

Working for You – Letter to Minister of Finance

June 22, 2009

Honourable Graham Steele, Minister of Finance
New Democratic Party Caucus Office
Centennial Building, Suite 1001
1660 Hollis St.
PO Box 1617
Halifax, NS B3J 2Y3

Dear Minister Steele:

Re: Meeting with Halifax Chamber of Commerce

As you know, the Halifax Chamber of Commerce is a best-practice business advocacy organization representing the interests of 1,700 members and over 90,000 employees across Halifax. The Chamber advocates for provincial policies that will make Halifax a better place to live, work and play. With respect to provincial issues, the Chamber seeks to encourage the development, implementation and review of provincial policies that are important to Chamber members.

To this end, the Chamber submits an annual pre-budget submission to the province (in January of each year) and a mid-year update (in August of each year). These documents can be obtained from our Policy Library by selecting "Provincial Affairs". <http://www.halifaxchamber.com/default.asp?mn=1.9.163&f=docs>

The finance portfolio is of course, of great interest to the Chamber, as it affects each and every decision that the government makes. In this year's pre-budget submission, we expressed our views to the government regarding debt, spending and taxes. Specifically, we asked that the Province consider:

DEBT

- If necessary, given the unpredictable state of the economy, redirecting Provincial debt reduction funds on a short-term basis.
- A phase out of the defined benefit pension system and its replacement with a defined contribution pension system for public sector employees, including teachers.

PROGRAM SPENDING

- Investing strategically in new growth industries, which will have lasting effects not only on the economy, but on the environment as well.
- Investing in municipal transportation, utility infrastructure (including connection to Lower Churchill Falls) and in renewable power generation.

- Ensuring that the federal government is a full partner in the Atlantic Gateway.
- Evaluating private public partnerships or strategic investment partnerships via cost-benefit analysis for all infrastructure projects.

TAXATION

- The Chamber does not recommend any new personal tax cuts, since such cuts would likely not stimulate the economy but only increase savings.
- Reducing capital taxes on financial institutions which are currently taxed at 4 per cent.
- Faster phase-out of capital taxes on non-financial institutions. On the current schedule, Nova Scotia's phase-out is scheduled for two years later than other provinces, with total elimination in 2012.
- Taking advantage of the offered federal incentive to eliminate the capital tax on non-financial institutions by 2010.
- Accelerating the phase out of the business occupancy tax so it is eliminated in 2010 or sooner.
- Reducing small business income tax from 5 per cent to 3 per cent.

In addition, the Chamber's board has just approved new priorities, which will guide our policy work over the next few years. I would like to meet at your earliest convenience to discuss provincial finances, your plans for the tax review and the Chamber's new priorities. Please contact my office by phoning Dianna at 481-1235 to arrange a meeting date and time that works best for you.

Congratulations Minister Steele. I look forward to working with you and our new government in the coming years.

Sincerely,

Valerie Payn
President & CEO
Halifax Chamber of Commerce