

August 1<sup>st</sup>, 2014

**Hon. Randy Delorey, Minister of the Environment**

Nova Scotia Environment

PO Box 442

Halifax, NS

B3J 2P8

Dear Minister Delorey,

I am writing to you to express concern on behalf of Chamber members regarding your department's proposal to alter the Beverage Container Deposit Refund Program.

One of the major pillars of the Chamber's 2013-2018 Strategic Plan is 'Creating a Positive Business Environment' through, among other things, reducing the tax burden. In our discussions with members, they have reminded us that the tax burden is about much more than corporate income tax rates. While they do not receive the same amount of attention, fees form a significant portion of overall business costs.

With that in mind, we are concerned about your proposal to alter the existing deposit fee paid on beverages purchased in Nova Scotia. While this fee will not increase immediately, your department's discussion paper suggests quite clearly that an increase will be required in the future to meet rising program costs. Furthermore, raising the deposit rate would give Nova Scotia one of the highest deposit rates in Canada, a distinction we can hardly afford given that Nova Scotia already has some of the highest tax rates in the country. Putting our province out of alignment with the rest of Canada would not be a positive step forward.

We encourage you to take our advice and avoid reforms that could lead to higher beverage container deposit rates.

Sincerely,

Nancy Conrad, Executive Vice-President, Policy

Halifax Chamber of Commerce