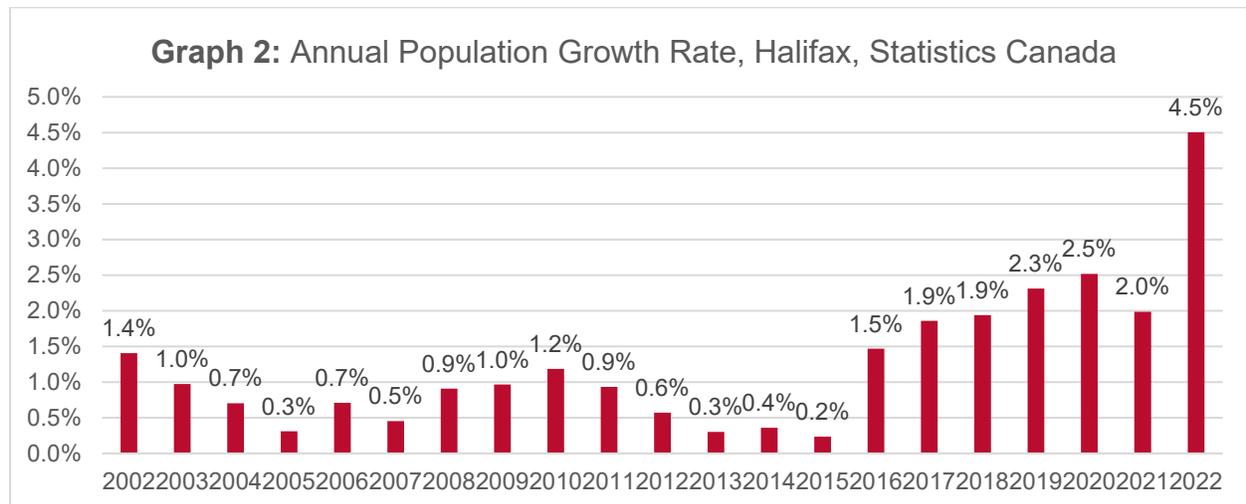
To enable intensification in the core, Regional Council has generated new regulatory capacity through the adoption of the Centre Plan and Downtown Plan. In addition, the development of major growth areas in the Centre and Suburban areas are being prioritized. Finally, the Halifax Regional Municipal Planning Strategy (the Regional Plan), is under review to assess new areas for intensification. It will outline new region-wide planning policies for how future growth and development should take place, in response to new population scenarios.

Overall, the Regional Plan Review (RPR) is anticipated to shift the regional land use and infrastructure framework to support additional growth in new strategic locations. In October 2022, as part of the RPR, Regional Council passed amendments supporting just over 3800 residential units. In 2023, the full new policy framework and a draft revised Regional Plan (Phase 4) will be released for public and Council review.

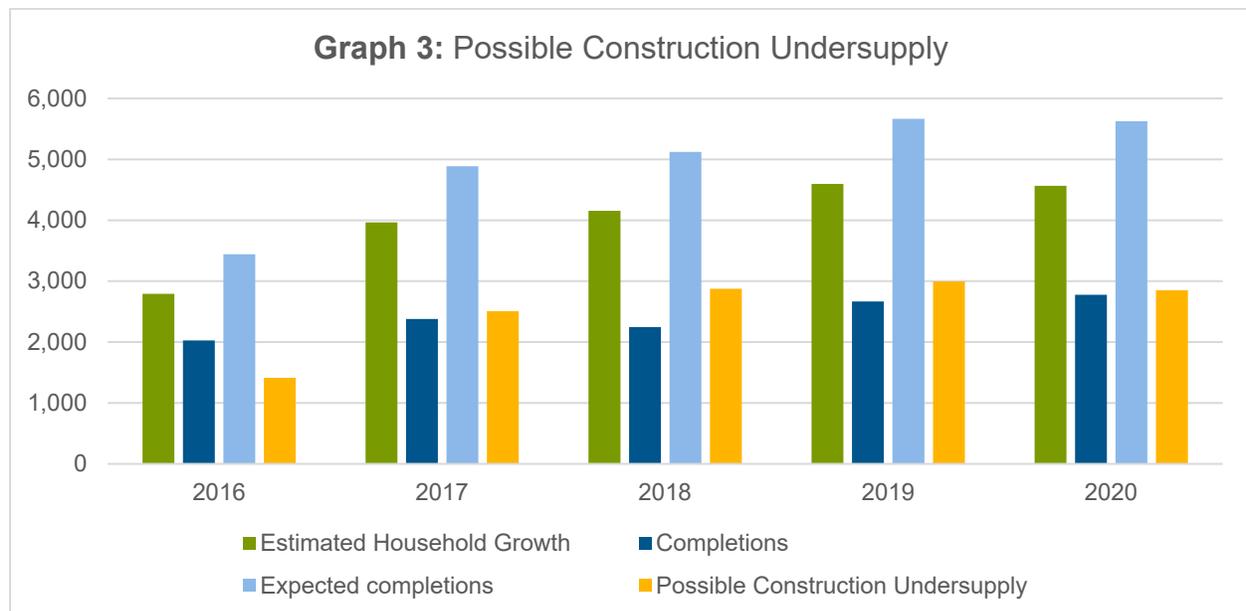
The RPR and has included detailed analysis of population growth and housing, identifying potential future population growth trends and scenarios, looking ahead to 2050, and has made recommendations on how to increase housing and allow for intensification. Graph 1 below shows different potential population scenarios which are designed to illustrate the range of potential scenarios.



The RPR has identified significant changes in growth rates, beginning in 2016, with the most recent statistics Canada growth estimates indicating a 4.5% change, making Halifax Regional Municipality one of the fastest growing metropolitan areas in Canada, as show in Graph 2.



While the municipality has been responding to growth trends and generating additional regulatory capacity, that there are labor challenges impacting the delivery of housing. Possible shortfalls in construction may be exacerbating the region’s ability to service the population changes that are rapidly occurring. In 2022, the Regional Plan What We Heard Report¹ identified a potential shortfall in housing, that has been building since 2016, as illustrated in Graph 3.



¹ <https://www.shapeyourcityhalifax.ca/12651/widgets/91889/documents/74884>

The Role of the Halifax Partnership

To increase awareness and solve issues affecting housing supply in Halifax, HRM and the Halifax Partnership are working together by:

- Hosting an [Economic Dashboard](#) that tracks housing supply key performance indicators;
- Developing a housing strategy that outlines HRM's role in housing, identifies immediate regulatory reforms to grow the supply of market housing, and supports the Province of Nova Scotia in its delivery of shelters, supportive housing, subsidized housing, and long-term care for seniors;
- Convening HRM/HP/private sector working groups to exchange information and recommending policy changes to accelerate the supply of housing;
- Assessing potential municipal/provincial policy changes to encourage housing affordability and first-time home ownership;
- Identifying and implementing internal process changes to quicken housing approvals and starts; and,
- Considering establishing a municipal housing corporation or a community land trust to create affordable housing in Halifax.

These measures are important and have helped to further identify the need for more workers to build housing.

According to the Atlantic Provinces Economic Council, labour shortages are being reported in all sectors throughout the region, from low wage to high-wage industries, entry-level positions to those requiring years of experience. Construction has experienced one of the largest labour shortages of any industry since the pandemic started.² According to BuildForce Canada, roughly 16% of construction workers in Nova Scotia will retire by 2027. Approximately 6,200 additional tradespeople in Nova Scotia will be needed in 2022-27 to keep pace with construction demand.³

Given Halifax Partnership's focus and program delivery in employee attraction and retention, its ongoing collaboration with the three orders of government, private sector, and community, and its specialized economic research expertise, it is best suited to lead greater proactive international recruitment activities that bolster the Province of Nova Scotia's efforts and accelerate the attraction of skilled tradespeople. Increased Partnership capacity to undertake this work is important if HRM is to help increase the availability of construction-related trades and realize the overarching quantitative goals of [People. Planet. Prosperity. Halifax's Inclusive Economic Growth Strategy 2022-27](#). These goals are to grow Halifax's Gross Domestic Product to \$25 billion, population to 525,000, and labour force to 310,000 by 2027.

Proposed Approach and Budget

With leveraged funding from the Province of Nova Scotia, the Partnership helps employers connect to newcomers and local and international students through its [Connector Program](#) and helps employers recruit and connect international workers to the workforce through the Atlantic Immigration Program⁴, Global Skills Strategy⁵, and other federal initiatives.

Recently, Partnership staff attended the Destination Canada Mobility Forum 2022 in Paris, France and Rabat, Morocco with a team from Nova Scotia Immigration and Population Growth (including the Minister and Deputy Minister) and the province's Regional Enterprise Networks. The forum was for Francophone and bilingual job candidates interested and ready to immigrate, live, and work in Canada, outside Quebec.

² "Indicators of Labour Market Shortages In Atlantic Canada." Atlantic Provinces Economic Council. March 31, 2022. https://www.apec-econ.ca/publications/view/?do-load=1&publication_id=453&site_page_id=2000 .

³ "Construction and Maintenance Looking Forward Report Highlights: Nova Scotia – 2022." BuildForce Canada. March 18, 2022. https://www.constructionforecasts.ca/sites/default/files/highlights/2022/2022_NS_Constr_Maint_Looking_Forward.pdf.

⁴ The [Atlantic Immigration Program](#) is a pathway to permanent residence for skilled foreign workers and international graduates from a Canadian institution who want to work and live in 1 of Canada's 4 Atlantic provinces.

⁵ The [Global Skills Strategy](#) features faster application processing times, work permit exemptions and enhanced customer service.

The Partnership brought eighty-five job postings from 25 Halifax employers and met with more than 300 individuals interested in working in Halifax. Work is now underway to connect candidates identified during the Forum to employers. This type of collaboration between the Partnership and the Province can be leveraged and enhanced to recruit needed workers in out-of-province markets for the construction industry with the aim of increasing housing stock more quickly.

Building on the success of the Destination Canada Mobility Forum, Halifax Partnership will work collaboratively with the province, industry partners and the business community to proactively recruit construction-related tradespeople and workers. Efforts will align with provincial initiatives. The program will work with provincial and federal partners to look for the deepest talent pools and qualified candidates that match employers' needs.

With the proposed funding in place, the Halifax Partnership will:

- **Hire a Partnership resource to recruit nationally and internationally.** The International Recruiter will work with businesses largely in the development and construction industries to identify job needs, participate in national and international job fairs, and match people interested in locating to Halifax to employers' job opportunities. The recruiter will help talent navigate the immigration process and make connections to settlement services. Their target would be to attend four international, four virtual, and two national recruitment events. They will engage provincial Office of Immigration staff and local employers to attend these events with the goal of filling construction-related jobs as soon as possible. Based on the success of the Destination Canada Mobility Forum, the Partnership anticipates meeting with more than 1,000 individuals who may be interested in working and living in Halifax. It is anticipated these activities will result in a more stream-lined approach to successfully recruiting workers in out-of-province markets.
- **Identify how local employers can help address the housing needs of their employees.** The Halifax Partnership will convene Halifax employers facing critical labour shortages where access to affordable/attainable housing is having a negative impact on their talent recruitment and attraction efforts. These discussions are aimed at identifying and recommending actions the private sector can take to help their employees secure housing (e.g. employers buying or building homes for staff, or providing some form of housing support) and will complement housing actions outlined in *People.Planet.Prosperty*.

The proposed budget to deliver the Halifax National and International Talent Recruitment Pilot Program and Business Housing Needs and Recommendations:

Professional Services - International Recruitment	\$120,000	
Travel – International/National Recruitment Fairs	50,000	
Business		Engagement,
Digital Collateral & Communications	<u>30,000</u>	
TOTAL	<u>\$200,000</u>	

Halifax Partnership is committed to working with public and private sector partners to leverage incremental funding to enhance and expand the program.

It is understood that this would be “one-time funding” from HRM.

FINANCIAL IMPLICATIONS

HRM would provide the Partnership \$200,000 plus net HST, for a total of \$208,572, to be paid from operating account E121 – 8001 and funded from the 2022/23 Fiscal Services budget to undertake the

activities outlined above. Availability of funding has been confirmed by Finance.

RISK CONSIDERATION

The above work is to address a known risk in Halifax – the lack of affordable housing. The ongoing lack of housing stock will continue to exacerbate the economic insecurity of low-income individuals and families and could hamper Halifax’s ability to attract and retain the workers needed to grow the economy.

COMMUNITY ENGAGEMENT

The Halifax Partnership was engaged in the writing of this report. The municipality’s five-year economic strategy, *People. Planet. Prosperity. Halifax’s Inclusive Economic Strategy 2022-27*, has been informed by engagements with and written submissions from more than 2,500 business leaders, residents, and partners throughout the municipality. The proposed skilled talent and recruitment plan is intended to advance action #42 of the strategy – “With industry partners, undertake targeted on-the-ground recruitment efforts in other Canadian and international cities.”

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Regional Council could choose not to approve the recommendation.

ATTACHMENTS

No attachments.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Jake Whalen, Government Relations and External Affairs, 902.292.7351.
