

# HALIFAX CHAMBER OF COMMERCE



## PROVINCIAL PRE-BUDGET SUBMISSION 2019/2020

January 11<sup>th</sup>, 2019

Presented to: Hon. Karen Casey, Nova Scotia Minister of Finance

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## WHO ARE WE

The Halifax Chamber of Commerce speaks for over 1,650 companies with over 65,000 employees, and is a best practice, business advocacy organization that continuously strives to make Halifax an even more attractive city in which to live, work, and play. Our volunteer board of directors and Chamber staff undertake initiatives on behalf of the Chamber's diverse membership.

With origins dating back to 1750, we are recognized as the first Chamber established in North America. The Halifax Chamber is certified to the ISO 9001:2015 international quality standard, the first and only Chamber in North America to receive this accreditation.

The Halifax Chamber of Commerce offers over 105 events annually, and countless numbers of opportunities for exposure through member services, advertising, and sponsorship.

## 2019-2023 STRATEGIC PLAN

2019 welcomes a new strategic plan for the Halifax Chamber of Commerce. We like to think of the new plan as an evolution instead of a revolution, as our areas of focus have expanded rather than changed. Our overall goal, at the Chamber of Commerce, is to create value and prosperity for our members. We will provide the services they need, events that will help them learn and will advocate for the conditions in the economy that enhance their prosperity.

Our task forces, Fostering Private Sector Growth, and Accessing a Skilled Workforce, will work towards one to five-year goals that will aid in our members prosperity and economic growth of the city. Together, the task forces and Chamber staff aim to:

- Optimize the size of government
- Create a frictionless business environment
- Reduce the tax burden
- Promote immigration
- Support export development
- Increase student retention
- Increase entrepreneurship training
- Promote the growth of Halifax as a major city

We host numerous events each year that focus on the areas mentioned above. Our signature and annual events often feature local entrepreneurs and immigrants, post-secondary institutions and prestigious business organizations. Each year we give our members the opportunity to hear the state of the City and Province during luncheons and celebrate their successes at our business awards.

Our 2019-2023 Strategic Plan goals will be met while adhering to the following values:

- Honesty
- Diversity
- Integrity
- Innovation
- Accountability
- Collaboration

## EXECUTIVE SUMMARY:

The 2019-2020 Pre-Budget Submission outlines our new recommendations and reflects on our previous asks. With a new strategic plan comes an evolution of goals, objectives and outcomes we, as a Chamber, hope to achieve over the next five years. Our members want their voice to be heard and to ensure that government is working toward sustainable economic growth. Over the next five years, the Halifax Chamber of Commerce will look for government to optimize their resources, through the reduction of costs or taxation, or through revenue generation to reduce the impacts on the business community. We continue to push for reductions in regulations with asks including; granting the Halifax Regional Municipality with natural person powers and supporting economic development through further grants and programs available to businesses in Halifax.

Our members are thrilled to hear the population of Nova Scotia is increasing, but we know that levels of taxation also play a role in our province's ability to attract businesses or retain our youth. The Chamber would like to see the province promote the growth of Halifax, as Halifax plays a significant economic role in our province's success, generating greater than 54.9%<sup>1</sup> in GDP to the provincial economy and Nova Scotians understand that economic growth in Halifax benefits the entire province.

## RECOMMENDATIONS:

1. *Optimize government resources to reduce the impact on Nova Scotian businesses and entrepreneurs and reduce government expenditures.*
2. *Reduce the friction businesses face during daily operations of their business.*
3. *Continue to reduce the tax burden for Nova Scotians.*
4. *Outline a strategic plan for the growth and support of businesses and entrepreneurs in Nova Scotia that reflects the current and future programs, projects, grants and collaborations between government and stakeholders.*

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<sup>1</sup> <http://novascotia.ca/finance/statistics/news/asp?id=12509>

## A LOOK BACK AT OUR 2018-2019 RECOMMENDATIONS

While we continue to look forward, we believe it is crucial for the Chamber to review the current government objectives to ensure they remain committed to their prior goals, objectives and promises. We have outlined new recommendations for the 2019-2020 budget year but will continue to press for our previous recommendations as many remain a concern for our members.

**Fiscal Responsibility:** Continue to implement a balanced budget while utilizing the surplus to improve Nova Scotia's current debt situation.

- Reduce governmental spending by 5%
- Utilize surplus to reduce net debt while interest rates are currently low
- Set a goal to reduce the number of provincial employees by 4% by fiscal March 2019
- Maintain affordable collective agreements

**Taxation:** Continue to reduce the tax burden for Nova Scotians through the indexing of personal income tax to inflation, reducing the Corporate Income Tax Rate to 14%, and utilizing the surplus budget to reduce provincial taxes across the board.

**Regulation:** Continue to set goals for red-tape reduction and push for aggressive reforms.

**Economic Growth:** Push to increase the five and ten-year immigration retention rate and create more Work Integrated Learning opportunities.

# OPTIMIZING THE SIZE OF GOVERNMENT

## REDUCING COSTS

The Chamber is pleased to hear that Nova Scotia's cap-and-trade program will cost Nova Scotians less than first expected. The first discussions of Cap-and-Trade estimated that 11 cents would be added per litre to the price of gas by 2022, with outlooks now showing one cent additions per litre<sup>2</sup> and electricity rates at one percent increase versus eight percent by 2022 under the federal plan<sup>3</sup>. This is a significant reduction in what many businesses would view as another added increase in their costs. We would point out that this is one more tax for businesses and consumers to bear in Nova Scotia and Canada and we do not see how this will significantly reduce carbon usage. The Chamber is supportive of the ambitious greenhouse gas reduction targets, to reduce emissions by 45% to 50% from 2005 levels by 2030<sup>4</sup>. We want to keep our province sustainable for current and future businesses and this reduction in emission levels is a step toward a bright and prosperous future for Nova Scotians.

The Chamber was happy to hear that Nova Scotia has received its highest-ever credit rating from Standard and Poor's bond-rating agency<sup>5</sup>. Ensuring that our province is on a sustainable path is a goal that the Chamber supports. We are thrilled that "more people are working in Nova Scotia than ever before, and our population is at an all-time high"<sup>6</sup>. The credit rating, while a sign that the government is moving in the right direction, shows us that we need to continue reforming taxes, increasing revenue and reducing costs to ensure the province can continue to grow, succeed and be competitive.

The Halifax Chamber of Commerce presented to the Nova Scotia Electoral Boundaries Commission on behalf of our membership. Our key points were;

- Ensure that Halifax, with currently 47% of Nova Scotia's population (but 43% of the seats) become effectively represented.
- We are in full support of providing cultural and linguistic representation for African Nova Scotians and Acadians across our province. We feel that these groups can be incorporated without additional MLA's through the redistribution of current representation and/or through general representation.
- The number of current Nova Scotian MLA's should not increase or should, in fact, decrease to reflect the economic realities of our province today and in the future.

According to projections, Halifax will reach greater than 50% of Nova Scotia's population by 2022. If we look at Halifax's current representation, 43% of MLA's are from Halifax. With the Commission's Interim recommendations Halifax will remain at 43% represented. A recommendation that provides an MLA for ridings with between 2,585 to 7,700 electors versus HRM ridings that average 14,000 voters is not effective representation for Halifax. The suggestions provided by the Commission are not forward-looking, but rather looking to the past for today's answers. We should all feel represented but also confident that our province is utilizing taxpayer's dollars in the most effective and efficient way looking towards the future.

We remain concerned with the pattern of increased provincial departmental spending, especially given that it is over the inflationary rate for the year. Inflation in 2018 was 2.57%, spending was 3.3% and the population increase for 2017 was only 1.0%<sup>7</sup>. This is concerning, given our Province's current level of debt. It was noted in the

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<sup>2</sup> Premier's Office - Oct 23, 2018-<https://novascotia.ca/news/release/?id=20181023005>

<sup>3</sup> <https://climatechange.novascotia.ca/nova-scotias-cap-trade-program>

<sup>4</sup> IBID

<sup>5</sup> Premier's Office - Sept 18, 2018-<https://novascotia.ca/news/release/?id=20180918001>

<sup>6</sup> IBID

<sup>7</sup> <http://novascotia.ca/finance/statistics/topic.asp?fto=2lu>

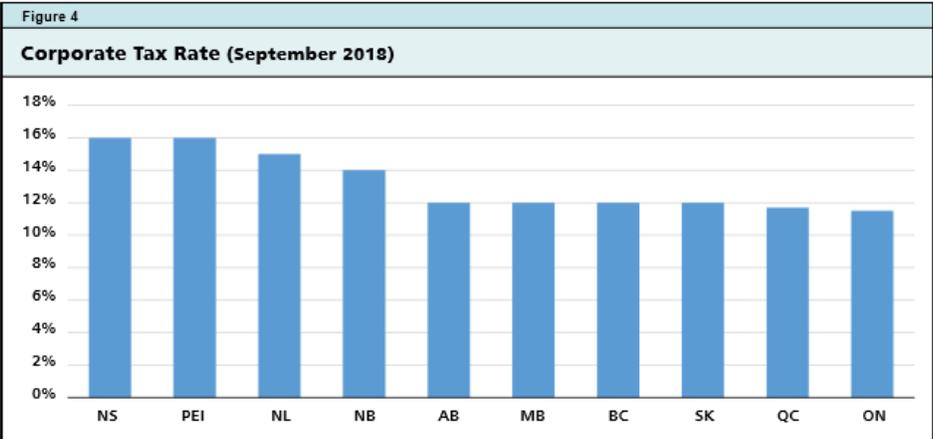
December 2018 Forecast update that departmental expenses will be 1.0% higher than budget estimates<sup>8</sup>. While we are supportive of investment in Nova Scotia, as seen with the increase of expenses needed for the Centre for Ocean Ventures and Entrepreneurship project, we are disheartened to see another large increase to healthcare spending, \$105.4 million higher than budgeted<sup>9</sup>. Healthcare is a vital service for Nova Scotians, but we feel there is a critical need for political will to do things differently within the current spending envelope. As we mentioned in our previous pre-budget submission, we cannot continue to do things the same way and expect a different outcome.

In our previous pre-budget submission, we were concerned about debt servicing costs due to the fluctuations of the interest rate. We are happy to see that total debt servicing costs are forecasted to be \$17.4 million lower than Budget, as the actual interest rate increase was lower than anticipated<sup>10</sup>. Interest rates have increased in 2018 and there is an expectation that future borrowing costs will increase.

**REDUCING THE TAX BURDEN**

Our members tell us that Nova Scotia’s tax rates are significant at every level and when a readily available tax calculator is used<sup>11</sup> Nova Scotia’s tax rates are the highest in Canada. This does not encourage investment in Nova Scotia or the growth of businesses in Nova Scotia versus other provinces. It’s not difficult to see why many

business owners and entrepreneurs in Nova Scotia are concerned with their level of taxation. As you can see from the graph<sup>12</sup> below, Nova Scotian business owners are being taxed the most within Canada and we are concerned that this may have an impact on whether a business decides to open shop here in Halifax. We continue to ask the provincial government to



reduce the corporate tax rate to 14%, which is still higher than the national average.

We also ask the Provincial Government to investigate the Capped Assessment program, to determine if it is still the most effective mode of taxation for Nova Scotians. The program often results in residents paying less and businesses paying more, as commercial properties are not eligible for a cap.

**REVENUE GENERATION**

While taxation remains an important issue for our members, we also want to focus on managing taxation through efficient and strategic spending and consideration of potential new revenue sources. We believe through proper fiscal management government can reduce the burden of taxation. In addition, we expect that government compare their costs to similar services in the private sector, to ensure that government is operating effectively

<sup>8</sup> <https://notices.novascotia.ca/files/budget-forecast-notices/budget-forecast-update-december-2018.pdf>, page 7  
<sup>9</sup> IBID, page 7  
<sup>10</sup> IBID, page 8  
<sup>11</sup> <https://www.ey.com/ca/en/services/tax/tax-calculators-2018-personal-tax>  
<sup>12</sup> [http://www.aims.ca/wp-content/uploads/2018/12/AIMS-18006\\_DeearthOpportunity\\_NV3018\\_F2.pdf](http://www.aims.ca/wp-content/uploads/2018/12/AIMS-18006_DeearthOpportunity_NV3018_F2.pdf)

and efficiently. “While proponents of high corporate taxes might suggest that they are needed to raise revenue for government, this claim, at least at the margin, does not ring true. Economists Ergete Ferede and Bev Dahlby found in a 2016 study that the high corporate tax rates in Atlantic Canada are so economically damaging that provincial governments are losing tax revenues when they raise corporate income tax rates”<sup>13</sup>. In other words, cutting corporate taxes would lead to more government revenue.

In the coming months and years, our Fostering Private Sector Growth Task Force will be working towards recommendations of possible new revenue sources for the province. Please keep an eye out for these suggestions and more in our next issue notes:

- Identify non-core services that could be provided more efficiently by the private sector
- Consider further P3 opportunities for the provision of health care services within a publicly funded model
- Consider onshore natural resource development with good a communications plan on what that process could look like and what are the missed opportunities. This would include a regulatory environment that would support private sector exploration and development

#### RECOMMENDATION:

*Optimize government resources to reduce the impact on Nova Scotian businesses and entrepreneurs.*

- *Find a way to provide representation for Nova Scotia’s African Nova Scotian and Acadian communities while keeping MLA numbers at the current state of 51 (or less).*
- *Utilize surplus to pay down our outstanding debt.*
- *Departmental Spending to follow inflation*
- *Reduce the Corporate Tax Rate to 14%*
- *Review the Capped Assessment Program*
- *Consider potential new revenue sources and compare costs to private sector*
- *Ensure that government spending does not increase above the inflation rate*

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<sup>13</sup> [http://www.aims.ca/wp-content/uploads/2018/12/AIMS-18006\\_DeearthOpportunity\\_NV3018\\_F2.pdf](http://www.aims.ca/wp-content/uploads/2018/12/AIMS-18006_DeearthOpportunity_NV3018_F2.pdf), page 20

## CREATING A FRICTIONLESS BUSINESS ENVIRONMENT

### RED TAPE REDUCTION

Our members are always pleased when the government takes the initiative to upgrade their systems, services and in this case their website. We are happy to hear that the changes will “improve accessibility, reduce duplication and make it easier to search, find and connect to content on the same topic, even when it belongs to different departments”<sup>14</sup>. As a Chamber we are hoping that the finalized version of the website will adhere to its goals of:

- Explaining what government is doing and why
- Providing clearer, easier access to government programs and services
- Sharing information that individuals or businesses are looking for

We also hope that the website update will eventually include fully integrated back-end connectivity, to ensure reduced road blocks for information searches.

The Chamber was not pleased to see that the number of FOIPOP searches for review of public body decisions was down<sup>15</sup>. Access to information is critical for businesses and residents to know what is occurring and we hope that the Government utilizes new tools to promote this instrument for accountability and transparency. In addition, limiting access of information that is in the public’s interest does not serve the public. For example, not providing costs paid for ferry access to Nova Scotia from Maine while costs for ferry access to Nova Scotia from PEI and NB are public.

Our members were pleased to hear that Nova Scotia has removed personal exemption limits for alcohol being transported into the province for personal consumption<sup>16</sup> and that the Premier is in discussions to eliminate barriers to interprovincial trade four other areas; business regulation, occupational health and safety, transportation and technical safety<sup>17</sup>. Reducing these barriers will make it easier for Halifax businesses to do business, reach new markets and increase consumer choice<sup>18</sup>. This direction is seen to be progressive by our members.

### MUNICIPAL ISSUES

We are in support of the Halifax Regional Municipality being given autonomy, also known as Natural Person Power (NPP), to make decisions which would allow for greater opportunity and flexibility to deliver programs and services. Enabling natural person powers through the current HRM Charter would accomplish this and as we hope to see, make the municipality more efficient and effective in its day-to-day operations, potentially reducing the regulatory burden on businesses and organizations. As an example, “Legislative change was needed to allow HRM to spend the funds to facilitate Solar City and assist private property owners to install solar panels while recovering the cost. NPPs would have allowed HRM to proceed with Solar City without waiting for legislative change”<sup>19</sup>. This seems like an unnecessary step and regulations that impeded the improvement of a community in Nova Scotia.

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<sup>14</sup> Communication NS- Oct2, 2018- <https://novascotia.ca/news/release/?id=20181002005>

<sup>15</sup> Internal Services- Sept. 27, 2018- <https://novascotia.ca/news/release/?id=20180927006>

<sup>16</sup> Premier’s Office-Dec 7, 2018- <https://novascotia.ca/news/release/?id=20181207002>

<sup>17</sup> IBID

<sup>18</sup> IBID

<sup>19</sup> <https://www.shapeyourcityhalifax.ca/natural-person-powers/faqs#1406>

The projected provincial profits from Cannabis taxes are currently projected to be circa \$10 million the first year. This should give the Provincial government the ability to fund the municipality's expected budget of \$3.3 million for the training and hiring of needed by-law officers and the expected ongoing costs for fire and police officers. This was the reason the federal government provided such a large portion of excise tax to provinces.

Province-wide internet will increase productivity and potentially provincial competitiveness on a global stage, but the \$190 million will not be enough to cover the full costs of province-wide high-speed internet. Toronto is already looking into the adoption of 5G, meaning the 4G in most of Nova Scotia will put our current businesses at a competitive disadvantage. We then ask the question, why was this funding, not first used to pay down our increased debt or used to upgrade our internet connections in the business core of Halifax, the engine of the province?

## SUPPORTING EXPORT DEVELOPMENT

Ensuring that the Nova Scotia market is easily accessible is important to our economy's ability to grow. We are happy to see that Premier McNeil is working to add air connections between Halifax and the world as it allows for increasing economic benefits for our province through tourism, business travel, students and immigration<sup>20</sup>.

It is great to see that Nova Scotia's exports continue to grow and expand outside the US market<sup>21</sup>, but we are paying close attention to the prominent and potentially disruptive risks developing, globally. Issues like, trade protectionism, BREXIT and rising levels of debt in Canadian households, are just a few concerns of both the Province and the Chamber. If the government can maintain the positive track of our international exports and further open the Canadian market, through the reduction of interprovincial barriers, we should continue to see new business development and new entrepreneurs putting down roots in Halifax.

## RECOMMENDATIONS:

- *Fully integrated provincial website that allows for connectivity, efficiency and effectiveness for the user*
- *Increase awareness of FOIPOP*
- *Natural person powers for Halifax Regional Municipality*
- *Fund Municipalities from Cannabis regulatory budget costs*
- *Review options and availability of 5G internet*
- *Continue to push for reduced interprovincial trade barriers*

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<sup>20</sup> Premier's Office-Oct 23, 2018- <https://novascotia.ca/news/release/?id=20181023004>

<sup>21</sup> <https://notices.novascotia.ca/files/budget-forecast-notices/budget-forecast-update-december-2018.pdf>, page 12

# OUR SKILLED WORKFORCE

## INCREASING OUR POPULATION

As with most Nova Scotians, the Chamber is pleased that our population has increased, by 9,262 people<sup>22</sup>. It was also heartening to see that 2,568 more people moved to Nova Scotia than left and 5,137 newcomers came to Nova Scotia<sup>23</sup>. Not only do we want to see an increase in the number of newcomers to our province, we also want to ensure we are retaining Nova Scotians. “One of the most important steps the Atlantic Provinces can take in expanding the economic opportunities youth seek is to cut their most economically damaging and uncompetitively high tax rates”<sup>24</sup>. According to AIMS, the government should prioritize corporate tax cuts, since businesses are the major consumers of labour<sup>25</sup>.

While Nova Scotia is doing a better job at retaining youth, the data below<sup>26</sup> shows we are still losing more youth than gaining. A Fraser Institute study of labour markets in 2018 similarly noted that the “flow of workers into and out of jurisdictions is an important indicator of the performance of labour markets and of economic performance generally. These flows can often be explained by a lack of labour opportunities in the worker’s home province or state”<sup>27</sup>.

High corporate taxes drive away capital, leaving workers to bear the economic burden of the tax through less employment and lower wages<sup>28</sup>, thus we see the outmigration of youth continue. The evidence shows that corporate tax cuts and a strong resource sector are both contributors to economic opportunity and domestic in-migration, as shown by the large numbers of people who have moved from Atlantic Canada to Alberta over the years<sup>29</sup>.

Table 1				
Average Annual Net Interprovincial Migration - Ages 20-24				
Period	Nfld. & Lbdr.	PEI	NS	NB
1972-73 to 1976-77	181	56	444	472
1977-78 to 1981-82	-661	-153	-666	-892
1982-83 to 1986-87	-685	-28	287	-293
1987-88 to 1991-92	-839	-244	-494	-550
1992-93 to 1996-97	-1,905	-174	-883	-680
1997-98 to 2001-02	-1,991	-238	-878	-897
2002-03 to 2006-07	-1,674	-315	-1,030	-1,035
2007-08 to 2011-12	-791	-348	-781	-758
2012-13 to 2016-17	-428	-306	-791	-981

## ENTREPRENEURSHIP TRAINING

The Halifax Chamber of Commerce is pleased to see that the government is working with universities, colleges, communities and entrepreneurs on a new economic approach to increase the number of start-up companies and the number of jobs for Nova Scotians. The \$15 million-dollar provincial investment into the early-stage venture capital fund will further the conditions needed for new and growing businesses in Halifax. We are also happy to

<sup>22</sup> Premier’s Office-Sept 27, 2018- <https://novascotia.ca/news/release/?id=20180927010>  
<sup>23</sup> IBID  
<sup>24</sup> [http://www.aims.ca/wp-content/uploads/2018/12/AIMS-18006\\_DeearthOpportunity\\_NV3018\\_F2.pdf](http://www.aims.ca/wp-content/uploads/2018/12/AIMS-18006_DeearthOpportunity_NV3018_F2.pdf), page 20  
<sup>25</sup> IBID  
<sup>26</sup> IBID, page8  
<sup>27</sup> IBID, page11  
<sup>28</sup> IBID, page 12  
<sup>29</sup> IBID, page 23

see that the \$8.4 million invested in 2016-2017 for entrepreneurs has led to strengthened innovation and enhanced programming across the Province.

The Chamber is pleased to hear that the “Dream” program<sup>30</sup> will be available throughout the province to support rural entrepreneurs working on their ideas. The numbers are optimistic for new start up companies in the province. We are encouraged that the government is working closely with organizations such as Volta Labs to increase the size of innovation-driven enterprises. More can be done, though, to promote entrepreneurship for younger Nova Scotians in middle and high-schools across the province.

We are pleased to see the addition of the Innovation Rebate through NSBI as it provides a great financial incentive for businesses to innovate and adopt new methodologies, technologies and add new talent to their team.

## STUDENT RETENTION

The Chamber is pleased with the Energy Training Program and how it provides youth the specialized training and work experience<sup>31</sup> that helps retain talent in Nova Scotia. As mentioned, a “strong energy sector supports inclusive economic growth for all Nova Scotians and gives our brightest young minds the chance to find fulfilling careers at home”<sup>32</sup>. Like the Graduate to Opportunity Program, the Chamber will continue to inform our members of the benefits of hiring recent graduates and immigrants.

## ACCESSIBLE NOVA SCOTIA

Businesses in Halifax will see benefits from the provincial governments promise of being fully accessible by 2030. We have ensured that our members are frequently updated on the status of this commitment and kept abreast of current events, grants and discussions surrounding the 2030 goal. We are pleased to see the release of the province’s implementation strategy for achieving accessibility, Access by Design 2030, as it will identify the priorities to achieve the goals set out in the Accessibility Act<sup>33</sup>. We are in full support of the strategy to improve public awareness, build collaboration and increase compliance with existing regulations<sup>34</sup>. We do want to ensure businesses have the right tools to be fully accessible and that a business does not falter or close from the costs associated with the standards.

We are happy to hear that the provincial grants for accessibility are helping community groups and municipalities invest in capital improvements to increase accessibility for Nova Scotians<sup>35</sup>, like Paddler’s Cove in Dartmouth, which has received \$108,484 to make it an accessible building<sup>36</sup>. We will continue to promote provincial grants to our members as they support efforts to achieve an accessible Nova Scotia by 2030.

## RECOMMENDATION:

- *Cut corporate taxes to ensure businesses can afford to hire*
- *Promote entrepreneurship within middle and high-schools*
- *Ensure businesses are aware of and have the right tools to be fully accessible for 2030*

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<sup>30</sup> <https://novascotia.ca/news/release/?id=20180906001>

<sup>31</sup> Energy and Mines-Oct 24, 2018- <https://novascotia.ca/news/release/?id=20181024001>

<sup>32</sup> IBID

<sup>33</sup> Justice, Sept 21, 2018 - <https://novascotia.ca/news/release/?id=20180921003>

<sup>34</sup> IBID

<sup>35</sup> Communities, Culture and Heritage- Dec 3, 2018- <https://novascotia.ca/news/release/?id=20181203002>

<sup>36</sup> Communities, Culture and Heritage-Oct 16<sup>th</sup>, 2018- <https://novascotia.ca/news/release/?id=20181016002>

## PROMOTING THE GROWTH OF HALIFAX AS A MAJOR CITY

### INVESTMENT IN OUR PROVINCE

We have noted, with interest, the new cultural hub in Halifax, The Links Arts Centre. The arts centre may provide for new collaborative partnerships, but we were surprised however, to see two areas of the provincial government (CCH and Department of Business) stack funding in two amounts which total \$5.7M.

Chamber members are asking what the Provincial government will do to support the growth of businesses in the future, other than reducing the regulatory burden. We were encouraged with the successes of past and current initiatives and projects for the business sector, but there was no mention in the throne speech of things to come. It is our expectation that government would have been clearer in a throne speech about the future of the business sector rather than focusing on the past. Any further information related to governments intentions to support the growth of the economy through the private sector will be important for us to communicate to our members.

### RECOMMENDATIONS:

*Outline a strategic plan for the growth and support of businesses and entrepreneurs in Nova Scotia that reflects the current and future programs, projects, grants and collaborations between government and stakeholders.*

### CONCLUSION

Halifax is the economic generator of Nova Scotia. Through the optimization of government to reduce impact on business, reducing the friction businesses face daily, ensuring opportunities for our skilled workforce and promoting the growth of Halifax, we will have a better chance at increasing the number of entrepreneurs, retaining our skilled talent and increasing economic growth. The Chamber was supportive of many of the actions and tools that the Provincial government has utilized over the past year. Our members remain encouraged that the government is working towards a more competitive and frictionless business environment, but we do hope to see a plan for growth in the future that includes many of the recommendations we mentioned.

This submission outlined the top priorities of the Halifax business community. These discussions, questions and recommendations are reasonable given the fiscal capacity of the Province and will bring Nova Scotia in line with the business competitiveness of other Canadian provinces. We look forward to hearing your thoughts on these issues, and how we can move Nova Scotia forward, together.

**The Chamber is recommending:**

*Optimize government resources to reduce the impact on Nova Scotian businesses and entrepreneurs through:*

- Finding a way to provide representation for Nova Scotia's African Nova Scotian and Acadian communities while keeping MLA numbers at the current state of 51 (or less) with the current electoral boundary review.
- Utilizing the surplus to pay down our outstanding debt.
- Departmental Spending to follow inflation
- Reducing the Corporate Tax Rate to 14%
- Reviewing the Capped Assessment Program
- Consider potential new revenue sources and compare costs to private sector

Reduce the friction businesses face during daily operations of their business through:

- Fully integrating the provincial website to allow for connectivity, efficiency and effectiveness for the user
- Increase awareness of FOIPOP
- Granting natural person powers for Halifax Regional Municipality
- Funding Halifax Regional Municipalities expected Cannabis regulatory budget costs
- Reviewing options and availability of 5G internet
- Continuing to push for reduced interprovincial trade barriers.

*Continue to reduce the tax burden for Nova Scotians through:*

- Cutting corporate taxes to ensure businesses can afford to hire
- Promoting entrepreneurship within middle and high-schools
- Ensuring businesses are aware of and have the right tools to be fully accessible for 2030

*Outline a strategic plan for the growth and support of businesses and entrepreneurs in Nova Scotia that reflects the current and future programs, projects, grants and collaborations between government and stakeholders.*

Sincerely,



Patrick Sullivan  
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