

People climate or business climate?

Published Thursday June 26th, 2008

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Commentary

New Brunswick's public debate on economic development has fallen into a classic trap often experienced by societies and organizations in periods of change: not asking the right questions.



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This became apparent during a panel discussion at the Atlantic Business Summit, held recently in Toronto and organized by East Coast Connected, a group of Atlantic Canadian expatriates living in that city.

The panel was entitled, "Making Atlantic Canada the work destination of choice for talented people." The lineup was stellar, including Bernd Christmas, the former President and CEO of the Membertou Development Corporation in Cape Breton; Rose Patton, Senior Executive Vice President of BMO; Stephen Lund, CEO of Nova Scotia Business Inc; and Richard Florida, best selling author and University of Toronto professor.

Katie Mapplebeck, left, and Holly Jardine fan themselves with their name cards as they wait in the line up for the processional march at UNBSJ's Spring Convocation.

Florida's intellectual celebrity status provided him the opportunity to speak last, sharing his thoughts on what the other panelists had said. His opening remarks stated the obvious about the war for talent, "Jobs are really critical, and you have to build a very competitive business climate, and that's not going to get any easier."

Then, suddenly and without warning, he skidded into a 180 degree turn; pivoting his attention from jobs to an increasingly determinative aspect of economic growth. "In addition to building a vibrant business climate you need to build an equally vibrant people climate."

A positive people climate, he said, is one that is intensely focused on encouraging immigration and the development of "your own-" young people and entrepreneurial attitudes.

The debate on economic growth in New Brunswick and elsewhere has traditionally centered on how to improve the business climate. This is no longer enough. We need to pay heed to the other half of the economic debate.

Reasons for paying attention to the people climate are grounded in some interesting research. In his remarks at the Summit, Florida stated that less than 20 per cent of the reason why people move is for work. Among recent university graduates, those most likely to move for work-related reasons, this figure increases to just 25 per cent.

This certainly resonates with my experience. When I completed graduate school last June, many if not most of my classmates had chosen their city first, then their job. A 2002 survey by Next Generation Consulting and quoted in Florida's most recent book, *Who's Your City*, found that three-quarters of recent college grads first chose where to live before choosing what to do.

The importance of building a vibrant people climate has profound implications for New Brunswick in two related ways.

The first is that we have to figure out how to tap into the multitude of reasons that collude to make up more than 80 per cent of the reason why people move. That New Brunswick is currently not the community of choice is no surprise. According to Statistics Canada, from 1994-2005, the province experienced a net loss of 12,000 people, aged 18-44, to other provinces.

For young people, and especially educated young people who are the most mobile, some of these reasons are straightforward: the need to find a life partner, or for one's life partner to find a job; the desire for not just one job but also a second and third; interesting and energizing peers; the cost and quality of life; cultural amenities; and the opportunity to participate in local and global conversations.

The second concerns the significant economic effects at stake. The economy we are moving into is based on services and high-end manufacturing that both rely on continuous innovation. While in theory many of these jobs could be anywhere, they're not. They're clustering in high-growth regions like Boston-New York, Toronto-Montreal, Silicon Valley, etc.

One primary reason why these regions are driving economic growth is their ability to attract highly skilled people from diverse backgrounds. Once there, these people meet, share and combine ideas, and create innovative goods and services.

This begets the question of what comes first. Do people flock to these regions because of economic activity, or did the mix of people bring economic activity? The answer is both and the point remains: if the people climate were unfriendly, no one would move there. Remember, only 20 percent of the reason people move is for a job.

Despite our lack of debate on this, New Brunswick is well positioned to provide a positive people climate. The province already offers good schools, healthy and safe communities, and a low cost of living. We need to maintain these and expand on the other people climate factors listed above.

Some ways we might expand on our strengths include: building stronger partnerships between our multi-cultural associations and young professional associations; organizing monthly "think tanks" with eminent speakers on issues of provincial or global concern AND putting them online; developing targeted mentorship programs; developing a social networking platform within an already popular social networking software for provincial youth, i.e. building on what works.

Importantly, responsibility for building a strong people climate cannot be confined to just government policy, or corporations shifting to modern HR practices (a task that is, in fact, nearly complete). It is a societal decision, which only makes it more deserving of the debate that something with such significance should have.

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