DECEMBER 6, 2023

2024-25 PROVINCIAL PRE-BUDGET SUBMISSION

PRESENTED TO:
HON. ALLAN MACMASTER
NOVA SCOTIA MINISTER OF FINANCE AND TREASURY BOARD

HALIFAX CHAMBER OF COMMERCE

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ABOUT THE HALIFAX CHAMBER

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.

Together, the 1,900+ member businesses and their over 90,000 employees act as a single, powerful voice through the Chamber to promote local business interests. The volunteer board of directors and Chamber staff undertake initiatives by request of, and on behalf of our diverse membership.

To do this, we've tailored programs, expanded our Member to Member Marketplace and created connections. We also help our members grow through programs, new strategies and help expand their influence with policymakers.

Our membership is 83% small business (25 employees or less) and we are proud to offer member benefits to over 90,000 employees in Halifax and beyond. Most importantly, we are driven by the dedication and support of the business community around us. We know Halifax's future is bright and want to see it succeed.

WORDS FROM THE CHAMBER CEO

Nova Scotia is experiencing historic momentum, in large part because of population growth. This has increased our level of employment, number of businesses, and provincial GDP. This growth has also been reflected in our Government's coffers with billions of dollars in windfall tax revenues collect in 2022-23. However, with more prosperity, comes new challenges.

The dramatic shift in the way our Province has attracted newcomers, mainly through interprovincial migration and international immigration, has placed enormous burdens on our Province's existing infrastructure. And while the Province has taken steps to address some of these concerns, the time it takes to enhance and upgrade those critical infrastructures is slow in comparison.

Through our many consultations with members and industry stakeholders, we've identified three key pillars that we believe will be critical to the economic prosperity of our Province. We hope by working collaboratively with the Province on their existing programs, that we can address some of the biggest economic challenges in the short and long term. We feel that these recommendations will not only enhance the economic prosperity of our members but will benefit all Nova Scotians whether they live in urban or rural areas.

PATRICK SULLIVAN
CHIEF EXECUTIVE OFFICER

EXECUTIVE SUMMARY

The following submission is a significant departure for the Halifax Chamber in form and content. The overall goal remains to make informed recommendations to the provincial government of key priorities that should be incorporated in to the upcoming 2024-25 Nova Scotia Provincial Budget. The recommendations are targeted to not only support the business community but all residents throughout the province.

However, this pre-budget submission takes a much more focused look at a smaller list of critical areas of concern that will have maximum impact across the province, and not only provides in-depth rationale for the recommendations but costs them as well. The three key pillars of this submission are areas we feel are vital for the well being and economic stability of our province:

Affordability, Housing, and Transportation.

The recommendations are derived from hours of detailed analysis and stakeholder consultations which are then reviewed and approved by the Halifax Chamber of Commerce's Task Force members and Board of Directors.

The intent of costing these recommendations for the first time is to help our elected officials put an approximate number on policy changes that will have a marked impact on the province's economic growth. We feel these recommendations fit well within the existing government strategic priorities and are fiscally achievable.

The latest report from the Provincial Public Accounts for fiscal 2022-23, showed that revenue jumped by $1.953 Billion compared to budget estimates. After additional windfall expenditures, the province finished the fiscal year with a $116 million surplus, rather than the anticipated $506 million deficit.

The recommendations made in this submission for the upcoming budget were created in a way that builds off existing Provincial Programs, that are fiscally responsible in nature, and utilizes the surplus to maximize the benefits to all Nova Scotians. This method identifies that the Provincial Governments can theoretically make investments into the critical pillars of concern that we identified without having to cut services already in place.

It should also be noted that the recommendations made in this report do not intend to solve the addressed issues in their entirety. There is no single policy change that will eliminate the major economic challenges of the day. Rather they are building blocks for further policy resolutions that will allow us to achieve what we are striving towards, security and prosperity for all.

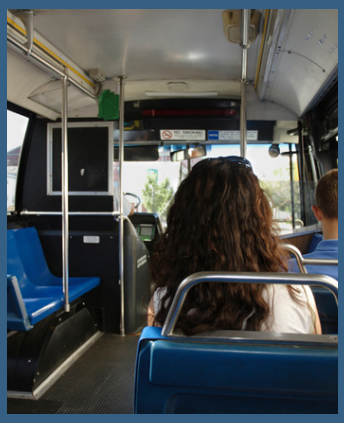
RECOMMENDATIONS

AFFORDABILITY

This recommendation serves to address cost of living and affordability issues throughout the province. By providing additional tax relief it will allow Nova Scotians to better meet their basic needs, help stem the growing number of homeless, and create a more competitive and equitable tax system, all while reducing the wage burdens on small business owners.

HOUSING

This recommendation aims to support the development of the labour force needed to address the housing crisis in Nova Scotia. By expanding on existing programs already in place to reach a greater number of workers, this recommendation will serve to enhance previous housing initiatives announced through the Province's new housing strategy , and will allow the sector to remain competitive for experienced labour.



TRANSPORTATION

This recommendation aims to support the work of the Province's Joint Regional Transportation Agency (JRTA) in their efforts to create a regional transportation plan by building off existing provincial programs. This recommendation aims to expand the amount of funding and the number of communities within the program to further support the JRTA's key theme of creating an integrated public transit network.

AFFORDABILITY

Current Situation

Nova Scotians are some of the highest taxed residents in all of Canada. A study from the Fraser Institute found that Nova Scotians at the national average income level face substantially higher tax rates on the next dollar they earn than people with identical incomes in Ontario and Western Canada. [1]

To help all Nova Scotians cover their most basic needs, no provincial income tax is collected on a certain amount of income that a person earns. This is called the Basic Personal Amount (BPA).

For Nova Scotians, this amount is the lowest of any province in Canada at $8,481.[2] This means that Nova Scotians are paying taxes on their income well before the rest of the country.

It should be noted that In 2018, the Basic Personal Amount (BPA), the Spousal Amount, and the Amount for an Eligible Dependent increased by $3,000 from $8,481 to $11,481 for tax filers who have income of less than $25,000. For tax filers who have taxable income between $25,000-$75,000, the enhanced benefit is clawed backed at the rate of 6 cents for every dollar of taxable income and is phased out at $75,000 of taxable income.[2]

Challenges

The enhanced BPA saved the average Nova Scotian $159 in 2018. These savings were further reduced over the past 5 years from increases to the average annual salaries due to the rising cost of living from persistent inflation.

By failing to index tax brackets to inflation, the government of Nova Scotia has also been pushing people into higher tax brackets and paying higher tax rates, even if they don't have more money in real terms. This is referred to as bracket creep.[3]

This issue of bracket creep, coupled with the low basic personal amount in Nova Scotia is hitting the lower- and middle-income taxpayers the hardest. When comparing Canadian Provinces' tax rates on income of $50,000/year, Nova Scotians are paying the highest amount out of any Province. (see Chart on Page 9).

High and increasing marginal tax rates (the tax rate on the next dollar earned) discourage people from engaging in productive economic activity, and can hinder economic growth.[4] This happens because increasing marginal tax rates reduce the reward of earning more income.

> ***We can't compete with other provinces for skilled workers and top talent because the tax burden in NS is materially different than it is in various other provinces - Member Survey***

Recommendation:

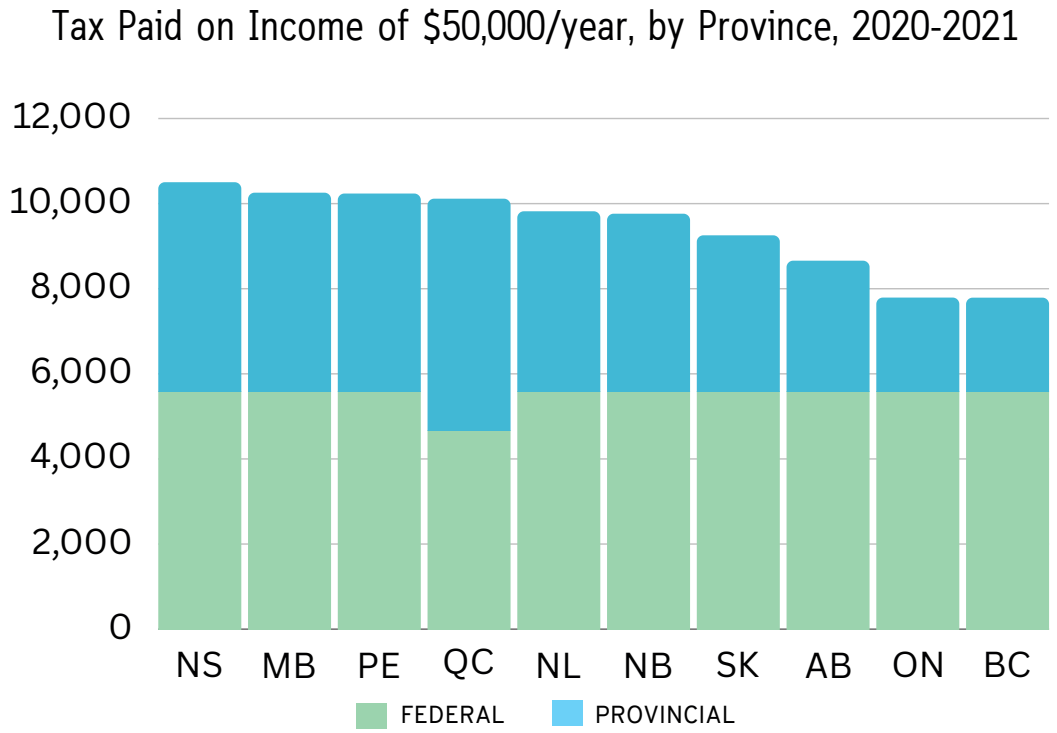
Increase the provincial basic personal amount, and other income tax credits to $15,000 in 2024-25 to match the federal basic personal amount, but maintain the existing income threshold clawback provision.

(With the ultimate goal of eventually eliminating the clawback provision and indexing the basic personal amount to Inflation)

Estimated Cost:

$112.5 Million

($86 million to increase the BPA to $15k and $26.5 million to increase other income tax credits to $15k)



Source: Credit Finance Plus, Personal Income Tax Canada, Adjusted with Federal Tax Abatement and BPA

Rationale

One of the economic consequences from our pandemic response has been persistent inflation, peaking at 9.3% in June 2022.[5] This has impacted the cost of shelter, food, energy, and fuel which have all increased significantly. The impact of these increases has seen a 10-12% increase to the living wage in Nova Scotia.[6]

The high marginal income tax rates are putting the province at a greater competitive disadvantage for attracting and retaining skilled labour and, less directly, investment and entrepreneurs.[4] The further our province's tax system falls behind, the less attractive it is to live and work here.

The tax system is fundamental to a competitive environment, inclusive growth and a fair society. It affects people's daily lives and it urgently needs an overhaul.

Impact & Outcomes

The Atlantic Economic Council estimated the impact of increasing the Nova Scotia BPA and other similar provincial income tax credits to $15,000 plus the elimination of the income clawback provision at roughly $318 million. While this is the ultimate goal of the Chamber, for this year we are asking the Province to increase the BPA and other tax credits to $15,000 while maintaining the clawback provision. This cost is estimated at $111.6M. (See the briefing note from AEC in the Appendix of this report.)

Increasing the BPA will help with affordability by allowing Nova Scotians to keep more of their income. The biggest winners from this tax change will be the low-to-middle incomed residents who will likely spend the additional disposable income on taxable items such as shelter, food, and fuel.

HOUSING

Current Situation

There is currently a significant shortage of affordable and market housing to meet the needs of Nova Scotia's growing population. This is disproportionately affecting individuals living on lower incomes, many of whom are from vulnerable groups or marginalized and racialized communities.[1]

According to a new affordable housing supply report from the CMHC, Nova Scotia will need to build 70,000 new units by 2030 to keep up with demand.[2] This means we need to build around 10,000 new units a year. Currently, the province is completing roughly 3,000 new housing units a year (see graph on page 11). Between 2016 and 2022, the cost for an average single-family home in Nova Scotia increased 67% (31% of that increase was between 2021 and 2022).[3] The lack of supply has also forced rents in Nova Scotia to increase 35% since 2016 and pushed our vacancy rate down to 1%.

In addition to population growth, many new market-based rental projects are stalled as a result of dramatically increased interest rates, high government taxes, fees and charges, insurance premiums, and higher production input costs. These factors are driving a new wave of homeless, eating up increasing percentages of workers' incomes and causing untold stress and suffering.

Challenges

To compound these challenges, there is a significant shortage of tradespeople throughout Nova Scotia. Latest reporting from the Nova Scotia Apprenticeship Agency estimates that the province will need to add 11,000 new tradespeople up until 2030.[4] Latest data from the Chamber's Business Conditions Report also indicates that the Construction industry is facing the greatest obstacles related to labour challenges over the next 12 months.

Demand for skilled tradespeople is high across the country. Many of Nova Scotia's Red Seal trades people can make 2-3 times the income by travelling to industrial projects in other provinces where travel, food, and accommodations are included. The demand for skilled trades is also increasing within our Atlantic region with the development of new hydrogen and offshore wind projects.

In 2021, the Province announced the More Opportunity for Skilled Trades (MOST) program as a way to incentivize more interest in the trades. It offers a provincial tax rebate for trades workers under the age of 30 on the first $50,000 of income. When announced, the province said that 7,500 workers could benefit, and budgeted $21 million in payouts. In 2022, the program only paid out $4.5 million to 1,308 applicants. [5]

> *Need to invest in skilled trades training, critical shortage of trades people" - Member Survey*

Recommendation:

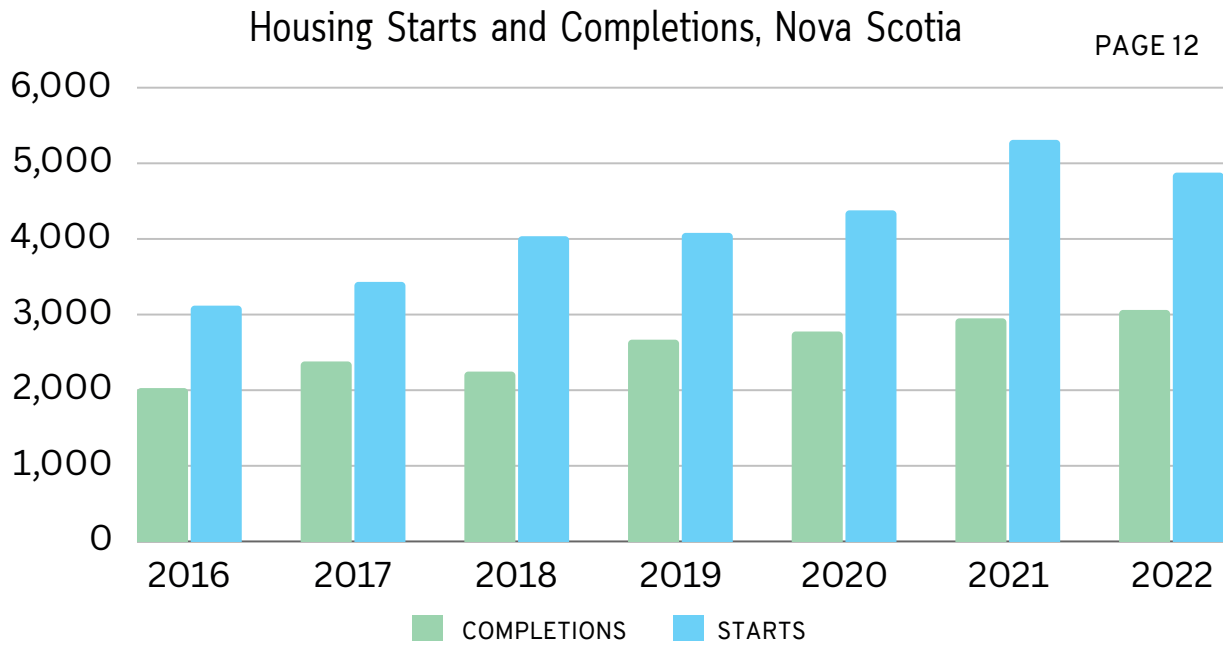
1. Increase funding for housing related trade apprenticeship programs to increase the number of seats (capacity) and update the equipment needed for the programs. ✔ **ANNOUNCED**

2. Expand the age limit for the Province's More Opportunity for Skilled Trades (MOST) Program to include skilled trades workers in the residential & ICI construction sectors to 40 and under.

3. Promote Direct Entry pathways into the skilled trades such as programs like the Building Trades Advancement College (BTAC).

Estimated Costs:

$60 Million



Source: Canada Mortgage and Housing Corporation, Housing Market Information Portal

Rationale

One of the issues with the MOST program is the age limit for the program. The average age of a construction worker in N.S. is 40, while the average age for a construction apprentice is 31.[6] And, while the Chamber applauds the enhancements of Apprenticeship programs, there is also an immediate demand for skilled tradespeople, including those with experience who can take on the new apprenticeships.

The other fundamental issue with the MOST program as a tool for attraction & retention of tradespeople for housing is that there is a difference between the workforce for Residential construction and Industrial/Commercial/Institutional (ICI) construction. Many residential construction workers are typically not registered as apprentices, meaning they have not obtained their Red Seal certifications, and therefore would not qualify for the MOST program.

Impact & Outcomes

By expanding the MOST program to include a greater number of workers in the housing construction sector, specifically those under the age of 40, it will serve to not only attract, but retain the skilled tradespeople we currently have. This will allow the program to reach a greater number of workers on both the ICI and residential side of housing construction.

Furthermore, by promoting Direct Entry and programs such as BTAC, it provides a fast and simple way to increase the number of apprentices. Direct Entry is a pathway available today where candidates can immediately start working and get paid while they learn. With organized direct entry programs such as BTAC, workers are immediately registered as apprentices under Joint Apprenticeship Training Agreements and would therefore qualify for the MOST program.

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TRANSPORTATION

Current Situation

Rapid population growth has increased the stress on our region's critical infrastructure and public transportation as demand is increasing faster than new infrastructure can be built, improved or retrofitted.

In the winter of 2023, Halifax Transit, the public transportation for the province's largest city, had to cut 35 bus routes due to a shortage of drivers.[1] These changes to public transportation have had significant impacts on the ability for workers to effectively and efficiently commute to and from work.

Beyond the labour shortages that are impacting our public transportation system, the demands to improve infrastructure for the transit system (terminals, bus and bike lanes, and EV vehicles) comes with a significant price.

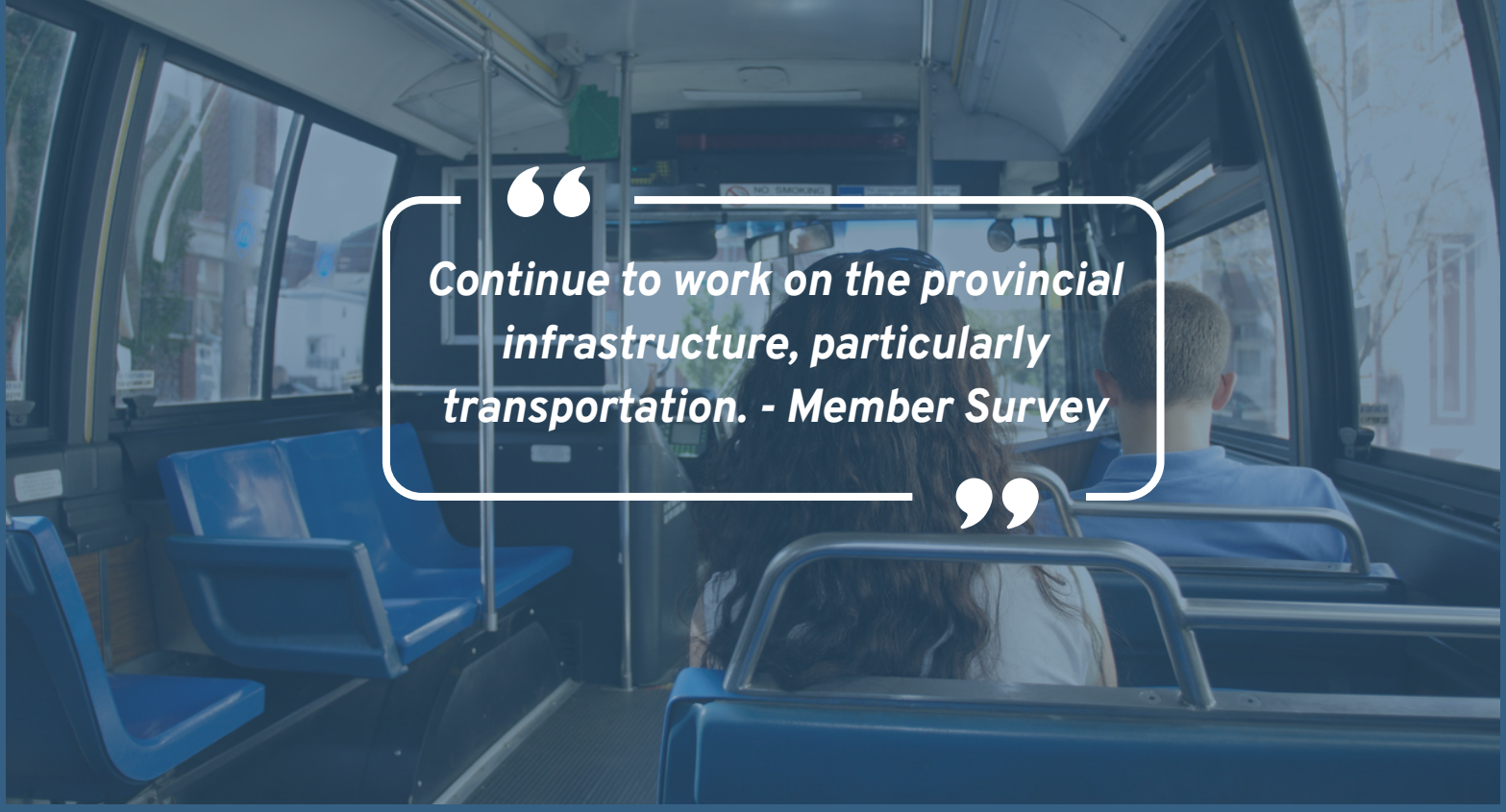
Halifax Transit is looking to electrify more than 200 buses (over 50 per cent of the fleet of 350 buses) by 2028. While these investments will have a significant reduction to emissions and save the department an estimated $6 million in yearly operating costs, the investment will take roughly 8 years and cost $400-$460 million.[2]

Challenges

In response to the growing demands on our regions transportation infrastructure, the Province of Nova Scotia created the Joint Regional Transportation Agency (JRTA) which provides a collaborative forum responsible for long-range strategic transportation planning across the Halifax and surrounding communities (see page 15 for a diagram of the JRTA's study area for streamlining transportation).[3]

Additionally, in the spring of 2022, the Province announced the Public Transit Assistance Program which provided $2.9 million to seven municipalities and community organizations who provide fixed route transit services; the funding is used toward capital purchases such as new buses.[4] Below are the communities which received funds as part of the program:

- Halifax Regional Municipality, $2 million
- Cape Breton Regional Municipality, $425,000
- Kings Transit, $375,000
- Town of Yarmouth, $25,000
- Town of Bridgewater, $25,000
- Antigonish Community Transportation Society, $25,000
- Strait Area Transit $50,000



> ***Continue to work on the provincial infrastructure, particularly transportation. - Member Survey***

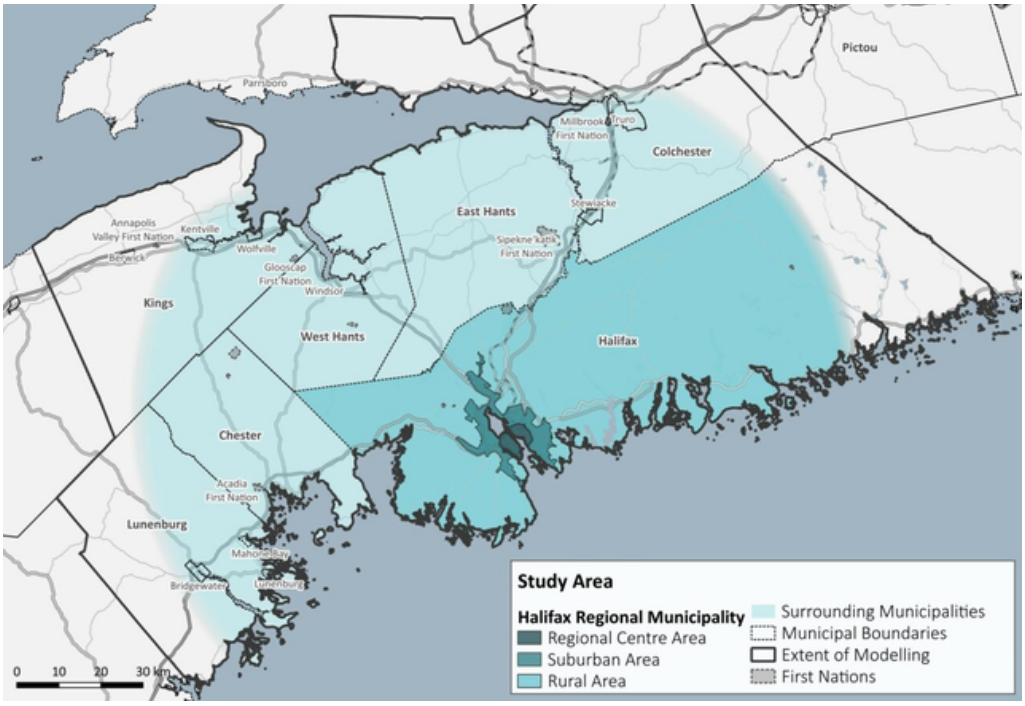
Recommendation

Increase the amount for the Provincial Public Transit Assistance Program, and expand the list of recipients to include surrounding HRM communities in West Hants, East Hants, Colchester, Kings, and Lunenburg counties.

(Projects funded through the program must align with the JRTA's Regional Plan)

Estimated Costs:

$100 Million



Source: Nova Scotia Joint Regional Transportation Agency, Regional Transportation Plan

Rationale

As housing supply issues in Halifax force more residents to seek housing options in surrounding communities, its of equal importance that transportation investments are made in those communities to accommodate the city's work force living outside the municipality, as well as supporting the theme within the JRTA's Regional Transportation Plan which is to create an Integrated Public Transit Network. [5]

This funding will allow local communities to invest in the supportive infrastructure and sustainable travel modes the way that best serves their community, while also supporting the JRTA's larger initiative of regional connectivity.

In Ontario for example, The Provincial government provides 107 communities with two cents per litre of the provincial gas tax revenue it collects ($375M), half of which goes to Toronto.[6]

Impact & Outcomes

Investments in public transit and active transportation are critical to build a prosperous, inclusive, and sustainable Nova Scotia. These investments:

- Improve quality of life by reducing commute times and enabling residents to get around their communities safely and efficiently;
- Provide access to meaningful employment, services, and recreation
- Tackle traffic congestion, pollution, and greenhouse gas (GHG) emissions. [7]

Public transit and active transportation are also closely connected to housing affordability. Transit stations and other connections to public transit help unlock opportunities to build more housing supply by allowing communities to build more densely.[7]

CONCLUSION

Many of the current economic challenges that we are trying to collectively address as a Province are complex, expensive, and have no clear solution in sight. Despite the significance of our problems like the cost of living, a lack of housing, and transportation infrastructure, providing a level of stability and predictability for Nova Scotians will significantly help to reduce the adverse affects of uncertainty that many residents and business owners are facing.

Our economy functions as a system, where one area has direct and indirect effects on another (e.g., a lack of transportation infrastructure impacts where housing can be developed). For this reason our submission aims to not only create a series of recommendations that are reasonably affordable, but that also support each other and begin to address some of the biggest economic challenges in our region. Our collective recommendations total nearly $275 million, or, roughly 1.8% of the Province's total yearly budget.

By providing tax relief for Nova Scotians, the Province will be helping directly with cost of living issues. By allowing Nova Scotians to keep more money in their pockets, we will be relieving some financial stress for taxable items like food, fuel, and shelter costs. As the number of homeless continues to grow provincially, this relief might be the difference between affording rent or living on the streets.

This financial breathing room for our residents and business owners will also allow newly announced provincial housing initiatives to begin to address our supply issues. As the demand for skilled tradespeople in Atlantic Canada rises sharply across the country, it will be difficult for local developers to compete for labour. By creating an environment where tradespeople have an opportunity to easily learn through enhanced apprenticeship programs, while simultaneously keeping more income in their pockets through an increased BPA and the province's MOST program, our construction industry will become relatively more attractive and competitive for the labour force needed to address our critical infrastructure needs like housing and transportation.

WHAT WE HEARD FROM OUR MEMBERS

Note: The following quotes were obtained through our Provincial Pre-Budget Member Survey published September 28th, 2023.

Affordability

"Personal taxes and cost of living need to be competitive for individuals- they are not"

"We can't compete with other provinces for skilled workers and top talent because the tax burden in NS is materially different than it is in various other provinces"

"As a province, we need to be at least on par with other provinces in terms of provincial income tax, sales tax and corporate tax. If we remain as is or increase our tax base, our position to be competitive for businesses to come to NS or for potential employees to relocate here will diminish."

"Something needs to be done about the cost of living".

"I am a small business owner, who entered the market in the last two years. I didn't anticipate that corporate taxes would be my number one financial constraint. I am new, and growing, with the potential for success across Canada and elsewhere. However, my access to financial resources is hindered, and my number one cost is taxes. I am using professional services to get advice and to manage costs, yet, taxes are still the number one issue to focus one, rather than developing my business."

"Provincial Income Tax compared to other provinces is through the roof"!

"Cost of living and availability of housing severely impacts who can come to our region and form there who can even contribute. The two combined reduce the attractiveness of our region and need to be addressed. While in the past we were able to speak of the lower living costs in our region as a factor for selecting the location, this is no longer the case. Investments are required."

"A noticeable reduction in taxes will benefit all other priorities. Need people and businesses to have disposable income which betters the economy; plus highest tax rate in Canada is not an attractive way to draw population growth."

Housing

"Need to invest in skilled trades training, critical shortage of trades people"

"When people can't afford to live in Nova Scotia, they can't afford to work here, to spend money here, or to grow business in the province. Fix the housing crisis"

"The need to balance population growth projections with housing. We can't have 2m people in our province without a good plan to build sufficient housing."

"Affordable housing and reducing provincial tax."

"Get rid of the red tape that holds up every residential and commercial project - fast track these."

"Housing and the cost of living needs to be adjusted".

"We need skilled workers and they need places to live--".

"Tents in public parks are destroying our downtown. A strategic plan to assist the homeless must be created, shared and implemented!"

"Housing starts need to be increased without a bunch of red tape"

Transportation

"Traffic is so congested in the city. Something needs to be done to solve this."

"Emphasis and attention needs to be placed on the commuting situation between Halifax and Bedford/Sackville".

"Build train public transit in the province (along the 101, 102, and 103 to start) - Build dedicated bus lanes in Halifax (with vision to make it a tram / streetcar system)--"

"Community - side walks, bus system, housing"

"Continue to work on the provincial infrastructure, particularly transportation".

"Please do something about our road infrastructure".

CITATIONS

Affordability

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APPENDIX

Briefing Note: Tax Expenditure Impact of Increasing Nova Scotia Basic Personal Amount and Other Tax Credits

By Fred Bergman, Senior Policy Analyst, Atlantic Economic Council

The Halifax Chamber of Commerce has requested the Atlantic Economic Council conduct tax expenditure analysis on the impact of increasing the Nova Scotia basic personal amount and other similar provincial income tax credits. The other credits include the spouse or common law partner amount, eligible dependent amount and age amount. The Atlantic Economic Council's analysis used information on the number of tax filers by income class in tax year 2020 in Nova Scotia from the Canada Revenue Agency to estimate the incremental tax expenditures.

Tax Credit Scenario

The tax credit scenario requested by the Halifax Chamber of Commerce is almost a 31% increase in the basic personal amount from $11,481 to $15,000. In addition, the tax credit is no longer income-tested and there is no phase-out of the tax credit increases, including the tax credit changes in tax year 2018. The spouse or common law partner amount and eligible dependent amount increases to $15,000. The age amount increases by almost 31% from $5,606 to $7,324. None of these tax credits are income-tested under this scenario.

The Atlantic Economic Council estimates the incremental tax expenditures from these tax credit changes would cost about $318 million when fully implemented. The increase in the basic personal amount and removal of the income-test would cost almost $260 million of that total. The removal of the income-test on the basic personal amount costs about $174 million, which is included in the $260 million estimate.

Rationale

Increasing the Nova Scotia basic personal amount and other tax credits would help offset the impact of inflation over the last five years on affordability. In tax year 2018, the federal government basic personal amount was $11,809 versus the Nova Scotia basic personal amount of $11,481. The two tax credits were relatively close in value until the federal government

increased the basic personal amount to $15,000 in tax year 2023. Most provinces and the federal government index personal income tax credits to inflation, except Nova Scotia and Prince Edward Island.[1] Significant inflation has occurred since 2018 and affordability is a major issue for many Nova Scotia households. The Atlantic Economic Council estimates the all-items Consumer Price Index in Nova Scotia will increase by over 18% between 2018 and 2023.

Background

The Nova Scotia Department of Finance and Treasury Board made changes in tax year 2018 to the basic personal amount and other similar tax credits, including the spouse or common law partner amount, eligible dependent amount and age amount. The provincial government estimated the tax expenditure impact of these changes for tax year 2018. The Atlantic Economic Council developed a methodology to estimate the tax expenditure impact of the 2018 tax year changes. The Council validated its reasonableness using the government's estimate as a benchmark. This methodology can be adapted to estimate incremental tax expenditures from further changes to these credits.

In tax year 2018, Nova Scotia permanently increased the basic personal amount by $3,000 from $8,481 to $11,481. Similar increases were made to the spouse or common law partner amount and eligible dependent amount because these tax credits are traditionally the same value as the basic personal amount. A similar percentage increase was made to the age amount, increasing it by about 35% from $4,141 to $5,606.

The tax credit increases are income tested. They phase-out between $25,000 and $75,000 in taxable income. Individuals with incomes below $25,000 receive the maximum tax credit increase. The basic personal amount is reduced by 6 cents per dollar for every additional dollar of income above $25,000 until the incremental increase in the tax credit is zero for incomes of $75,000 or more. A similar phaseout based on income applies to the spouse or common law partner amount and eligible dependent amount. The age amount is reduced by 2.93 cents per dollar for every additional dollar of income above $25,000 until the incremental increase in the tax credit is zero for incomes of $75,000 or more.

The provincial government estimated the total cost of these tax credit changes in tax year 2018 would be over $85 million upon full implementation. The Atlantic Economic Council's estimate is almost $85 million, based on number of tax filers by income class for tax year 2018. The Council used more recent tax data to generate the cost estimate. However, the Nova Scotia Department of Finance and Treasury Board has access to more detailed tax data for individual tax filers, so its estimate is more accurate. The Atlantic Economic Council's methodology is believed to be accurate within +/- 5%.

1. Ontario does not index its top two income tax brackets

Appendix 1

Nova Scotia
Estimates of Incremental Tax Expenditures by Income Class
Scenario: Increase basic personal amount and similar credits to $15,000
Without phase-out of tax credit increase between $25,000 and $75,000 in income
2020 tax year
($millions)

	Personal income tax credits			
Total income class	**Basic personal amount**	**Spouse or common law partner amount**	**Eligible dependent amount**	**Age * amount**
$0-$4,999	$0.0	$0.0	$0.0	$0.0
$5,000-$9,999	$0.0	$0.0	$0.0	$0.0
$10,000-$14,999	-$34.9	-$1.3	-$1.2	-$4.3
$15,000-$19,999	$18.1	$1.0	$0.5	$4.0
$20,000-$24,999	$24.6	$1.3	$0.9	$6.0
$25,000-$29,999	$19.7	$1.2	$1.2	$2.8
$30,000-$34,999	$19.7	$1.1	$1.2	$2.8
$35,000-$39,999	$19.3	$0.9	$1.0	$2.8
$40,000-$44,999	$18.4	$0.9	$0.9	$2.5
$45,000-$49,999	$18.7	$0.9	$0.8	$2.8
$50,000-$54,999	$16.1	$0.8	$0.6	$2.1
$55,000-$59,999	$14.4	$0.8	$0.5	$1.8
$60,000-$69,999	$25.4	$1.4	$0.8	$2.9
$70,000-$79,999	$36.4	$2.3	$1.2	$3.7
$80,000-$89,999	$17.4	$1.1	$0.6	$1.3
$90,000-$99,999	$12.7	$0.8	$0.4	$0.6
$100,000-$149,999	$22.7	$1.8	$0.6	$0.5
$150,000-$249,999	$7.7	$0.7	$0.1	$0.0
$250,000 and over	$3.2	$0.4	$0.1	$0.0
Incremental tax expenditure	**$259.6**	**$16.2**	**$10.0**	**$32.3**

* The age amount is increased by almost 31% to $7,324.

Sources: Canada Revenue Agency T1 Final Statistics, Atlantic Economic Council