

HALIFAX CHAMBER OF COMMERCE

Speaking Notes

TO: Patrick Sullivan, President and CEO

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SUBJECT: Speaking Points for House of Commons Standing Committees on Finance Presentation

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INTRODUCTION

Good morning, my name is Patrick Sullivan and I am the President and CEO of the Halifax Chamber of Commerce.

The Halifax Chamber of Commerce is a best-practice, business advocacy organization that continuously strives to make Halifax an even more attractive city in which to live, work, and play.

Together, the approximately 1,600 member businesses and their over 65,000 employees, act as a single powerful voice through the Chamber to promote local business interests.

As an organization we are committed to enhancing the prosperity of our members and to realizing Halifax's potential to be among the top 3 highest growth city economies in Canada by 2018.

We appreciate the opportunity to address the House of Commons Standing Committee on Finance today and will address your questions in order.

COMMITTEE QUESTIONS (questions are included for reference only)

1. *What federal measures would help Canadians generally – and such specific groups as the unemployed, Indigenous peoples, those with a disability and seniors – maximize, in the manner of their choosing, their contributions to the country's economic growth?*

The Maritime region is facing a rapidly aging population and a serious decline in the size of our region's labour force. Ensuring that Canadians, and particularly those from underrepresented groups, have the skills they need to participate productively in the modern economy is a critical part of building the labour force our region will need to succeed in the future.

The federal government plays an important role in skills training in Canada and it is important to ensure that existing programs provide effective training to Canadians. As well, Nova Scotia has struggled to retain its youth and recent graduates in recent years, compounding our demographic challenges.

To address this, the Federal Government could increase supports for youth and recent graduates to take part in experiential education opportunities. This it would help better prepare them for the workplace and increase labour force attachment and retention.

2. *What federal actions would assist Canada's businesses – in all regions and sectors – meet their expansion, innovation and prosperity goals, and thereby contribute to economic growth in the country?*

When we speak to our members the overall tax burden is a constant source of frustration. In recent months the federal government has taken actions such as raising the CPP and introducing a price on carbon, both of which will have an impact on business costs in the years to come.

Going forward, we will be looking for the federal government to take action to make businesses in Canada more competitive. Lowering corporate income tax rates or reinstating the planned decrease to the small business tax rate would help in this regard. As well, reducing regulation, providing timely customer service, and consulting the business community early in the regulatory process will help make life easier for businesses.

Immigration is also an important avenue to help the region manage its demographic transition. Fortunately, the Federal Government has taken strong action on this issue, creating a pilot project that will provide the Atlantic region with a pool of 2,000 more provincial nominees.

More immigration however, will only be as effective if they stay in the region. While Nova Scotia's rate of retention has improved dramatically over the past few years we can still do better. The federal government can help in this area by providing more funding for settlement services and ensuring that immigrants have the skills needed to succeed in the local labour market.

3. *What federal measures would ensure that urban, rural and remote communities throughout Canada enable residents to make their desired contribution to the country's economic growth and businesses to expand, prosper and serve domestic and international customers in order to contribute to growth?*

Ensuring that Canada has the transportation and information technology infrastructure required to participate fully in the global economy is critical for economic growth. Investing in trade-enabling infrastructure should be a top priority of the federal government's infrastructure program.

As well, concluding Canada's major outstanding trade agreements will help open up new markets to businesses. Improving the ability of companies in our region to export their products and services around the world is a key economic goal for businesses and will help communities across the country.

FURTHER INFORMATION FOR Q & A

IMPORTANT: Traditionally, members of the committee should be addressed through the Chair. For example, “Thank you Mr. Chair. I would like to reply to the member that...”

- Do you support the Energy East Pipeline?

As the Energy East Pipeline does not cross Nova Scotia this is not a top priority for the Halifax Chamber. Nevertheless, we believe it is important for Canada to develop a regulatory process that is fair and predictable.

Consulting citizens, and particularly First Nations communities is critical for projects of this nature. At the end of the day however, there needs to be a clear and transparent process in place so that final decisions can be made on these types of projects in a timely way.

- What infrastructure priorities are important in the Maritime region?

There are a number of important infrastructure priorities that are important to our region beyond the trade-enabling investment I mentioned earlier. For example:

- Halifax has identified about \$2.5 billion in water-related projects that will need to be funded in the years to come. The federal government has begun to provide some assistance in this area but more will be required.
- Nova Scotia also has hundreds of damaged and crumbling bridges that are in need of repair.
- Finally, providing funds to help Nova Scotia with projects that will reduce greenhouse gas emissions would be beneficial.

As well, we urge the Government to continue to focus on repairing our existing infrastructure as that often has the highest economic benefit.

- What do you think of the federal deficit?

The size of the federal deficit is definitely a concern. The last budget projected that the deficit will be \$29.4 billion in 2016 and only fall to \$14.3 billion by 2020.

While we did support the budget’s commitments on infrastructure, such a dramatic increase in spending and lack of any timeline to balance the budget are major causes for concern. We will be watching federal finances closely over the coming years and will be looking for the government to return to balanced budgets sooner rather than later.