

# HALIFAX CHAMBER OF COMMERCE

The logo graphic consists of a thick orange L-shaped bar. The vertical bar is on the right side, and the horizontal bar is at the bottom, extending to the left from the base of the vertical bar.

## 2020-2021 Provincial Pre-Budget Submission

Presented to:

Hon. Karen Casey,  
Nova Scotia Minister of Finance

December 10<sup>th</sup>, 2019

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# HALIFAX CHAMBER OF COMMERCE UPDATE

2019-2020 this year ushered in a new strategic plan for the Halifax Chamber of Commerce. We have since likened the new strategic plan to an evolution rather than a revolution, as our areas of focus have expanded rather than changed. Our overall goal at the Halifax Chamber of Commerce remains to create value and prosperity for our members. Through this new plan, we are providing the services they need, hosting events that will help them learn and are advocating for the conditions in the economy that enhance their prosperity.

Our task forces, Fostering Private Sector Growth and Accessing a Skilled Workforce, are currently working towards one to five-year goals that aid in our member's 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 and the inclusion of underrepresented groups in the workforce
- Support export development
- Increase student retention
- Increase entrepreneurship training
- Promote the growth of Halifax as a major city

We host numerous events each year which 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.

## **EXECUTIVE SUMMARY:**

We have seen some progress for businesses this year. The regulatory environment is becoming more streamlined, due in part to tools like the business navigator program. Interprovincial trade barriers are in decline and our province is cracking down on emissions levels for a carbon-neutral, green economy in the future. However, there is still much to be done to ensure our government remains fiscally sustainable, our population continues to rise, and we remain a competitive province, both within Canada and abroad. Our 2020-2021 pre-budget submission is an extension to our 2019-2020 asks, wherein we continue to ask for the optimization of government's size, a frictionless business environment, priority for our skilled workforce and the ability for Halifax to maintain its presence as a major city in Canada. We ask that you carefully review our 2020-2021 recommendations as they are sourced through discussions with our members, the business community, who often drive our economic growth and through research into what other jurisdictions are doing that can be utilized here in Nova Scotia to improve our business community's ease of growth.

## **RECOMMENDATIONS:**

### ***Optimizing the size of government:***

- If departmental expenses are rising without actual need, we recommend, on behalf of our members, to utilize these funds for debt repayment.
- Provide an explanation of the increase in departmental expenses over inflation.
- Remove the Capped Assessment Program but continue to have tools in place to protect those who would become vulnerable when the CAP is dissolved.
- Ensure there are enough grants and programs in place to support new business growth in our province.
- Invest in countries outside China and Europe for export development.
- Increase the number of entrepreneurial classes for high school students to ensure they are aware of the potential of business creation and leadership.
- Reduce the provincial corporate tax rate to 14%.
- Grant "Ability-to-Pay" legislation to the Municipality to aid in labour negotiations.
- Acknowledge publicly the role of Federal transfers in achieving a balanced budget
- Set as one of its strategic objectives the balancing of its annual budget without reliance on equalization payments and the setting of a target date for achievement.

### ***Creating a Frictionless Business Environment:***

- What are the savings plans for each government department? E.g. Cost savings from the Business Navigator Program or increased technology across departments.
- Research the feasibility of a digital service squad to be utilized like the Business Navigator program in the Department of Regulatory Affairs & Service Effectiveness.
- Grant the municipality Natural Persons Powers for greater autonomy.
- If not already done, research opening new export markets for Nova Scotia goods, like Africa or South America.

### ***Enhancing our Skilled Workforce:***

- Review the potential impact of our high provincial corporate tax rate to ensure this is not an impediment to the immigration of business owners and entrepreneurs. Reduce it to 14% in 2020 aiming for 12% in the future, therefore in line with other Canadian Provinces.
- Ensure the business community is aware of the grants and programs aimed at helping businesses become accessible by the required year, 2030.

### ***Promoting the Growth of Halifax as a Major City:***

- Ensure Halifax does not lag behind other cities by providing our businesses with access to 5G.

## **A LOOK BACK AT OUR 2019-2020 RECOMMENDATIONS**

The 2019-2020 recommendations will still be reflected in this year's pre-budget submission as we continue to push for a positive business environment for our members, but we like to take this opportunity to remind you of our previous asks.

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 Municipality's 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

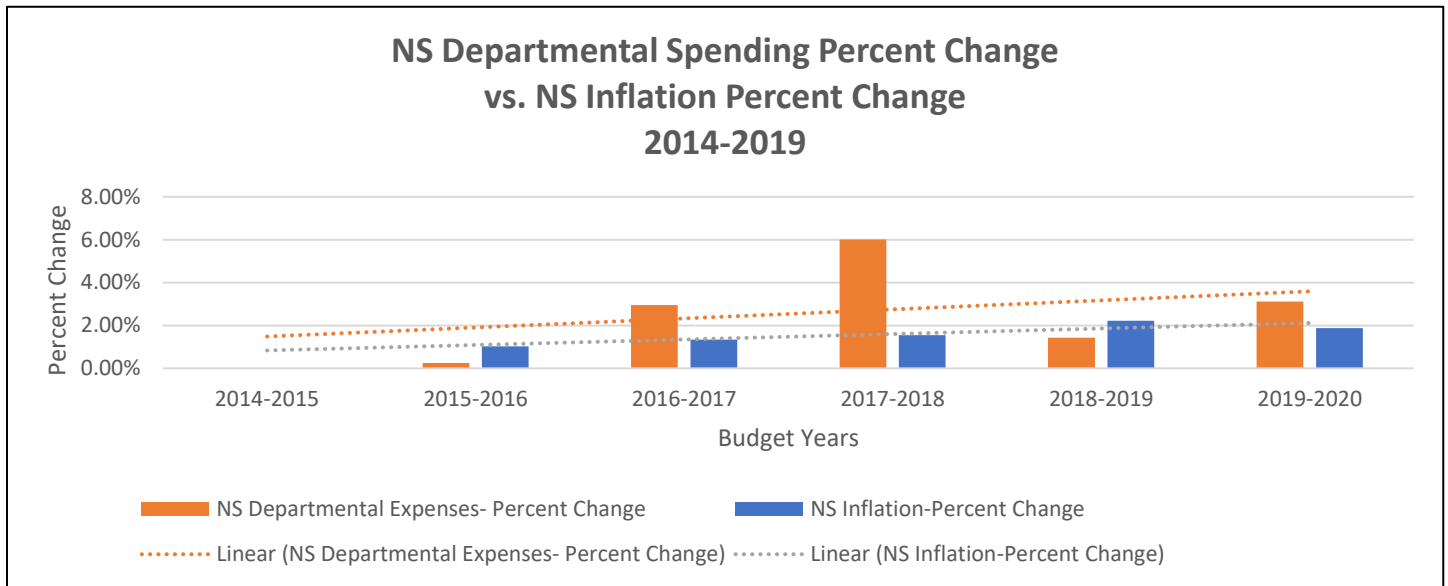
Outline a strategic plan for the growth and support of businesses and entrepreneurs in Nova Scotia that reflects the current and future programs, projects, grants and collaborations between government and stakeholders.

## OPTIMIZING THE SIZE OF GOVERNMENT

Optimizing the size of government doesn't only mean reducing the number of government employees, it also reflects the burden that costs and taxes have on a business. While we applaud the provincial government in your efforts to produce another balanced budget, we are worried about growing departmental spending, looming arbitration costs and a lack of new revenue sources. We want to ensure that government is providing services both efficiently and effectively and, like a business, managing their expenses and not incurring greater debt levels.

## REDUCING COSTS

It is imperative that we continue to ask the provincial government to reduce costs because as noted in the graph below<sup>1</sup>, Nova Scotia's departmental expenses have outpaced inflation over the last 5 years and are on-trend to rise.

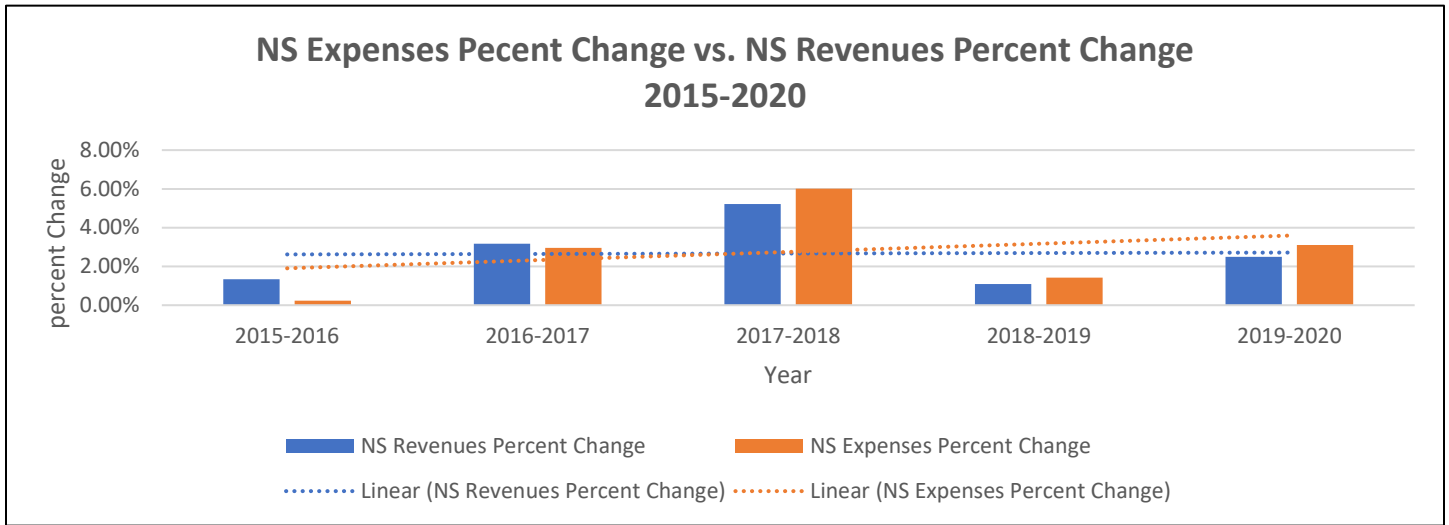


In our 2019 issue note, we asked the province to be more efficient with departmental spending and we questioned whether departments were spending their full budget even if not needed to ensure they received the same funding in the subsequent budget year. It is apparent that the provincial government is looking for ways to promote cost savings, yet each year departmental expenses rise without simultaneous population increases. The average percent change in population for Nova Scotia was .92<sup>2</sup>. That means departmental expenses are rising more than twice that of inflation and more than four times that of Nova Scotia's population growth. We ask that the government be more transparent in their reasoning behind departmental expense increases. We understand expenses rising with inflation and the potential for salary increases, however, to rise every year without comparable inflation and/or population growth appears unusual and concerning.

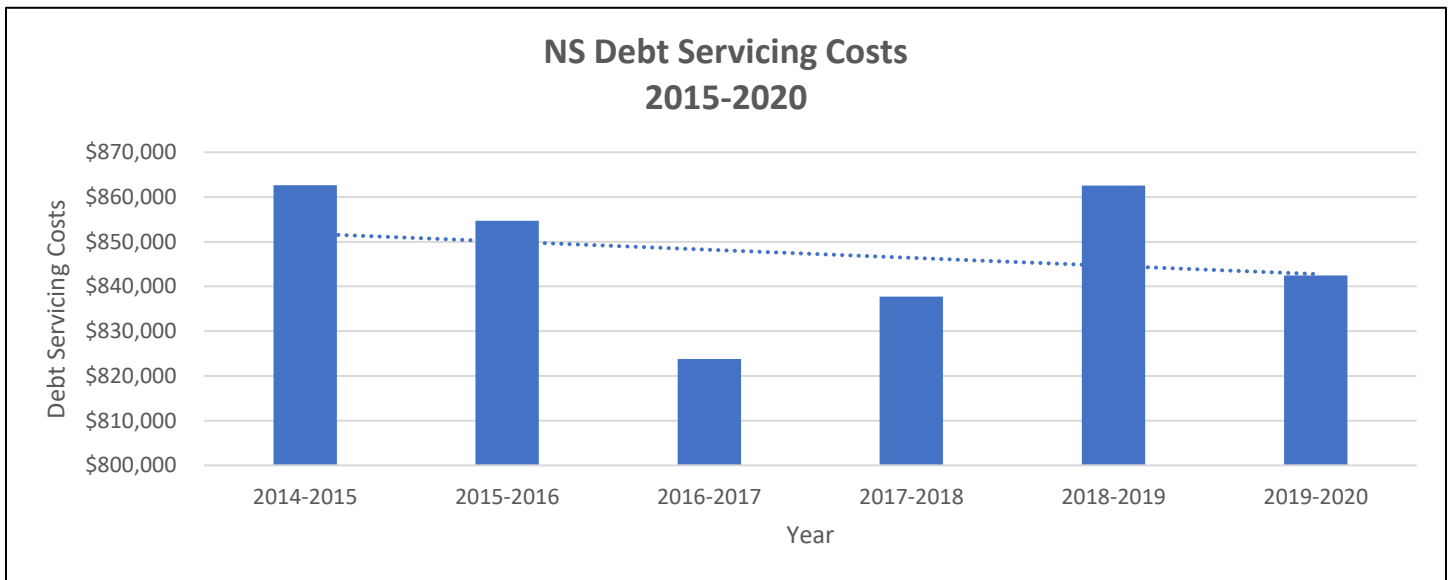
<sup>1</sup> <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000402>

<sup>2</sup> <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1710000501#timeframe>

If revenues were continuously increasing then we could understand, however as the chart below<sup>3</sup> indicates, they are not currently increasing at such a pace to reflect the rise in expenses.



We are pleased to see that our debt servicing costs are decreasing, and we hope the government continues to make use of the lower interest rate levels to continue this trend. Debt servicing costs are currently the fourth largest budget line item and one which should be closely managed and monitored.



As mentioned in our 2019 Issue Note, we are aware the provincial government is currently negotiating several public-sector labour contracts, the outcome of which might impact the budget. We worry the ever-increasing public-sector salaries and benefits will drive already-increasing departmental expenses and put pressure on the ability to pay debt costs or necessitate the need for significant cuts to current services provided. Also mentioned, upward pressure on salaries in the public sector has an impact on businesses' ability to acquire talent. Businesses, like early education and child-care centers, realized this difficulty when the pre-primary program was introduced, and many employees left to work in a

<sup>3</sup> <https://beta.novascotia.ca/government/finance-and-treasury-board>, Multiple documents

pensioned and salaried government setting. This meant businesses struggled to acquire trained early educators, impacted their ability to make payroll, and a parent's ability to find good quality childcare. Increased pension valuation continues to be a worrying trend for our members as this also adds upward pressure on government costs and subsequently the ability to increase payments on our debt levels.

We continue to ask for the provincial government to grant the municipality ability-to-pay legislation, which would significantly increase the municipality's ability to negotiate labour costs with an upper limit and thus not rely so heavily on increasing the tax rate each year. The Chamber hopes that the Province identifies this as a priority rather than waiting upon the Nova Scotia Federation of Municipalities to request the necessary policy amendments.

Our members must be diligent in their spending as their ability to increase revenues, usually if not always, relies on market demand for products and services. This means that consumers don't often see large increases in costs. Unfortunately, we worry that the continued increases in governmental expenses may mean increased costs to businesses and residents in the form of increasing service fees and potentially increasing taxes. We are adamant that the government assure taxpayers that expenses are rising over inflation due to the cost of providing services and budgets are allocated through 'zero-based' programs, not due to a pick-up of a previously used allotment of funds.

## **RELIANCE ON TRANSFER PAYMENTS**

The Chamber continues to support the Province's success in delivering several successive balanced budgets. That said "balance" is achieved only with the support of Federal transfer payments, totalling \$2.015 billion<sup>4</sup> for the 2019/20 fiscal year. With a current population of approximately 970,000<sup>5</sup> this represents nearly \$2,100 for every person living in Nova Scotia just to achieve balance. With the results of the recent election, Canada now finds itself with a minority Parliament and a greatly divided population East to West. The issue of the fairness of the Federal transfer system is coming under increased scrutiny. The Federal Liberal government indicated that it is likely to remain untouched for the time being however the minority status of the government brings that into question in the longer term. For many years Nova Scotia has been a beneficiary of in-coming transfers, so much so that Provincial Budget documents refer to such transfers as "ordinary revenue" in both its current year financial reporting as well as its budget forecasts and multi-year future year projections. We believe this articulation is dangerous and takes the pressure off the Government to better manage its own sources of revenue/costs to achieve a truly balanced budget.

Canada is a large and diverse country with varying economic conditions. The Federal transfer payment system is designed fundamentally to offset some of the regional financial disparity that may arise from time to time. The Chamber believes that while past support has been necessary and arguably continues to be so, it is critical that the Province manage its affairs with the objective of reducing over time and eventually eliminating its reliance on Federal Transfers.

In an article appearing in the Chronicle Herald in November by John Risley Nova Scotian entrepreneur and Chairman of AIMS said he believes that Nova Scotia should look to other jurisdictions that have faced challenged economic times such as Ireland and to our south, Detroit, Michigan where a concerted and intentional effort involving reduction of costs and lowering of tax burdens has drastically improved their economic standing. While we have seen positive signs in our Provincial economy including population growth and improved financial metrics, the challenges laid out in the One Nova Scotia Report remain and the Chamber believes perhaps it is time for a bolder approach to tackling our long-standing issues.

The Chamber believes that the Province must take the risk of a reduction in or loss of transfer payment income very seriously as it sets its financial course in the years ahead and setting as one of its goals the elimination of such reliance.

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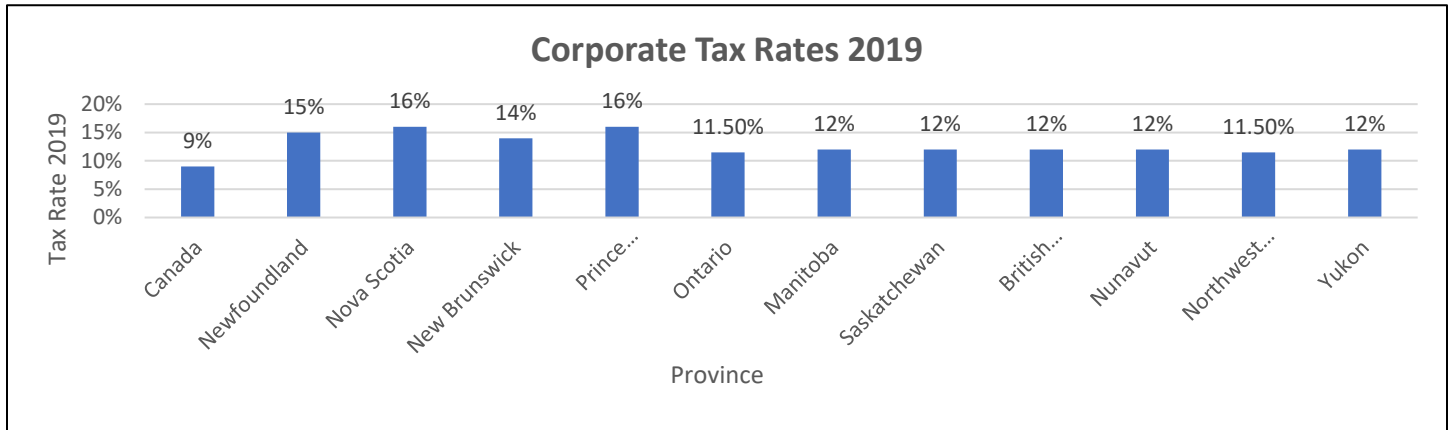
<sup>4</sup> <https://www.fin.gc.ca/fedprov/mtp-eng.asp>

<sup>5</sup> <https://atlantic.ctvnews.ca/population-of-nova-scotia-reaches-all-time-high-1.4617347>



## REDUCING THE TAX BURDEN

Both corporate and personal taxes are the highest in Nova Scotia and Prince Edward Island compared to the other provinces and territories in Canada. As noted in the chart below<sup>6</sup>, Nova Scotia's Corporate tax rate is significantly above Canada's. This level of taxation does not encourage investment in Nova Scotia nor the growth of businesses in Nova Scotia compared with other Canadian provinces. It is not only corporate taxes that impact a business's decision to plant roots in



a province. Our personal tax rate, a combined tax rate of 53.3%<sup>7</sup>, does not enhance our competitiveness. We continue to ask the provincial government to lower the corporate tax rate to 14%, which is still higher than the national average.

The Chamber has continuously asked that the Capped Assessment Program (CAP) be reviewed for effectiveness. We support Wayne Mason, past President of the Nova Scotia Federation of Municipalities, in his efforts to review and potentially remove this program. The CAP distorts the property tax system, shifting more of the tax burden on first-time homeowners, reducing the potential amount of municipal revenue, and impacting housing affordability<sup>8</sup>. As the residential tax ratio increases, the greater it impacts our members. It is noted that "if residential properties were taxed at market value, the city could lower the residential tax rate"<sup>9</sup>. We hope that this reduction would also be reflected in the commercial tax rate to ensure businesses are treated fairly. We would still like to see protection tools in place for those with lower incomes or living on a fixed income who would be greatly impacted by the dissolution of the CAP.

## REVENUE GENERATION

Our Fostering Private Sector Growth task force has had many discussions on ways to increase revenue and we often agree that a solution is to increase the number of businesses and people in our province. This increases the revenue generated through current tools without increasing the current taxation levels on individuals. To do this we recommend increasing the number of business grants, increasing entrepreneurial programs offered to high school students, and opening new markets for businesses from outside our usual Chinese and European trading partners. Ensuring 'stickiness' with immigrants to increase our retention rate while continuing the great work of increasing immigration to our province. As mentioned earlier, managing costs through efficient and effective spending can also provide a larger pool of revenue as less is needed for expenses.

Our task force will continue to brainstorm ways that the provincial government can generate new revenues to reduce the taxation and cost burden for our members.

<sup>6</sup> <https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/corporations/corporation-tax-rates.html>

<sup>7</sup> <https://www.fraserinstitute.org/studies/canadas-rising-personal-tax-rates-and-falling-tax-competitiveness-2019>

<sup>8</sup> <https://www.saltwire.com/business/regional-business/property-tax-cap-favours-nova-scotias-wealthy-372974/>

<sup>9</sup> IBID

## RECOMMENDATIONS:

- If departmental expenses are rising without actual need, we recommend, on behalf of our members, to utilize these funds for debt repayment.
- Provide an explanation of the increase in departmental expenses over inflation.
- Remove the Capped Assessment Program but continue to have tools in place to protect those who would become vulnerable when the CAP is dissolved.
- Ensure there are enough grants and programs in place to support new business growth in our province.
- Invest in countries outside China and Europe for export development.
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## CREATING A FRICTIONLESS BUSINESS ENVIRONMENT

The impact of taxes and costs incurred from the government on businesses is great, but so too are the regulatory roadblocks often seen in the form of permit applications, lengthy forms, inconsistent answers and/or other forms of red tape. The Halifax Chamber continues to push for a positive business environment that enables businesses to optimize their time, effort and expenditures for the betterment of the province.

Our members agree that climate change is a serious issue that will have a great impact on our members, whether through their ability to recruit talent, the reduction in export routes or the dwindling of some industries, so we are pleased that the province has tabled new legislation to fight climate change and grow the green economy<sup>10</sup>. Creating green jobs during our energy transition phase may also be a way to increase immigration into a new industry.

We are pleased to see the growth of the government's open data portal, which will further enable our members to grow their business and the economy. We agree that open data is necessary for entrepreneurs to create opportunities for new jobs and new economic activity<sup>11</sup>.

## RED TAPE REDUCTION

The Halifax Chamber is pleased to see that the Business Navigator Program, through the Office of Regulatory Affairs & Service Effectiveness, has saved businesses \$34 million<sup>12</sup>. We are delighted that the program will be renewed and are awaiting word on how the department will add new tools to make it easier for businesses to navigate the regulatory environment. While we understand there is a cost to provide these services, we continue to ask the province to release the cost and time savings for the government as we believe that these programs provide financial advantages for the province as well.

While the province is doing a better job of simplifying and streamlining e-services for businesses and residents, we still hear of consistency issues across industries. As an example of a tool that could be utilized by the Nova Scotia government, the Chatham-Kent government's "digital service squad members, who are part of the economic development team, are reaching out to small businesses to help improve their use of digital tools and techniques to better evolve and grow"<sup>13</sup>. The team is working with businesses to conduct a no-cost digital-readiness assessment, help improve their presence in tools such as Google Business, and apply for a Digital Transformation Grant<sup>14</sup>. We believe this would be highly beneficial for our business community and would align with the current work of the Department of Regulatory Affairs & Service Effectiveness.

## MUNICIPAL ISSUES

We continue to ask the province to provide the municipality with Natural Persons Powers to allow the municipality more autonomy and reduce the intra-governmental red tape. We support the Nova Scotia Federation of Municipalities in their ask "that the Province of Nova Scotia cost-share 50/50 in all municipal projects required to comply with the Accessibility Act, if those projects do not receive other funding, beginning in 2019"<sup>15</sup>. The actual monetary costs for some of our businesses to be compliant with the Access by Design: 2030 legislation will be high; thus we want to ensure our members have the necessary supports to improve their accessibility for all.

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<sup>10</sup> <https://novascotia.ca/news/release/?id=20191023003>

<sup>11</sup> <https://novascotia.ca/news/release/?id=20191105003>

<sup>12</sup> <https://novascotia.ca/news/release/?id=20191025001>

<sup>13</sup> <https://www.chathamdailynews.ca/news/local-news/c-k-launches-digital-service-squad>

<sup>14</sup> IBID

<sup>15</sup> <https://www.nsfm.ca/municipal-funding-resolutions.html>

## **SUPPORTING EXPORT DEVELOPMENT**

We are pleased to hear that the province continues to make trade/export a priority for Nova Scotia. We agree that “eliminating trade barriers by aligning regulatory differences among provinces provides businesses with better access to more markets across Canada and customers with more choice”<sup>16</sup>. A reduction in these barriers will be invaluable for many of our niche industries in Nova Scotia. However, we prefer to see the province extend its trade efforts beyond China and Europe, and into regions like Africa and South America. Our members often remind us that expanding our areas of trade will not only increase our potential export opportunities but also open new immigration markets for our province.

Along with many other export programs, the Halifax Chamber remains pleased to be able to provide, the national Trade Accelerator Program (TAP), in partnership with NSBI, to provide our members with high-level training and support to become successful international traders and grow Halifax and Nova Scotia’s GDP.

### **RECOMMENDATIONS:**

- What are the savings plans for each government department? E.g. Cost savings from the Business Navigator Program or increased technology across departments.
- Research the feasibility of a digital service squad to be utilized like the business navigator program in the department of Regulatory Affairs & Service Effectiveness.
- Grant the municipality Natural Persons Powers for greater autonomy.
- If not already done, research opening new export markets for Nova Scotia goods, like Africa or South America.

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<sup>16</sup> <https://novascotia.ca/news/release/?id=20190704001>

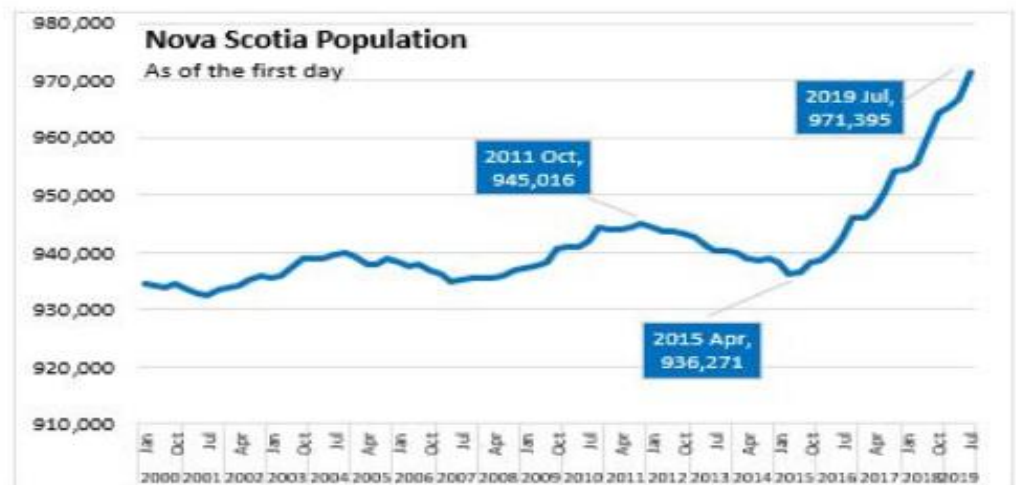
## OUR SKILLED WORKFORCE

It is common knowledge that a skill shortage in Nova Scotia is looming. Boomers will be retiring, leaving a gap in labour that could potentially have an impact on Nova Scotia's economic output, growth, and GDP. It is imperative that we focus on retaining our youth, reskilling those who require it, attracting and retaining immigrants and employing Nova Scotians who are currently underemployed or unemployed. Our Accessing a Skilled Workforce Task Force is focusing on work-integrated learning for current students and awareness campaigns of labour availability for those with disabilities. They both offer a chance to reduce the labour skills gap and open new employee options for businesses.

## INCREASING OUR POPULATION

The Halifax Chamber remains pleased that Nova Scotia's population continues to increase with record-high numbers this year<sup>17</sup>. As noted in the chart below<sup>18</sup> not only is our population increasing, but the trend appears promising for this growth to continue. We are pleased that goals 1, 2 and 3 of the OneNovaScotia Report are progressing and surpassing the targets. The Chamber is however concerned that our high provincial corporate tax rate may have an impact on some business owners or entrepreneur's decision to relocate here lowering our competitiveness within Canada and internationally.

We are also thrilled that the province continues to invest in older Nova Scotians who can contribute to our communities and economy<sup>19</sup> and provide a wealth of experience and knowledge for our business community. We will be closely following the impact of the SHIFT action plan, as we embrace and tap into the benefits of the aging population.



## STUDENT RETENTION

Work Integrated Learning (WIL) is a great tool to increase a student's 'stickiness' in the labour force. We are pleased that the provincial government is offering expanded grants for co-ops, internships and work placements for our youth and students. Programs like the Graduate to Opportunity which has seen 1000 recent graduates, the diversity bonus for hiring recent graduates from diverse backgrounds and greater opportunities for apprenticeships, are just a few of the ways we will continue to hold onto highly educated students after graduation.

## ACCESSIBLE NOVA SCOTIA

The Halifax Chamber is in full support of the province's effort to ensure Nova Scotia is fully accessible by 2030. We know the benefits there are for the one-third of Nova Scotians with a disability<sup>20</sup> and the economic benefits that can be gained for a business. We are also aware that there are costs associated with ensuring businesses are compliant by 2030 and sometimes these costs are not only financial but also time consuming. We are therefore delighted to hear the

<sup>17</sup> <https://novascotia.ca/news/release/?id=20190930008>

<sup>18</sup> <https://www.novascotia.ca/finance/statistics/news.asp?id=15179>

<sup>19</sup> <https://novascotia.ca/news/release/?id=20190709001>

<sup>20</sup> <https://nsadvocate.org/2018/12/18/stats-canada-one-out-of-three-nova-scotians-lives-with-disabilities/>

government will be partnering with businesses across Nova Scotia to make locations, products, and services more accessible<sup>21</sup>.

We will continue to communicate the grants and programs, like the Business ACCESS-Ability Program, to our members, to ensure they are fully prepared for 2030. We continue to be in full support of the strategies utilized to improve public awareness, build collaboration and increase compliance with existing regulations. We ask that as 2030 is only now ten years away that the provincial government makes communication with businesses a priority to ensure they are not leaving those, like SMEs, behind in their ability to upgrade their organization.

**RECOMMENDATIONS:**

- Review the potential impact of our high provincial corporate tax rate to ensure this is not an impediment to the immigration of business owners and entrepreneurs. Reduce it to 14% in 2020 leading 12% in the future, therefore in line with other Canadian Provinces.
- Ensure the business community is aware of the grants and programs aimed at helping businesses become accessible by the required year, 2030.

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<sup>21</sup> <https://novascotia.ca/news/release/?id=20190226003>

# PROMOTING THE GROWTH OF HALIFAX AS A MAJOR CITY

## INVESTMENT IN OUR PROVINCE

Investing in infrastructure in Halifax, as the GDP leader for the province, is imperative and 5G wireless services is a significant way we can increase our competitiveness in Canada and globally. While we support Develop Nova Scotia in their efforts, in partnership with the province, to bring better wireless and internet services to all of Nova Scotia, we want to ensure our economic driver, Halifax, does not lag behind other Canadian cities. “New 5G wireless networks are expected to create more than 250,000 permanent jobs and contribute an estimated \$40 billion annually to Canada’s economy over the next few years”<sup>22</sup>. Nova Scotia needs to be part of this growth. “It’s vital now for Canada’s elected officials on all levels — municipal, provincial and federal — to work together to ensure the smooth deployment and adoption of 5G. With so much on the line, there is no room for hesitation or delay”<sup>23</sup>.

## RECOMMENDATIONS:

- *Ensure Halifax does not lag behind other cities by providing our businesses with access to 5G.*

## CONCLUSION

We commend the province on the work they have done to improve the business environment for our members. The Business Navigator Program has saved business’ time and money, our immigration retention level has increased, and we are seeing greater integration of older Nova Scotians in the workforce. There is still much to be done though, to ensure our business community can grow and flourish and increase our province’s economic capacity. We continue to ask that expenses increase with inflation, debt levels continue to be repaid in larger quantities, new revenue sources are researched, the municipality is given greater autonomy and we stay competitive with 5G internet. As mentioned earlier, we ask that you carefully review our recommendations and provide feedback so that we can continue our conversation at task force meetings, events and during one-on-one discussions with our members.

## RECOMMENDATIONS

The Chamber is recommending:

### *Optimizing the size of government:*

- If departmental expenses are rising without actual need, we recommend, on behalf of our members, to utilize these funds for debt repayment.
- Provide an explanation of the increase in departmental expenses over inflation.
- Remove the Capped Assessment Program but continue to have tools in place to protect those who would become vulnerable when the CAP is dissolved.
- Ensure there are enough grants and programs in place to support new business growth in our province.
- Invest in countries outside China and Europe for export development.
- Increase the number of entrepreneurial classes for high school students to ensure they are aware of the potential of business creation and leadership.

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<sup>22</sup> <https://business.financialpost.com/sponsored/business-sponsored/how-5g-connectivity-will-keep-canada-competitive>

<sup>23</sup> IBID

- Reduce the provincial corporate tax rate to 14%.
- Grant “Ability-to-Pay” legislation to the Municipality to aid in labour negotiations.
- Acknowledge publicly the role of Federal transfers in achieving a balanced budget
- Set as one of its strategic objectives the balancing of its annual budget without reliance on equalization payments and the setting of a target date for achievement

***Creating a Frictionless Business Environment:***

- What are the savings plans for each government department? E.g. Cost savings from the Business Navigator Program or increased technology across departments.
- Research the feasibility of a digital service squad to be utilized like the business navigator program in the department of regulatory affairs & service Effectiveness.
- Grant the municipality Natural Persons Powers for greater autonomy.
- If not already done, research opening new export markets for Nova Scotia goods, like Africa or South America.

***Enhancing our Skilled Workforce:***

- Review the potential impact of our high provincial corporate tax rate to ensure this is not an impediment to the immigration of business owners and entrepreneurs. Reduce it to 14% in 2020 leading 12% in the future, therefore in line with other Canadian Provinces.
- Ensure the business community is aware of the grants and programs aimed at helping businesses become accessible by the required year, 2030.

***Promoting the Growth of Halifax as a Major City:***

- Ensure Halifax does not lag behind other cities by providing our businesses with access to 5G.

Sincerely,



Patrick Sullivan,  
 President and CEO  
 Halifax Chamber of Commerce

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