

2023 - 2024 Provincial Pre-Budget Submission

Presented to:

Hon. Allan MacMaster

Nova Scotia Minister of Finance & Treasury Board

February 3, 2023



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THE HALIFAX CHAMBER OF COMMERCE

The overall goal of the Halifax Chamber of Commerce is to create value and prosperity for our 1,900+ members and their 70,000+ employees. Through our 2019-2023 Strategic Plan, we are providing the services businesses need, hosting events that will help them learn, and 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 goals that aid in our members' prosperity and the economic growth of the Municipality. Our signature and annual events feature local entrepreneurs, immigrants, post-secondary institutions, and prestigious business organizations that we celebrate at our annual Business Awards. Additionally, we provide our members the opportunity to hear from political leaders and government officials during luncheons, roundtables and chair's breakfasts

EXECUTIVE SUMMARY

Our economy is going through a transitional phase and businesses are adjusting to new economic realities. Our members are facing a variety of challenges from increasing inflation and labour shortages, to supply chain disruptions and rising interest rates. Despite this, there have been actions, ideas, and outcomes that have resulted in positive change for the business community. The goal of this pre-budget submission is to reiterate the importance of those positive changes alongside recommendations that would provide value to our businesses, improve the lives of Nova Scotians, and increase our province's economic growth. Focusing on key issue areas, derived from conversations with our members, this submission highlights ways to improve our fiscal position, housing supply, population needs, and economics.

Recent issues in areas like housing and health care have highlighted the ways that social issues can impact the business community. Nova Scotia reached a milestone population of over 1 million people, with immigration playing a large part in the record growth. Improving standards and streamlining the immigration process is key to economic growth, addressing our labour shortage issue, and encouraging diversity, equity, inclusion within the province. We all benefit from this growth with a greater tax base, new businesses, jobs, and greater diversity and culture. Key infrastructure is necessary to retain the influx of new Nova Scotians, like adequate health care and affordable housing.

The Chamber has provided a list of recommendations. We hope you will consider our asks as each has been obtained through Chamber task force meetings, discussions with our attendees and members at round tables and events, and through countless hours of calls each month where we connect with our membership.

2023 - 2024 RECOMMENDATIONS

Optimize the Size of Government

Recommendation: Establish a reasonable set of fiscal anchors and rules that would allow the province to fulfill important policy commitments while maintaining fiscal credibility.

Recommendation: Work towards the reduction of costs to ensure that our province's debt levels do not continue to rise, with a goal of achieving a 30% net debt-to-GDP ratio.

Recommendation: Increase the Basic Personal Amount (BPA) to the national average and begin to index the BPA to the Consumer Price Index (CPI) every year to support lower income earners while limiting the negative effects of labour costs for small businesses.

Recommendation: Reduce the corporate tax rate from 14% to 12% to be competitive with provinces outside of Atlantic Canada which will encourage greater business attraction.

Recommendation: Ensure the offshore & renewable energy sector is included in the higher 45% Innovation Equity Tax Credit and expand the maximum investment amounts for individuals to \$500,000 and corporations to \$750,000.

Recommendation: Build NS and Invest NS should be amended to reflect a proper governance structure with the establishment of a board of directors and a reporting relationship with the CEO reporting to a board of directors, and then an appointed Chair of the Board who reports to the Minister.

Recommendation: Ensure the Province engages in meaningful consultation with HRM when there are changes made to the Halifax Charter Act, honouring Section 382 of the Act.

Housing

Recommendation: Implement the Nova Scotia Federation of Municipalities' proposal to the All-Party Cap Committee in 2020 which proposed a phased-out approach for the capped assessment program. Otherwise, provide empirical evidence of the success of the program.

Recommendation: Investigate alternative options or additions to the rent cap program that would allow landlords to recuperate the costs of renovating and retrofitting their units while also continuing to protect renters from excessive rent increases. This will allow property owners to continue to earn a moderate return on their investment, while also allowing landlords to make the necessary renovations/repairs to our existing housing units, which are already in short supply.

Recommendation: Continue to work with relevant stakeholders, municipalities, and the joint task force on housing to increase the overall supply of affordable housing units in Nova Scotia, while continuing to fund new opportunities for social housing units.

People

Recommendation: Collaborate with the Federal government, Municipalities, Atlantic Immigration Pilot, and ISANS to further expand and expediate immigration targets through 'Targeted Streams' of the most in-demand jobs (construction & health care).

Recommendation: Collaborate with the Halifax Chamber of Commerce to create and promote a new Business-Friendly Senior-Employment Program that allows senior citizens to work part-time, giving local businesses an opportunity to fill labour gaps while providing additional income and community engagement to older adults.

Recommendation: The Minister of Health and Wellness needs to ensure better metrics of health care related outcomes (e.g., wait times, closures) are tracked and communicated through the province's Action for Health webpage. There should also be a focus on the reporting of diversity, equity, accessibility, and inclusionary metrics to track the progress of the NSHA's DEI&A initiatives.

Recommendation: Collaborate with the Halifax Chamber of Commerce to develop and expand a 'Work & Learn' program with other large employers in need of more skilled workers. This would help Nova Scotians easily transition into new in-demand careers while also helping to address local labour shortages in critical sectors.

Recommendation: Support micro-credentialing opportunities which allow people to develop skills needed to meet in-demand occupations and fill local skills gaps in critical sectors.

Recommendation: Increase the funding envelope available for LSI's CEI program to support the offering of higher wages to co-op students while also supporting the ability of Nova Scotian businesses to hire more co-op students.

Recommendation: Adoption and promotion of the 50-30 Challenge program through the department of Labour, Skills, and Immigration employment services (e.g., Nova Scotia Works) and through other Provincial Agencies, Boards, and Commissions (A,B,Cs).

Business Support

Recommendation: The tourism sector continues to be disproportionately impacted by COVID-19, and it will be one of the last sectors to fully recover. Continued financial support for this sector is critical.

Recommendation: The HIAA is a critical economic generator for the province and the region and will need financial support to return to pre-pandemic traffic levels.

Recommendation: Provide clarity around the design and delivery of the NS Loyal program, including more transparency around future costs and the current marketing expenses of \$672,000, as well as the progress towards 20 per cent of all food purchased by Nova Scotians to be grown or produced locally by 2030.

Recommendation: Provide an update on the consultations, design, delivery and costing of the Better Paycheque Guarantee election promise.

Recommendation: Continue to invest in critical infrastructure, refurbishments, and maintenance operations to meet expected demand growth while decarbonizing the electricity system. Working with the NSUARB will be key to creating an equitable and transparent regulatory environment.

Recommendation: Expand funding for the Small Business and Not-for-Profit Energy Solutions Program to encourage greater transitions to more energy efficient upgrades for SMEs.

Recommendation: Continue reviewing new and old regulations to ensure regulatory burdens and barriers are minimized/removed to create a stronger and more competitive business environment in N.S.

Recommendation: Strengthen trade between the Atlantic provinces and stimulate interprovincial cooperation on major issues such as the environment, energy, and the economy, while reducing red tape and barriers to trade between the four Atlantic provinces.

OPTIMIZING THE SIZE OF GOVERNMENT

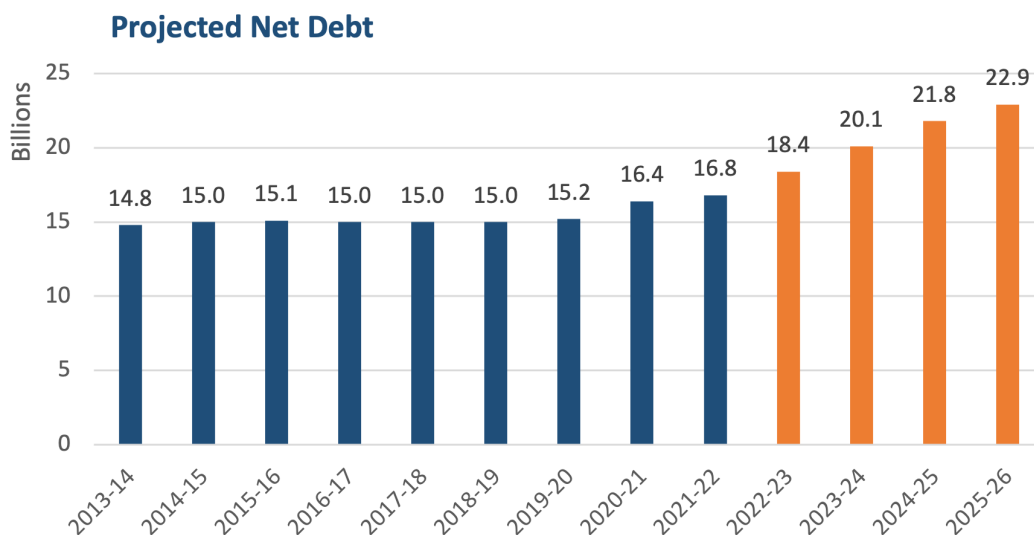
The Chamber advocates for the optimization of the size of government. The Chamber is asking the government to look for new ways to be more efficient and effective with the current level of financial resources. In the most recent forecasts, the government is expecting a windfall of revenues due to the rapid economic recovery and rising inflation. Because of this, many provinces are slashing the size of their deficits or growing surpluses, leaving them in a better position than they were. Even though Nova Scotia had a \$1.3 billion windfall in revenues, we still failed to fully eliminate this year's deficit of \$506 million, recording a \$130 million deficit at the end of the year. We know that today's debt becomes tomorrow's taxes, and Nova Scotian businesses already pay some of the highest tax rates in the country.

THE BUDGET

Budget Allocation

It is imperative that the provincial government look for ways to reduce costs and improve efficiencies. Investing in social supports and Nova Scotian businesses is critical to the sustainability and growth of our region. That should not be achieved through excessive spending, however. The Chamber believes that through proper fiscal management, government can reduce the burden of taxation and start to reduce our province's growing deficit, while also achieving social supports and sustainable business sector growth.

Recommendation: Establish a reasonable set of fiscal anchors and rules that would allow the province to fulfill important policy commitments while maintaining fiscal credibility.



Net Debt to GDP

The deficit is projected to average over -\$360M a year for the next three years. Additionally, the projected net debt is forecast to increase to \$22.9 billion by 2025-26. This is an increase of \$6.1 billions over a 4-year period or 8.3% a year and will result in a 40% debt to GDP ratio.¹

Recommendation: Work towards the reduction of costs to ensure that our province's debt levels do not continue to rise with a goal of achieving a 30% net debt-to-GDP ratio.

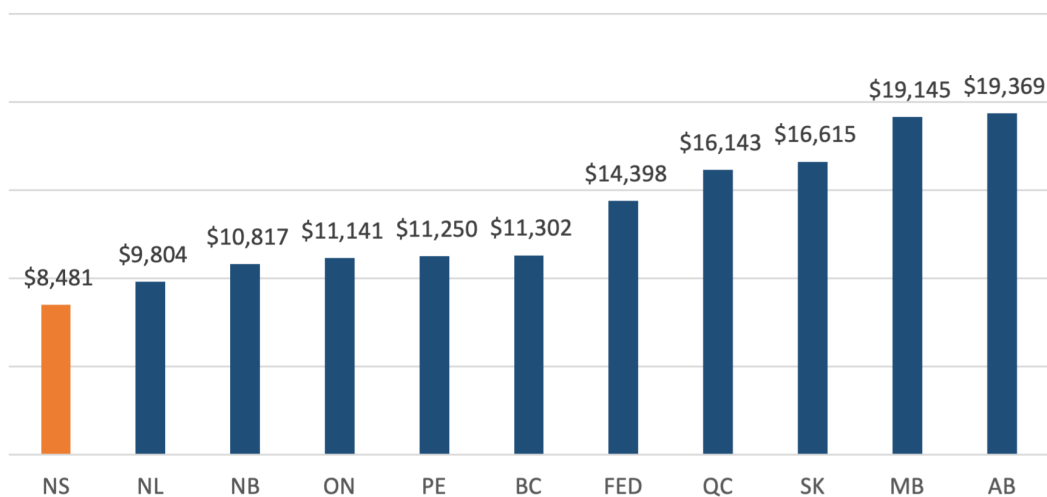
TAXATION

Basic Personal Amount

The Basic Personal Amount (BPA) in Nova Scotia is one of the lowest in Canada at \$8,481. Increasing the basic exemption to a national average is an easy way to support low-income earners. Rather than raising the minimum wage rate, increasing the BPA allows low-income earners an opportunity to keep more of their employment income, while limiting the negative effects of labour costs on the business community. Low-income earners will be able allocate those savings more efficiently than a government program. Additionally, the BPA should be indexed to inflation to account for changes in real incomes. Alberta, Nova Scotia, and PEI are the only provinces who do not use indexing for their personal income tax system.

Recommendation: Increase the Basic Personal Amount (BPA) to the national average and begin to index the BPA to the Consumer Price Index (CPI) every year to support lower income earners while limiting the negative effects of labour costs for small businesses.

Basic Personal Amounts - 2022



Corporate Taxes

In February of 2020, the government reduced the small business tax rate from 3% to 2.5%, and the corporate tax rate from 16% to 14%. While this move was a much-needed tax break for Nova Scotian businesses, it still leaves our tax rate relatively higher than many other provinces outside our region. Ontario, Manitoba, Saskatchewan, and British Columbia's corporate tax rates range between 11.5% - 12%. In many cases, lowering taxes to competitive levels can increase government revenues. If new businesses, new investments, and new hiring are spurred by the prospects of better after-tax returns, the taxes paid by these new or growing businesses and employees can more than make up for the lower rates of taxation.²

Recommendation: Reduce the corporate tax rate from 14% to 12% to be competitive with provinces outside of Atlantic Canada which will encourage greater business attraction.

Innovation Equity Tax Credit

The Innovation Equity Tax Credit (Innovation ETC) is a non-refundable personal and corporate income tax credit available to eligible investors who invest in approved corporations. The credit for an eligible investor who is an individual is equal to 35% of an eligible investment made in an approved corporation. The credit for an eligible investor who is an individual increases to 45% for an eligible investment made in oceans technology and life sciences sectors. The maximum annual investment amount for an individual is \$250,000. For corporations, the credit is equal to 15% up to a maximum of \$500,000. As Nova Scotia looks to become a leader in North America in the oceans technology and offshore renewable energy sectors, massive capital investments will be required to capitalize on these opportunities.

Recommendation: Ensure offshore energy initiatives are included in the higher 45% Innovation Equity Tax Credit and expand the maximum investment amounts for individuals to \$500,000 and corporations to \$750,000.

GOVERNANCE

NS Crown Corporations

The government introduced two new pieces of legislation: Bill 214 Invest Nova Scotia Act and Bill 216 Build Nova Scotia Act, which consolidated four crown corporations into two new ones. The concern we have is not with the consolidation of these organizations – our issue is with the system of governance and oversight proposed for these new organizations. Sections 23(a) of Bill 214 and 22(a) of Bill 216 respectively, state that: “The Advisory Board shall report to the Minister through the Chief Executive Officer.” This is not an example of a best practice governance model, and it could open the province to accusations of political favouritism when decisions are made by these organizations.

Recommendation: Build NS and Invest NS should be amended to reflect a proper governance structure with the establishment of a board of directors and a reporting relationship with the CEO reporting to a board of directors, and then an appointed Chair of the Board who reports to the Minister.

Municipal Control

Section 382 of the Halifax Charter Act States that "The Minister shall consult with the Municipality respecting any proposed amendment to this Act." Although the Chamber did not support the recently proposed Noise Bylaw in Halifax, the city is one of the fastest growing CMAs in the country, and for a good reason. Overstepping the Municipality's autonomy to make decisions through new legislation is a concern for the business community as it can signal that Nova Scotia is an unpredictable province to invest in due to unforeseen government interference.

Recommendation: Ensure the Province engages in meaningful consultation with HRM when there are changes made to the Halifax Charter Act, honouring Section 382 of the Act

HOUSING

Ensuring Nova Scotia can supply people with a place to work, live, and play is the only way we are going to continue attracting and retaining talent. While we have seen, through the pandemic, that Nova Scotia is a desirable location for many from outside our province, it is becoming apparent that for some, the ability to live in this province is waning, due to rising housing costs and lack of housing supply. For the past four years, the Chamber has been advocating for an increase in municipal powers to support housing, and for changes to the Capped Assessment, and the Rent Cap programs. While we are happy to see the province has taken steps to addressing some of the barriers to housing supply by supporting the joint task force on housing in HRM, and investments into affordable housing, more needs to be done to accommodate the expected growth in population.

Capped Assessment Program

The Chamber has asked for several years that the Capped Assessment Program (CAP) be reviewed for effectiveness. The CAP distorts the property tax system, shifting more of the tax burden on first time homeowners and renters, reducing the potential amount of municipal revenue, and impacting housing affordability. The more 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."³ 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 or fixed incomes who would be greatly impacted by the dissolution of the CAP.

Recommendation: Implement the Nova Scotia Federation of Municipalities' proposal to the All-Party Cap Committee in 2020 which proposed a phased-out approach for the capped assessment program. Otherwise, provide empirical evidence of the success of the program.

Rent Cap

While capping rent increases was intended to be a short-term measure to support citizens during the pandemic, it has been extended and provides some protection during the most recent period of extreme inflation. However, there can also be impacts on the long-term health of our housing sector. "Property owners all said the extension of the two per cent cap on rents would cause more harm than good, possibly forcing some apartment owners out of the business."⁴

With inflation in Nova Scotia over 7% in the past year, which has triggered interest rate increases, many rental property owners are concerned about their ability to renovate and/or bring units to code. Significant planned tax increases will leave property owners struggling to make a moderate return while maintaining their properties. While the rent cap may be welcomed by many, it is by no means, on its own, a long-term solution.

Recommendation: Investigate alternative options or additions to the rent cap program that would allow landlords to recuperate the costs of renovating and retrofitting their units while also continuing to protect renters from excessive rent increases. This will allow property owners to continue to earn a moderate return on their investment, while also allowing landlords to make the necessary renovations/repairs to our existing housing units, which are already in short supply.

Housing Supply

While Nova Scotia has been growing quickly, housing supply has not kept pace. This has created an urgent need to quickly build more housing units. Latest estimates in HRM alone have the under-supply of housing at 17,000 units, and that number is likely growing with the arrival of an additional 32,000 immigrants to Province this year. This housing should be affordable by CMHC's definitions of affordable housing. These affordable units should not be confused with social or subsidized housing, which also requires continued investment and support from the province.

Recommendation: Continue to work with relevant stakeholders, municipalities, and the joint task force on housing to increase the overall supply of affordable housing units in Nova Scotia, while continuing to fund new opportunities for social housing units.

PEOPLE

The Chamber is in support of the ambitious goal of two million people in Nova Scotia by 2060. More Nova Scotians equates to a larger tax base, ultimately saving individuals from increased taxation and keeping service and program levels steady. For many, this goal may seem unachievable or lofty, and while we have work to do to ensure these people can find safe and affordable homes and well-paying jobs, we know that the alternative - not attracting newcomers - would impact not only our budget but also our local supply chains and our businesses' ability to find employees. Through immigration, an enhanced focus on our workforce needs, and ensuring a lens on diversity, equity, inclusion, and accessibility, we can grow our province - in both people and economic generation.

Immigration

To reach the goal of two million people in Nova Scotia by 2060, we will need to partner with the Federal government to ensure programs and immigration rules allow for more newcomers and faster, more efficient application processes and accreditation process. We are glad to see that Minister Fraser's recent immigration plan calls on the Atlantic Immigration Program to double the size of its stream to 14,500 nominees, with a focus on targeting foreign trade and construction workers.⁵ The provincial government should continue to meet with federal partners to acquire further supports to reduce red tape and increase immigration numbers and skills/training programs.

The business community can also be a wealth of knowledge for government, understanding the skills and training that will be necessary for the most in-demand jobs.

Recommendation: Collaborate with the Federal government, Municipalities, Atlantic Immigration Pilot, and ISANS to further expand and expediate immigration targets through 'Targeted Streams' of the most in-demand jobs (construction & health care).

Labour

As many sectors battle with labour shortages and organizations look to immigration to address the problem, there's an overlooked opportunity of potential employees already settled in the province: Seniors. Nova Scotia has a large population of senior citizens, and many are more than willing to work part-time hours to not only earn extra income, but also to feel a sense of purpose and connection to their community.

Recommendation: Collaborate with Halifax Chamber of Commerce to create and promote a new Business-Friendly Senior-Employment Program that allows senior citizens to work part-time, giving local businesses an opportunity to fill labour gaps while providing additional income and community engagement to older adults.

Health Care

The Chamber is pleased to see greater transparency of the allocation of funds, the solutions, and the progress underway to improve our health care system through the Province's Action for Health webpage. Of concern however is the lack of transparency from the NSHA. During a previous public accounts meeting, executives from the NSHA were unable to answer questions around basic metrics such as wait times at the IWK, or how many hours emergency clinics were closed.⁶ To be able to properly address problems in health care, reliable and adequate data must be tracked and readily available. Now that the board of directors for the NSHA has been dissolved and the responsibility for governance lies with the Minister of Health and Wellness, better data collection and communication is critical ensuring that the efforts and investments into health care are having the desired effect.

Recommendation: The Minister of Health and Wellness needs to ensure better metrics of health care related outcomes (e.g., wait times, closures) are tracked and communicated through the province's Action for Health webpage. There should also be a focus on the reporting of diversity, equity, accessibility, and inclusionary metrics to track the progress of the NSHA's DEI&A initiatives.

Skills

Shannex has developed a 'Work & Learn' program in Nova Scotia where they recruit/hire individuals who wish to start a new career. They have immediate access to a full-time salary and benefits, including three weeks' paid vacation. After two weeks in a classroom, they transition to a clinical placement, where they work on our front lines while being mentored by experienced team members and clinical professionals. Those who complete the Work and Learn program can remain full time employees in this role for as long as they choose, though many seek to continue along the path to becoming a Continuing Care Assistant (CCA).

NS has a Prior Learning Assessment and Recognition (PLAR) process managed through the Health Association of NS. When team members are ready (experience, skills, training), Shannex partners with an education provider to determine the best approach to becoming a CCA through the PLAR process (which ultimately includes a Provincial exam which all CCAs must successfully complete).

Recommendation: Collaborate with the Halifax Chamber of Commerce to develop and expand a 'Work & Learn' program with other large employers in need of more skilled workers. This would help Nova Scotians easily transition into new in-demand careers while also helping to address local labour shortages in critical sectors.

Students

Micro-credentials provide opportunities for individuals to quickly reskill or upskill and access high-demand employment. Key to micro-credential development is partnership and collaboration with employers and industry, to ensure the competencies learners gain are relevant and recognized for employment. As they are often offered at a shorter length, lower cost and with flexible delivery options, micro-credentials can increase access to post-secondary education for a range of learners who may not be able to or do not wish to enrol in longer post-secondary programs. As the world continues to develop and new technologies modernize the way we work, our workforce needs to continuously adapt as well.⁷ This is an excellent opportunity to fill in-demand skilled positions while also allowing newcomers to earn credentials quickly and cheaply in Canada where their foreign credentials are not recognized.

Recommendation: Support micro-credentialing opportunities which allow people to develop skills needed to meet in-demand occupations and fill local skills gaps in critical sectors.

The Department of Labour, Skills, and Immigration (LSI) has run the Co-op Education Incentive (CEI) program for nearly a decade. LSI's CEI program is highly effective and consistently over-subscribed by many students wanting to gain valuable skills and connections in the labour market. The minimum wage an employer must pay has been \$15/hr for the past 8 years. Recently, LSI consulted the co-op community about increasing the minimum wage, which will increase the amount of each subsidy. While this is good for some students, it may result in the funding of less positions, which bad for others.

Recommendation: Increase the funding envelope available for LSI's CEI program to support the offering of higher wages to co-op students while also supporting the ability of Nova Scotian businesses to hire more co-op students.

DEA&I

The 50 – 30 Challenge is an initiative between the Government of Canada, Canadian businesses, and diversity-focused organizations. The goal of the program is to challenge Canadian organizations to increase the representation and inclusion of diverse groups within their workplaces, while highlighting the benefits of giving all Canadians a seat at the table. The goal is to achieve a gender parity of 50% on Boards and with senior level management as well as 30% representation of under-represented groups.

Recommendation: Adoption and promotion of the 50-30 Challenge program through the department of Labour, Skills, and Immigration employment services (e.g., Nova Scotia Works) and through other Provincial Agencies, Boards, and Commissions (A,B,Cs).

BUSINESS SUPPORT

Businesses across all sectors are dealing with a multitude of issues like inflation, labour shortages, rising interest rates, and increased taxation. Despite their resiliency, businesses require support through programs, services, and funding options that can assist them through these unpredictable economic times. Improving local economic development has been shown to increase living standards, increase real incomes, and provides local governments with the ability to devote more resources to areas like health care and education. Uncertainty creates risk, and risk negatively impacts business investment. The biggest factor for promoting economic development is sustainability and predicted economic growth. Our recommendations below outline a few steps the province can take to increase the sustainability and predictability of our provincial economy.

Tourism & Hospitality

With the province having consolidated the Crown Corporation that was Tourism NS back inside a government department, the Chamber is concerned that the sector may lose even more visibility and support. Labour shortages are at an all-time high and the tourism and hospitality sector is one of the hardest hit sectors related to labour. In addition, the Halifax International Airport Authority (HIAA) is forecasting a slow down in air travellers due to the expected recession, further impacting the tourism sector. In 2020, Halifax Stanfield served 995,426 passengers, down from 4,188,443 in 2019.

Recommendation: The tourism sector continues to be disproportionately impacted by global economic factors, and it will be one of the last sectors to fully recover. Continued financial support for this sector is critical.

Recommendation: The airport is a significant economic generator, contributing roughly \$3.8 billion annually to the provincial economy. Providing adequate financial support to the HIAA is critical to supporting the provincial economy and many sectors that depend on the trade and travellers that pass through the airport.

Election Promises

Two major promises from the provincial government during the 2021 elections were the creation of a NS Loyal program, that would enhance local procurement, and a Better Paycheque Guarantee, that would improve wages for employees while eliminating the financial impact on businesses. We understand that these programs require proper consultation and take time to develop, however more communication and transparency should be provided to the business community.

Recommendation: Provide clarity around the design and delivery of the NS Loyal program, including more transparency around future costs and the current marketing expenses of \$672,000, as well as the progress towards 20 per cent of all food purchased by Nova Scotians to be grown or produced locally by 2030.

Recommendation: Provide an update on the consultations, design, delivery and costing of the Better Paycheque Guarantee election promise.

Net Zero Sustainability

The Chamber supports the provinces green targets of 80% renewables by 2030 and net zero by 2050. The faster our province can decarbonize our electricity grid and achieve our 2030 renewable targets, the greater our advantage will be relative to other provinces. This will not only be attractive for interprovincial and international migrants but will also be a major incentive for business attraction and investment to the region. It will not be possible however without significant investments.

Delaying these investments is not a solution, and it ultimately results in higher, not lower costs for customers. Continued collaboration with the Nova Scotia Utilities and Review Board (NSUARB) will be key for creating an equitable and transparent regulatory environment.

Recommendation: Continue to invest in critical infrastructure, refurbishments, and maintenance operations to meet expected demand growth while decarbonizing the electricity system. Working with the NSUARB will be key to creating an equitable and transparent regulatory environment. ¹¹

Going green has a wide variety of benefits for all kinds of businesses. Adopting sustainable, eco-friendly practices can help you in multiple ways, such as cost savings, lower utility bills, attraction and retention of employees and customers, community reputation, and tax and legal benefits. For the province's green initiatives to work, they must be adopted by the overall business community. While we applaud the province's incentives through Efficiency Nova Scotia's Small Business Energy Solutions Program, more should be invested to increase the rate of adoption among businesses. The past government earmarked \$3.5 million over three years for the program in February 2021, however more is needed to allow for greater adoption across all sectors.

Recommendation: Expand funding for the Small Business and Not-for-Profit Energy Solutions Program encourage greater transitions to more energy efficient upgrades in SMEs.

Red Tape & Regulations

While providing financial support to the business community through our inflationary period continues to be an especially important part of keeping businesses viable, reducing red tape, and amending regulations to reduce barriers, is also a vital part of creating a positive business environment. We are hopeful that the government will continue amending current regulations to better reflect the current business environment and make businesses processes smoother for our business owners.

Recommendation: Continue reviewing new and old regulations to ensure regulatory burdens and barriers are minimized/removed to create a stronger and more competitive business environment in N.S.

Interprovincial Trade

Over a period of several decades, government policies have created substantial barriers to investment, trade and migration among the provinces and territories and restrict the flow of products, services, and workers. Research estimates that interprovincial trade barriers add between 7.8% and 14.5% to the prices of goods and services Canadians purchase.

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Given our province's need for new workers, and the rising prices due to increased inflation, the province should support an internal trade acceleration initiative with the other Atlantic Provinces that would encourage businesses, particularly SMEs, to take full advantage of opportunities in the Atlantic region and throughout the Canadian market.

Recommendation: Strengthen trade between the Atlantic provinces and stimulate interprovincial cooperation on major issues such as the environment, energy, and the economy, while reducing red tape and barriers to trade between the four Atlantic provinces.

CONCLUSION

The Halifax Chamber of Commerce is a business advocacy organization committed to creating value and prosperity for its members. The Chamber provides the services its members need while advocating for the conditions to enhance private sector growth. We are frequently in contact with our members through Chamber Connects and this submission highlights some of the most pressing issues we are hearing from the business community. This submission outlines a variety of ways the government can support Nova Scotians through fiscal sustainability, housing options, reduced barriers, support for our most affected sectors, and ensuring all Nova Scotians are valued and heard. The Chamber would be glad to meet with you to discuss our questions and recommendations and to share the concerns we hear from our business community.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Sullivan', is positioned above the typed name.

Patrick Sullivan
President & CEO,
Halifax Chamber of Commerce

CITATIONS

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