



Region suffers from 'brain drain'

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WATERLOO REGION

An undereducated workforce may hold back this area as it enters the "creative age," according to a new report from the University of Toronto's Martin Prosperity Institute.

The study says the Kitchener area underperform against similarly situated cities in North America in educational attainment and in keeping graduates of its college and universities from leaving the area after graduation.

The report is based on the work of urban theorist Richard Florida, the institute's director.

Florida says cities succeed by attracting a "creative class" of artists, scientists, engineers and entrepreneurs. To attract such people, cities need to focus on the "3M": technology, talent and tolerance.

In the report, the Kitchener census metropolitan area performed adequately in measures of technology, such as high-tech employment. It also did fairly well in tolerance, in part because of its large immigrant population.

But in some measures of talent, Kitchener finished at or near the back of the pack among 11 peer-group metropolitan areas in Canada and the U.S.

In 2006, 20.8 per cent of area residents over 25 had a bachelor's degree, which ranked the area 10th out of the 11 cities in its group. The Kitchener area ranked eighth in people over 25 with a graduate or professional degree at 8.3 per cent.

The area ranked last in brain-drain index, which aims to measure whether a community gains or loses college and university graduates after graduation.

The findings are particularly surprising because the report is a followup to a provincewide study the Martin Prosperity Institute released in February that described Waterloo Region as "well-positioned for the creative age."

In fact, Florida was in Waterloo last month for an episode of TVO's The Agenda with Steve Paikin, entitled Ontario's Innovation Economy. The show asked what has made Waterloo so successful and whether its model can be replicated elsewhere in the province.

The numbers reflect discrepancies within the Kitchener metro area, said the study's author, Kevin Stolarick.

"If you just look at Waterloo, you find one of the most highly educated cities in Ontario," he said. "With Kitchener in the mix, and Cambridge to some extent, it brings the number down."

Waterloo Region differs from other tech clusters in that it has a large manufacturing base, said Iain Klugman, president of the Communitech technology association.

Factory workers may have skilled-trades certificates instead of bachelor's degrees, bringing educational attainment numbers down, but that's not a bad thing.

"I would take a balanced economy any day of the week over something which is dominated by one industry," Klugman said.

As for the so-called brain drain of graduates, that likely reflects local universities' success in attracting people from far and wide, who are less likely to stick around after school than people who grew up in the area, he said.

"What's the university retention rate at Laurentian (University)? I don't know, but does it pull top talent from across the world to come there? I doubt it," Klugman said.

"We'll take a lower percentage of the talent because we've got the best school of engineering in the world, or in the country, anyway," he said.

Jason Coolman, director of alumni affairs at the University of Waterloo, said he doubts the brain-drain metric reflects recent trends.

Waterloo Region is the most popular home for recent graduates of the school, he said.

The university's Accelerator Centre business incubator and VeloCity dorm for student entrepreneurs will help to convince graduates to start businesses here, he said.

Scoring low on the brain-drain index is not necessarily a bad thing, Stolarick said. Losing students after graduation is better than never attracting them in the first place.

"It's a sign of a weakness, but it's also an opportunity," Stolarick said.

The Kitchener census metropolitan area includes Kitchener, Waterloo, Cambridge and North Dumfries and Woolwich townships.

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