

# Our Vision

## **A different, and better, future is possible for communities across Canada.**

Imagine a prosperous zero-emissions economic future for communities across Canada. A future where communities live well; where children can safely play in shaded areas and go to school close to their homes; where seniors can easily get to their doctor, the grocery store, and the bank through accessible public transit; and young people can obtain jobs, afford a home, and start a family.

Across Canada, this vision is emerging and becoming a reality. In communities across Canada, new technologies and ideas are creating positive change where homes become more affordable, getting from place to place becomes safer and more accessible, and the costs of living are lower – leading to a better quality of life for everyone. These changes are visible across the country. For some, it is about creating jobs and investing in industries of the future. Industries like battery and zero-emissions vehicle manufacturing are creating high-quality jobs that turn into careers in Windsor, Ontario, and Mirabel, Quebec. Industries making food products from lentils, pea proteins, and soybeans are attracting investment to Portage La Prairie, Manitoba. For others, this vision is about making their communities better places to live. The Town of Bridgewater, Nova Scotia, is lowering its household energy costs.<sup>1</sup> Iqaluit and Cambridge Bay, Nunavut, is bringing more spaces of play and creativity to their citizens.<sup>2</sup> Guelph, Ontario, is creating a regionally-focused circular food system so that food is affordable and accessible for its community members.<sup>3</sup> These regions' initiatives are helping advance national growth,<sup>4</sup> adapting to a changing climate and reducing emissions, and improving the well-being of their citizens.

But it may be challenging to see this vision as more than just a dream for your community. From affordable housing to satisfactory health care to growing the economy to addressing climate change, there are many big challenges that are concerning Canadians.<sup>5</sup> Even in addressing these issues, Canadian communities face questions<sup>6</sup>: How can a community grow its economy amidst a rising cost of living? How can we tackle shortages of skilled workers, as the workforce ages and we become more inclusive for everyone? How will regions in Canada achieve these objectives while also reducing their own greenhouse gas emissions, adapting to a changing climate, preserving nature and biodiversity, and reducing pollution?

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<sup>1</sup> <https://www.energizebridgewater.ca/>

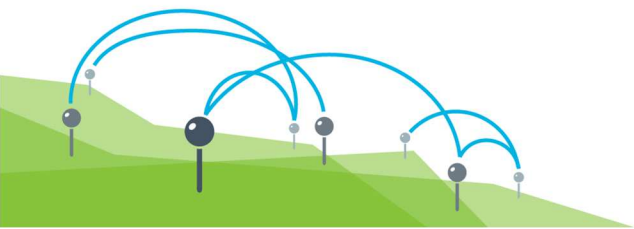
<sup>2</sup> <https://www.nunavutnews.com/nunavut-news/pinnguaq-claims-10-million-smart-cities-prize/>

<sup>3</sup> <https://foodfuture.ca/smart-cities-challenge/>

<sup>4</sup> <https://financialpost.com/executive/executive-summary/posthaste-canadas-tech-sector-fuels-growth-across-economy>

<sup>5</sup> <https://abacusdata.ca/affordability-election-2021-canada/>

<sup>6</sup> [https://chamber.ca/wp-content/uploads/2022/02/Can360\\_Nanos\\_ExecSummarySlides\\_Feb2022.pdf](https://chamber.ca/wp-content/uploads/2022/02/Can360_Nanos_ExecSummarySlides_Feb2022.pdf)



These questions make it challenging for Canadians to feel confident in a future where these issues are sufficiently addressed within their own communities and where their livelihoods are thriving.

Yet all Canadians can have the issues that matter most to them sufficiently addressed, and all communities across Canada can advance this vision of a thriving future. Regions across the country are well situated to identify the challenges they are facing and to know what solutions are needed. In crafting these solutions, communities can leverage their strengths, navigate the realities of their situation, and meet their residents' needs, all while establishing local economic growth and creating more livable communities.

To support this movement, the [Smart Prosperity Institute](#) is launching a new initiative called the [PLACE Centre](#). The PLACE Centre, which stands for Propelling Locally Accelerated Clean Economies, focuses on the complex challenges limiting clean economic growth in Canadian communities. Our core approach is “place-based,” meaning the PLACE team works with all levels of government, industry, and civil society organizations to ensure communities across Canada have the solutions needed to overcome the challenges they face in advancing clean economic growth. With this approach, the PLACE team can create practical, place-based recommendations where everyone involved can collaborate and work towards making progress in solving these problems. That way, every region and community across the country can attract investment, create jobs, and lower the cost of living – improving the quality of life for everyone while creating a lower emissions world.

## **What are place-based approaches to public policy?**

Place-based policy is an approach to designing policy solutions that try to tailor action taken by all levels of government to regional needs.<sup>7</sup> This approach requires policymakers to understand how a challenge is occurring in a particular region or geography and advance policy solutions that can tackle the problem in that area. Each region across Canada is different, with its own growth opportunities, economic challenges and policies, local and regional politics, and perspectives on what works well for them. For this reason, the same challenge happening in different places can look very different and will require different solutions to address. Housing affordability in markets like the Bedford Basin outside Halifax, downtown Toronto and Tillsonburg, Ontario, and British Columbia's inner mainland, each has its own set of drivers, challenges, and groups of actors involved.

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<sup>7</sup> <https://www.taylorfrancis-com.proxy.bib.uottawa.ca/chapters/mono/10.4324/9781003110118-1/place-based-policy-andrew-beer-fiona-mckenzie-ji%C5%99%C3%AD-bla%C5%BEek-markku-sotarauta-sarah-ayres?context=ubx&refId=5e09b04f-ddcc-4b22-b0a4-47147f0df2e0>

Place-based approaches are designed to work with various local and relevant actors in solving issues. This is particularly important because these challenges are often complex and intersect with other problems. These complex challenges do not neatly stay within the boundaries of a government, industry sector, or community. Regions have supply chains that go beyond the borders of any single municipal boundary or province. Commuters looking for low-cost housing may drive up demand for housing in surrounding areas by moving beyond the urban boundaries of a single municipality or town.<sup>8</sup> Skilled worker shortages affect value-chains that run across different provinces.<sup>9</sup> What this means in practice is that no one level of government or industry is capable of wholly solving the challenges they face. Place-based approaches work with various local and relevant actors – from government to industry groups to civil society organizations and leaders. This enables collaboration across these groups to come up with solutions that work well within that region, and ensure residents of a region can hold those accountable who choose not to engage. There is an incentive to collaborate with others in these solutions. After all, no one wants to be remembered as the reason a community was flooded, home prices went up, or companies were forced to close because they could not hire enough workers.

This means the total potential for place-based thinking is to tackle many of our biggest challenges and identify effective and collaborative solutions. Solutions where industry stakeholders, governments, and civil society work together to attract investment and talent, develop tomorrow's industries, make meaningful, high-quality job opportunities and wealth more accessible for all, ensure communities work for both young families and aging populations, make cities and communities more resilient to climate impacts and reduce their greenhouse gas emissions, and improve the quality of life across the country in a changing world. This is why the PLACE Centre is focused on advancing place-based solutions to drive clean and resilient growth, and livable and sustainable communities, across the country.

## **Place-based approaches allow Canadian regions to advance solutions that help them thrive**

Place-based approaches can help successfully drive economic development and innovation in regions across the country. Instead of regions trying to gain a foothold in already competitive markets, place-based thinking takes this logic and flips it on its head. Regions identify what they are already good at today and develop solutions that offer more technologically advanced, cleaner versions of their current products to sell in new markets. The goal is therefore not to become something else, by turning cities like Whitehorse and Moncton into Silicon Valley copycats. It is to improve upon what regions are already

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<sup>8</sup> <https://institute.smartprosperity.ca/1.5MillionMoreHomes>

<sup>9</sup> <https://institute.smartprosperity.ca/JobsAndSkills>



good at and use their strengths. This pathway offers an opportunity for industries like oil and gas in Alberta to develop technology opportunities like hydrogen and carbon capture and storage,<sup>10</sup> and for Quebec's aviation sector to develop greater sustainable aviation fuel and alternative drive-train technologies.<sup>11</sup> Global supply chains are segmented and specialized, with each step of making a product, offering a distinct niche opportunity in which industries can thrive and regions can carve out an edge over their competition. Many recent economic success stories have opted for this, including the growth of China's Pearl River Delta, Taiwan's success story of semi-conductor development, and – closer to home – Hamilton, Ontario's medical research and technology cluster, based around McMaster University. Each area took into account local factors like talent, infrastructure, political context, existing expertise to advance policies aimed at addressing the local problems – allowing the environment for these regions to grow into identified competitive niches and to make their objectives into reality.

Given their potential, place-based policy approaches are used across the world to advance innovation, attract skilled workers and investment, and develop leading economic clusters.<sup>12</sup> Indeed, Canada itself is no stranger to place-based policy, with two large federal flagship initiatives – Natural Resources Canada's new Energy and Resources Tables as well as the Innovation, Science and Industry's Global Innovation Clusters – created to advance regional economic development in emerging sectors across the country.<sup>13</sup> Beyond flagship federal initiatives, Canadian municipal and provincial governments design policies based on their local and regional context all the time. This popularity is due, in part, to reinvigorated interest in the topic of place-based policy and economic development as a way to support greater growth in regions across the country. While much of this debate around place-based thinking is happening in industrial policy, all discussions have at least two common goals. First, governments try to ensure this round of global change does not result in the loss of domestic industries, or worsen regional inequalities, similar to globalization's first wave in the 1990s and 2000s.<sup>14</sup> Policymakers are keen to create jobs in communities around the country, to ensure young people do not have to move to find meaningful, high-quality work. Second, they bring together stakeholders from governments, industry and civil society to develop solutions that leverage regional strengths to drive future success.

Place-based approaches also are gaining popularity for pursuing economic growth opportunities for other reasons, such as to try and better connect investments in new technology or industries to positive

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<sup>10</sup> <https://energyfutureslab.com/innovation-challenges/financing-the-transition-to-future-fit-hydrocarbons/>

<sup>11</sup> <https://energyfutureslab.com/innovation-challenges/financing-the-transition-to-future-fit-hydrocarbons/>

<sup>12</sup> Breznitz, D. (2021). *Innovation in real places: Strategies for prosperity in an unforgiving world*. Oxford University Press

<sup>13</sup> <https://ised-isde.canada.ca/site/global-innovation-clusters/en>

<sup>14</sup> <https://fortune.com/2022/09/09/america-economy-us-workers-business-new-industrial-policy-benefits-workers-entrepreneurs-urban-regions-de-souza-muro/>



economic outcomes for the communities where they are occurring.<sup>15</sup> They are also growing in popularity as a way to ensure community perspectives are incorporated into the decisions made by governments.<sup>16</sup> This potential to make investments more beneficial for the communities where investments are made, and make the economy more inclusive for all parties, further supports the case to develop recommendations through a place-based lens– as PLACE is doing.

## How the PLACE Centre thinks about solving these challenges

The level of specificity and coordination needed to come up with solutions that can tackle the challenges outlined in this paper are more difficult than writing a white paper bemoaning the state of affairs. It is the kind of thinking that generates new ideas, comes up with solutions designed around the real needs of communities, brings stakeholders to take collaborative action, and helps tackle both new and structural challenges with solutions that are built to succeed within institutional overlaps and constraints.

We believe place-based thinking has enormous potential to help advance new opportunities, and tackle some of our largest and more complex national challenges. As the PLACE Centre launches, it will focus on two complex challenges that will shape the future of our communities:

1. How can every community across the country create jobs and economic prosperity as the world moves to reduce its greenhouse gas emissions, and Canada adapts to a changing climate?
2. How can we create accessible communities that meet the needs of everyone from ages nine to ninety; are affordable for everyone to have a home, heat that home, and put food on the table; and will help Canada meet its climate goals of zero emissions by 2050?

Answering both of these questions is essential for Canada to succeed in the clean economy. As our work advances, the PLACE Centre will take on new challenges that our place-based perspective is well-equipped to solve; where complex, intertwined challenges require actions from more than one individual, government, or stakeholder if communities want to advance opportunities for clean regional economic development. This vision for change is well aligned with the shared vision of the Smart Prosperity Institute and the Natural Step Canada to support a strong and inclusive economy for Canada that thrives within nature's limits.

We do not believe that some issues, which are global or national in scope, can be completely resolved through this place-based lens. However, a place-based perspective can help develop better solutions for

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<sup>15</sup> Breznitz, 2021.

<sup>16</sup> <https://www.brookings.edu/testimonies/designing-the-next-generation-of-place-based-policies-to-address-concentrated-poverty-at-the-neighborhood-level/>

communities to manage impacts and risks. It also can help develop workarounds for limitations or challenges the community may encounter. Ultimately, the goal of place-based policy is to think beyond a one-size-fits-all approach to driving action. If complex, intertwined problems stand in the way of that, a place-based lens can contribute to lowering that barrier.

The PLACE Centre team is looking forward to working with all levels of government, industry, and civil society to thoroughly understand the problems restricting clean economic growth within a given region and create practical, place-based recommendations where everyone involved can collaborate and work towards making progress.

