



CHAMBER IMPACTS

News and views from the Metropolitan Halifax Chamber of Commerce November 27, 1998

Your Chamber has been working hard to ensure that our community maintains a competitive environment for business, and we continue to be the voice of business for the Metro area. Through the hard work of our many dedicated volunteers and other partners in the community, we are making progress ensuring continued economic development for the local business community. In the third quarter of 1998 we have had an impact in the following areas:

Bank Mergers

ISSUE: The Chamber's Bank Merger Task Force analysed the 124 recommendations made by the Federal Government's Task Force Report on the Future of the Canadian Financial Services Sector, better known as the MacKay Report.

IMPACT: In October, the Chamber's Task Force presented its findings at appearances before two government bodies: the House of Commons Standing Committee on Finance and the Standing Senate Committee on Banking, Trade and Commerce. While the Task Force was prepared to endorse the vast majority of the MacKay Report's recommendations, the submission focused on five key issues of significance to the many small and medium-sized businesses (SMEs) represented by the Chamber: the lack of access to debt capital by SMEs; the need for increased competition for financial services; the lack of research on the financing need of SMEs; the need to reduce capital taxes on financial institutions, and the need to improve commercial account management by banks.

1999 Federal Budget

ISSUE: To prepare for the annual feedback that the Federal Finance Task Force provides to the federal Minister of Finance, the Chamber polled its members in July 1998 on issues relating to the 1999 federal budget and federal finances in general.

IMPACT: The responses formed the basis for a written submission to the House of Commons Standing Committee on Finance in September and an appearance before the Committee in October by representatives of the Federal Finance Task Force and Government Affairs Committee. The clear message delivered was that debt reduction was the highest priority for any funds which should arise from an annual surplus.

- MORE -

Employment Insurance Surplus

ISSUE: In a supplemental submission to the House of Commons Finance Committee, the Chamber added its voice to the debate over how best to use the EI surplus, currently estimated at \$19 billion.

IMPACT: The Chamber stated that the EI account should be capped (at \$10-15 billion, sufficient to ride out a severe recession) and premiums be reduced to promote job growth. By putting money back into the hands of working consumers and small business people, the government would be strengthening two key drivers of economic growth.

Municipal Finance

ISSUE: The Chamber was and continues to be a strong supporter of municipal amalgamation. Last year the Chamber's Municipal Task Force put forward four key recommendations that Halifax Regional Municipality (HRM) needed to pursue in order to get its deteriorating fiscal situation under control and to achieve the benefits of a merged municipal unit.

IMPACT: In our work with HRM, the Chamber has had a consistent message: control your expenditures; look for new and innovative ways to deliver services, and; focus on achieving a long term solution. The recently announced Multi Year Financial Strategy (MYFS) for HRM is designed to achieve all three of these objectives.

HRM's MYFS will include a set of management principles which will outline roles, responsibilities and, accountability concepts in addition to defining basic criteria for financial management and fiscal and service delivery decision-making.

Editor's Note: Chamber Impacts will be faxed and E-mailed to members on a quarterly basis, and will also be included in Business Voice.