



StFX
UNIVERSITY

BRIAN MULRONEY
INSTITUTE OF GOVERNMENT



The Atlantic Economic Forum

A Synopsis

Charles McMillan

June 2023

Mulroney Papers in Public Policy and Governance Special Report

MULRONEY PAPERS IN PUBLIC POLICY AND GOVERNANCE

Special Report

Author: Charles McMillan

The Atlantic Economic Forum: A
Synopsis

Managing Editor: Anna Zuschlag
Photos: St. Francis Xavier University

Prepared for the Brian Mulroney
Institute of Government

www.mulroneyinstitute.ca

4048A Mulroney Hall
St. Francis Xavier University
2333 Notre Dame Avenue Antigonish,
Nova Scotia
Canada
B2G2W5

© Brian Mulroney Institute of
Government

June 2023

The Mulroney Papers in Public Policy and Governance are published by the Brian Mulroney Institute of Government at St. Francis Xavier University. The purpose of this series is to provide a forum for emerging and established scholars and policy practitioners from various academic and professional backgrounds to weigh in on a range of domestic and foreign policy issues that focus on questions relating to leadership and governance.

Among the many questions that shape this series are how leaders at various levels of government immersed in different policy files have reacted to the challenges, pressures, and opportunities that come with elected office. What lessons can we learn from what went right, and at times, what went horribly wrong? This series aims to identify and illuminate what students of public policy and administration need to consider in evaluating the success or failure of various policy decisions.

Charles McMillan is Professor of Strategic Management and International Business, Schulich School of Business, York University. He has authored multiple books, including his latest volume, *The Age of Consequence: The Ordeals of Public Policy in Canada* (McGill-Queen's Press, 2022). His work has appeared in numerous journals and newspapers, including the *McGill Law Review*, the *Journal of Management History*, the *New York Times*, and *The Globe and Mail*. He was senior policy advisor to Prime Minister Brian Mulroney from 1984 to 1987.

June 2023

The Atlantic Economic Forum: A Synopsis

Charles McMillan



The Right Honourable Brian Mulroney (left) and Prime Minister Justin Trudeau (right) at the opening ceremony of the inaugural Atlantic Economic Forum.

INTRODUCTION

Over 300 delegates and an esteemed roster of prominent speakers convened at St. Francis Xavier University (StFX) from 19 to 21 June 2023 to launch the inaugural Atlantic Economic Forum, hosted by the Brian Mulroney Institute of Government, for three days of debate.

The forum attracted business, government, academic, and Indigenous leaders, as well as policy-makers, all focused on the new opportunities in Atlantic Canada across a range of topics from

economic and investment opportunities, health care and university reforms, energy to agriculture and food security, with a view to seizing the momentum for economic growth with unrelenting ambition and an eye to changing demographics, population growth, and the surge in immigrants coming to the four Atlantic Provinces.

The opening night set the tone for the conference, with opening remarks by former Prime Minister Brian Mulroney, who introduced guest speaker Prime Minister Justin Trudeau, stating, “We’re here to look at how we can unlock economic growth. This is a very consequential moment we find ourselves in. We need to meet the challenges of today with strength and opportunity.”

The list of speakers, panelists, and members of the steering committee included Ken Langone, CEO, Invemed, and co-founder of Home Depot; Annette Verschuren, chair and CEO, NRStor Inc., chancellor of Cape Breton University, and former president, Home Depot Canada; The Honourable Frank McKenna, vice-chair, TD Bank; Chief Terry Paul, Membertou First Nation; Dr. Sylvain Charlebois, Dalhousie University; Jennifer Wagner, a Breakthrough Energy Fellow based in Prince Edward Island; Michelle Simms, CEO, Genesis, Newfoundland and Labrador; James Irving; Chief Terry Paul, CEO, Clearwater Seafoods; Goldy Hyder, president and CEO, Business Council of Canada; Dr. Herb Emery, Vaughan Chair in Regional Economics, University of New Brunswick; Dr. Richard Isnor, StFX, Dr. Andrew Parkin, CEO, Environics; The Honourable Lisa Raitt, vice-chair, Global Investment Banking, CIBC; The Honourable Anne McLellan, Bennett Jones, Edmonton; The Honourable Sean Fraser, Minister of Immigration, Refugees and Citizenship; and Kelly Lendsay, CEO, Indigenous Works, among many other invited guests.



Prime Minister Trudeau’s opening address offered a challenge to the delegates and to the Atlantic region: “While we have to be fiscally responsible, we also have to be unrelentingly ambitious to seize every opportunity for our workers and our communities. In this moment, it’s critical we recognize that economic growth is also connected to security policy, to climate policy, and to social policy. Everything is connected.”

Left–right: The Hon. Frank McKenna; The Hon. Sean Fraser; Cynthia Dorrington, mistress of ceremonies; The Rt. Hon. Brian Mulroney; and Prime Minister Justin Trudeau

Mr. Trudeau spoke about the need to move to clean electricity and on the ever-increasing impacts of climate change, as witnessed with Hurricane Fiona and the recent wildfires. “The East Coast should and could be a clean energy powerhouse, and the federal government will be there to help make that happen.”

The Prime Minister stressed the need for the Atlantic region to work together to make sure Atlantic Canada has every competitive advantage possible: “It’s about creating opportunity for people and giving them a future to invest in so they in turn invest in and build community.”

Mr. Trudeau cited the incredible renewal in this region—increasing population growth, communities teeming with start-ups and entrepreneurs, and an area that has become more diverse and full of opportunity than ever before. He gave examples of social programs like the \$10 child care program and the upcoming dental program that are not just social programs but economic programs that keep us competitive. “Canada’s great competitive advantage is Canadians themselves—an educated population, optimistic in its future, who enjoy a strong social safety net. People want to come and build and live here.”

And when we support people, and believe in them, people can be there for their communities. That’s what Brian Mulroney did four decades ago when his government created the Atlantic Canada Opportunities Agency.

It was an act of faith in the economic future of Atlantic Canada, an act that recognized the untapped potential of Atlantic Canadians.

And, likewise, he saw the potential of all of Canada when he signed NAFTA.

Prime Minister Justin Trudeau

This economic renewal of Atlantic Canada is in part the legacy of Prime Minister Mulroney, Mr. Trudeau said. And, we can be grateful for his vision and act of faith in the economic future of Atlantic Canada when over four decades ago, he created the Atlantic Canada Opportunities Agency (ACOA): “He was very good at seeing potential.”

LAUNCHING THE FORUM: THE ROSTER OF SPEAKERS

The Honourable Frank McKenna, vice chair, TD Bank, former premier of New Brunswick, and former chair of the StFX Board of Governors, introduced former Prime Minister Brian Mulroney (StFX Class of 1959), calling him “the best prime minister Atlantic Canada ever had.” He singled out Brian Mulroney’s formative years in the region, saying, “he never forgot the impact of his education, friendships, and potential of the region.”

In his introduction of Mr. Mulroney, Mr. McKenna noted the former prime minister's tremendous contributions to Atlantic Canada, a legacy that includes the Atlantic Energy Accord, the Confederation Bridge, rebuilding the Canadian military with the shipbuilding program for frigates, the Halifax-Dartmouth harbour clean-up, locating the GST tax centre in Summerside, PEI, and the establishment of ACOA, with headquarters in Moncton.

These initiatives were not top-down, Ottawa-driven programs. To the contrary, each of these was a bottom-up, community-based initiative with the collaboration of premiers, members of provincial legislatures, federal Members of Parliament (MPs), mayors, small businesses, and often representatives of community colleges and universities. Many of these initiatives also faced opposition, including media attacks, and each consumed both time and political capital but still led to successful and enduring outcomes.

Mr. Mulroney, who received a standing ovation before and after his remarks, recalled a moment at the September 2019 opening of the Brian Mulroney Institute of Government, when he remarked that everyone, regardless of political party, will find a home at the institution marked by fairness and scholarship of the highest order.



High school student Ainslie Pictou performed the Women's Fancy Shawl dance at the opening ceremony.

The renewal of the Atlantic Canada economy, with population growth, more young people returning to their home province, and higher immigration levels, has brought a new culture that has taken root within a growing science-based ecosystem with support from universities, government departments, the National Research Council, and the federal scientific research funding councils.

There are impressive new outcomes, such as Canada's Oceans Supercluster, with up to \$25 billion in revenues forecast by the end of the decade; the booming biosciences sector, which is expected to reach a billion dollars; the aerospace sector, with 50 local and international companies becoming part of the global supply chain for commercial aircraft production, space exploration, and software applications for drones, underwater and airline pilot simulators, as well as search and rescue.

In Brian Mulroney's opening address and introduction of Prime Minister Trudeau, he spoke of the need for big, bold policies, pointing out that Atlantic Canada has often shown the way for the rest of Canada.

If we remember the vision and dreams of our forefathers, who built this country, and now can count on us to carry it forward from generation to generation, from success to success, from one century to the next. That's what we're here for.

Former Prime Minister Brian Mulroney

The former prime minister gave credit to The Hon. Sean Fraser for the idea of the AEF, which was postponed for two years because of the COVID-19 pandemic. When Minister Fraser was appointed to the federal cabinet, The Hon. Frank McKenna took a leadership role, ably assisted by StFX President Dr. Andy Hakin and his colleagues, including Drs. Richard Isnor, Donald Abelson, and Douglas Brown.



*Left-right:
Prime
Minister
Justin
Trudeau, StFX
President Dr.
Andy Hakin,
The Rt. Hon.
Brian
Mulroney,
The Hon.
Sean Fraser*

In his remarks at the opening ceremony, Nova Scotia Premier Tim Houston addressed the new momentum of the region and how outsiders see what is happening in his own province, and throughout the region, where incredible growth is happening: "We have momentum. We have a lot of work to do for sure." Houston added that growth is not without its challenges, including in housing and health care, but he emphasized that "you can do anything from this province."

Other speakers included The Honourable Ginette Petitpas Taylor, Minister of the Atlantic Canada Opportunities Agency; and Minister of Immigration, Refugees and Citizenship Sean Fraser (MP for Central Nova). StFX Elder-in-Residence Kerry Prosper offered a blessing before the opening dinner.

At the end of the opening ceremony, Minister Fraser reminded attendees that we've had real challenges in the region in the past, challenges that have had dire consequences, including outmigration, business and school closures, and reductions in health care services. "We have to do everything we can to create opportunities. The success we're experiencing in Atlantic Canada is like nothing I could have imagined, and it didn't happen by accident, and it's not going to continue without effort. We have opportunity to do big things."



Dr. Andy Hakin and The Rt. Hon. Brian Mulroney present Prime Minister Trudeau with artwork by Mary Meredith, Merigomish, NS.

The second day of the AEF involved panel discussions, presentations, and concurrent policy sessions on a range of topics: labour force and skills shortages; housing, public finance, and sustainable services like health care; new generation technologies; agriculture and food security; the green economy and energy futures; and a plenary session featuring Home Depot co-founder Ken Langone with former Home Depot Canada CEO Annette Verschuren as moderator.

The day's discussions and idea generation began with a history lesson, and the knowledge that the outward migration of young people (and a workforce much older than the national average) is beginning to reverse. Atlantic cities, such as Fredericton, Moncton, St. John's, Charlottetown, and Halifax, are experiencing population growth and more immigration. Young people are staying in the region, and many of them are taking part in the new start-up culture. As David Chaudry, president of the Atlantic Economic Council, set out early in the proceedings, the region still has a shortage of young workforce entrants to replace every 10 retirees (10 in 2006, 7 in 2020, and 8 in 2004), which is much more pronounced in rural areas.

On the premise that demographics are destiny, post-COVID Atlantic Canada has turned the corner—more internal migration from other provinces; Atlantic Canada's best and brightest are starting new businesses; and a new and welcome acceptance of young immigrants, often with a global mindset, an entrepreneurial mentality, and a willingness to think long term.

More immigration and population growth are the twin signs of a new, outward-looking attitude in Atlantic Canada, despite the scars of the global pandemic and Hurricane Fiona's devastation (damage was done to up to 40 percent of forest lands, soil erosion increased significantly, and the storm impacted the need for new housing construction and damaged many public buildings). All societies face similar problems, but for Atlantic Canada, they've fostered a new approach to resilience and a go-to attitude toward new challenges.



*The Rt. Hon.
Brian
Mulroney
and Mrs.
Mila
Mulroney
tour
Mulroney
Hall, site of
the AEF.*

Delegates were treated to a special plenary session held in Mulroney Hall's Barrick Auditorium with the co-founder of Home Depot, Ken Langone, with opening remarks from Goldy Hyder, CEO, Business Council of Canada. Langone, the grandson of Italian immigrants, started his career digging ditches for the Long Island Expressway before enrolling at Bucknell University to study economics. He spent two years in the US Army, then became a Wall Street banker, gaining prominence when he took Ross Perot, Sr.'s Electronic Data Systems public in 1968 (it was later acquired by General Motors). He gave a brief history of the expansion of Home Depot, which started from a single store in New York.

In the Q&A session following his talk—and insisting he be called Ken—Mr. Langone said he and his partners put far more attention on the people they recruited, their personal career plans, their desire to learn and climb the corporate ladder, and their personal qualities and business ethics. This approach, he emphasized, applies to any field of endeavour, not just business, and this issue applies to Atlantic Canada.



Annette Verschuren and Ken Langone

“I have some feel for this region,” he noted. “From many chats with Annette, who expanded Home Depot in Canada, and then China, including competition for local enterprises like J.D. Irving, but also from other service sectors. People make an enterprise successful.”

Canada is confronted with unprecedented challenges, from Russia’s invasion of Ukraine to the rise of China and the emergence of India as the second largest economy. In every field of human action, we face disruptive technologies of every sort—digital, electrical, protein, demographic, and data—so we must be opened-minded, willing to be bold and take on risk, and seek out new partnerships to learn and succeed.

Goldy Hyder, CEO, Business Council of Canada

During Tuesday’s dinnertime fireside chat, The Honourable Lisa Raitt and The Honourable Anne McLellan, two former Cabinet ministers with Atlantic roots, spoke with moderator Danny Graham about emerging opportunities in Atlantic Canada. Together, they provided a short history of the non-partisan Coalition for a Better Future (CBF) and the organization’s benchmark and scoreboard to assess outcomes. “Benchmarks are not intended to place blame for failure but as a learning tool to make constant improvements. We have more than 142 member organizations, and we welcome more from Atlantic Canada.”

As co-chairs of the CBF, McLellan and Raitt used their political and ministerial background, their business experience, and their talks with investment managers to focus on emerging economic opportunities and challenges for Atlantic Canada, and they presented the CBF Scorecard, released in March 2023, to the dinner attendees.

Both Ms. Raitt, as former minister of Transport, Labour and Natural Resources, and Ms. McLellan, as former deputy prime minister of Canada, stressed the importance of the future well-being of the country focusing on inclusive, sustainable, long-term economic growth. “We just can’t be complacent. We can’t sit around. We need to take all our creativity and use it to make Canada better and to help the world,” Ms. McLellan stressed.

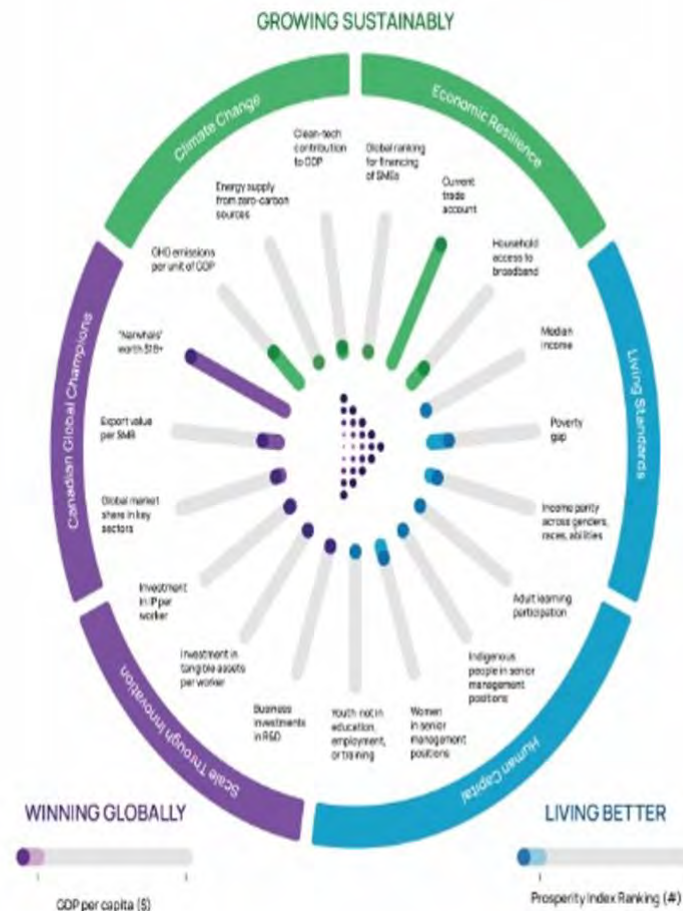
Ms. Raitt added another point: “What we’re imparting on people is how important growth is. Growth is key to keeping the quality of life we enjoy and ensuring it doesn’t fall away. If we don’t have economic growth, it’s going to diminish our power to help ourselves.” Questions from the audience and members of the panel warned about complacency, a rigidity that happens when we get by just fine, by being just good enough, but it’s also a reason why Canada still lags behind in certain areas, when we don’t step out and take that risk that could make us a global champions.”



Left–right: Moderator Danny Graham and panelists The Hon. Anne McLellan and The Hon. Lisa Raitt at Tuesday evening’s fireside chat.

Both speakers noted that the coalition welcomes other organizations to join, including Indigenous groups and student organizations, and they would love to see a business school in Atlantic Canada conduct a study on the region using the 21 CBF benchmarks.

Throughout the conference, panel discussions, and coffee breaks, deals big and small were on the table, but so, too, was a new vocabulary among the speakers; discussions and informative Q&As—start-up, scaling, collaboration, competition, digital tools, regional co-operation, private sector funding, community involvement, self-reliance, deregulation, speeded of government approvals, dynamic ecosystems, silo mentality, and a recurring theme of far less dependence on transfer payments and government support.

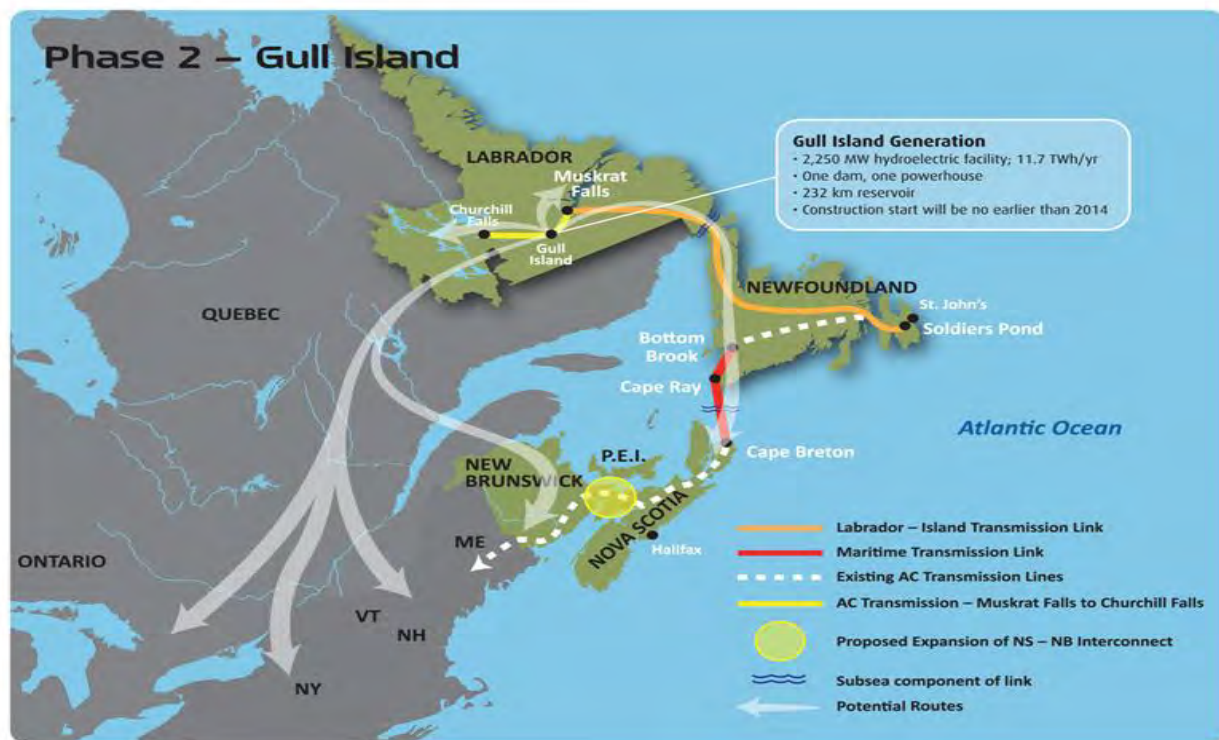


Source: Coalition for a Better Future (n.d.)

The Atlantic Economic Forum conference coincided with new research studies, including the Public Policy Forum's Atlantic Canada Momentum Index, with cities in Atlantic Canada showing fast population growth, a younger and more diverse labour sector, both thanks in part to the demographics of more immigration, and young people staying in the region and being absorbed in the new start-up culture in the four Atlantic provinces, especially in the urban centres, with widespread media coverage from local and national outlets.

Energy policy and the shift to green energy sources—wind, solar, hydrogen, tidewater, hydro—provide clear examples of a leadership role for the Atlantic region; one singled out by Prime Minister Justin Trudeau. However, energy strategy remains a contentious political issue, in part, because the four provinces have applied different systems: nuclear in New Brunswick; coal in Nova Scotia; hydro in Newfoundland; and a mix in PEI, with an emphasis on wind farms. The thought that Atlantic Canada could be a clean energy powerhouse, to use Prime Minister Trudeau's phrase, has potential, but it requires a measure of collaboration in the region and close alliances with other provinces, especially Québec, with its deep expertise in hydro development, transmission, and venture funding.

Initiatives, such as Churchill Falls and a major wind farm promoted by John Risley, former CEO, Clearwater, face headwinds of glacial approval processes by provincial governments. The proposed Atlantic Loop (see map below) is an example of the big, bold ideas touted by Brian Mulroney, including substituting hydroelectricity from coal-fired plants, that have been bogged down in cost negotiations and who funds the bill, just as other jurisdictions committing huge investments in semi-conductor plants and big data storage units that consume enormous amounts of electricity. Unspoken are the real costs of the Muskrat Falls electricity project that bypasses transmission from Labrador through the mainland of Québec to New England via Newfoundland, Nova Scotia, and New Brunswick.



Source: Lower Churchill Hydroelectric Project (n.d.)

With hopes of final negotiations for the Atlantic Loop expected this year, with project completion by 2030, federal financing would come from the Canada Infrastructure Bank—according to recent budget documents, the government’s primary financing tool for supporting clean electricity generation, transmission, and storage projects, including for major projects such as the Atlantic Loop.

But, on most topics, the renewal culture has taken root within a growing science-based ecosystem with support from universities, government departments, the National Research Council, and the federal scientific research funding councils. There are impressive new outcomes, such as Canada’s Oceans Supercluster, with up to \$25 billion in revenues forecasted by the end of the decade; the

booming biosciences sector expected to reach a billion dollars; the aerospace sector, with 50 local and international companies becoming part of the global supply chain for commercial aircraft production, space exploration, and software applications for drones, underwater and airline pilot simulators, as well as search and rescue.

Delegates attending the session on Indigenous business and economic development on the last day of the conference, also National Indigenous Peoples Day, witnessed one of the most insightful and inspiring examples of Indigenous success stories. The panel, moderated by Jarvis Googoo, director of the Atlantic Indigenous Economic Development program, began with an opening comment that Indigenous peoples in Atlantic Canada see the region as a single unit, with their own network of contacts, including with similar Indigenous networks across Canada and internationally. It is well-known that Indigenous peoples are now the youngest and fastest-growing population (perhaps, in the future, the majority in Manitoba), and they provide the solution to job shortages in many sectors.

The final session of the AEF served as a summary of topics and themes—more coordination and policy integration for the entire region, better use and application of digital technologies, emphasis on community participation in planning and execution of policy initiatives. This panel focused on future strategic directions and next steps for economic development in Atlantic Canada. It brought together five speakers representing regional and national governments.



Left–right: Jarvis Googoo, Kelly Lendsay, Rose Paul, Mary Beth Doucette



Left–right: Moderator Kristan Hines, NATIONAL; The Hon. Gilles Arsenault, PEI Minister of Economic Development, Innovation and Trade; The Hon. Gudie Hutchings, federal Minister of Rural Economic Development; The Hon. Sean Fraser, Minister of Immigration, Refugees and Citizenship; The Hon. Jill Balser, NS Minister of Labour, Skills and Immigration; and The Hon. Ahmed Hussen, federal Minister of Housing and Diversity and Inclusion

Topics covered a wide range of local and community-based initiatives from the Atlantic Growth Strategy, including the need for improved transport access (air, marine, and local transit) and instilling new can-do attitudes to replace a complacent, “good enough” approach to how exciting it is now that young people can see themselves in jobs in this region. Panelists spoke unanimously on how the region is better off when the work is collaborative and people support each other. These themes were underscored in a final address by ACOA’s president, Catherine Blewett: “We can be influencing the conversations that matter,” and she called the three-day forum “impactful...We covered a lot of ground. We can’t waste this platform or this momentum.”

A powerful comment by The Hon. Frank McKenna during the panel’s Q&A added to the theme of new initiatives for regional co-operation in areas as diverse as energy, agrifood, health care, green energy, education, and immigration. He raised the contentious subject of interprovincial trade barriers, an example of self-inflicted wounds by Atlantic Canada. As premier, McKenna was a strong backer of free trade with the United States, and he rarely misses a chance to show the productivity losses of interprovincial trade barriers (about \$80 billion per year). Such barriers include those against

accepting professional credentials for doctors, nurses, and pharmacists from other provinces and also weaken the capacity of start-up firms to scale quickly. His plea for reducing the barriers had wide acceptance at the forum: “It’s a staggering commentary on our country that we can have free trade with Europe, with Asia, with the United States, but we don’t have free trade within Canada. So yes, we could do it within our Atlantic region.”



The Hon. Frank McKenna, former premier of New Brunswick, shares a comment during the final session’s Q&A.

THE TAKEAWAY

Across the world, every society has a checklist of optimists and pessimists. Pessimists are the half-empty crowd and see the downside on anything that moves. Optimists see the world differently, and see problems and challenges as opportunities, and take steps to make the world a better place. The Atlantic Economic Forum was an occasion for the optimists to have a voice and follow the motto of the conference—arrive with purpose, leave with actions.

Charles McMillan, AEF rapporteur

In a short summary of the takeaways from the AEF's speeches and discussions, Charlottetown's Charles McMillan (whose parents were StFX alumni), author of the new book, *The Age of Consequence: The Ordeals of Public Policy in Canada*, gave a rapporteur's view of lessons learned.

In no fixed order, the five takeaways are as follows:

1. An overwhelming need for more co-operation in the region, better coordination among the four governments, and a regional approach on issues like energy, health care, university programs, and tourism.
2. Benchmarks and data analysis: The Atlantic region, like other jurisdictions, must develop comparative data, data analytics, and new benchmarks to help develop stretch goals, assure learning and clear feedback, and to improve better policy outcomes.
3. Climate change is real. It impacts all sectors, from forest and agriculture to housing and building codes. The Atlantic region has a novel opportunity to break down past silo thinking to design new models of climate mitigation, including clean energy, and new partnerships among higher education, Indigenous communities, small business, and local communities. Food production in the region has an opportunity to be a global player.
4. Atlantic Canada's location advantage: Halifax is the closest North American port to Europe and the Suez. Canada, especially when 90 percent of global trade is ocean-based, offers new access routes to foreign markets. Many delegates used the phrase "talk to strangers" as a metaphor for learning about other countries, blending their skills with Atlantic Canada, and become far more export-oriented, including for start-ups and small business. Japan, a distant country by location, has large global trading firms that purchase but also sell products around the world, including bluefin tuna caught in Atlantic Canada, but which are little known by the local business community.
5. Globalization and learning from other jurisdictions: Scandinavia builds about 90 percent of its homes with modular design in factories, and high schools, using modular design, become community centres at night, and on weekends, and summer holidays, so capacity utilization far exceeds the 30 percent levels in Canada. Ontario has developed a university health care network to link its teaching hospitals, a model for Atlantic Canada. Business schools in Boston are linked to global consulting firms, and students write a business plan as part of their management studies, and two-thirds of students start a company while attending university. Ireland, now ranked second on the World Competitiveness Report, cultivates its musical, artistic, and cultural talent for performances held around the world. The Atlantic Canada region has so much cultural talent, illustrated by a succession of singers in Nova Scotia like Anne Murray and the Rankin Family, and Anne of Green Gables in PEI, and theatre shows like *Come Gone From Away* playing on Broadway, have global appeal, just like the growing status of Fogo Island festivals in Newfoundland.

On that optimistic note, the delegates left the AEF with the conference motto close at heart—arrive with purpose, leave with actions—and with a message for the forum's organizers: *À la prochaine*.



REFERENCES

Coalition for a Better Future. (n.d.). Keeping Score. <https://www.canadacoalition.ca/scorecard>

Lower Churchill Hydroelectric Project EIA Review. (n.d.). Project overview.
<https://lowerchurchillreview.weebly.com/project-at-a-glance.html>