

# **Key Issues 2005**

## **Briefing Note for Deputy Ministers**

October 4, 2004

## Introduction

The Chamber of Commerce values this opportunity to address the Deputy Ministers, to share the key priorities of the Chamber of Commerce and to communicate to you our up-coming policy direction. We anticipate this opportunity will help us identify areas in which the business community and government can work together. The Halifax Chamber of Commerce is a best-practice business advocacy organization representing the interests of almost 2000 members and the 90 000 men and women they employ. The Chamber continuously strives to make metro Halifax an even better place to live work and play.

The policy and advocacy work of the Chamber is driven by the efforts of volunteers from committees and task forces consisting of more than 350 leaders from the business community. The Chamber has implemented a government relations plan that defines the public policy outcomes that are important to our organization and sets out key initiatives that will be undertaken by the Chamber to achieve those outcomes. The principles guiding our plan are:

- the Chamber is politically neutral
- the Chamber communicates its key priorities on a regular basis;
- there will be no surprises in any dealings with government;
- dialogue will be ongoing and meaningful; and
- Chamber advocacy will be consistent and regular.

Following are the main issues the Chamber will be focusing on in the up-coming year.

## Transportation

### *Halifax International Customs Pre-clearance*

Pre-clearance at the Halifax International Airport continues to be a priority for the Chamber. Other airports in Canada of the approximate size of the Halifax International Airport presently offer this service. As the largest airport in Atlantic Canada, the Halifax International Airport is put at a significant competitive disadvantage in not being able to offer pre-clearance to business and leisure travelers coming to or through the Atlantic Region. This service allows greater speed and therefore greater travel flexibility for travels en route from Halifax to the United States.

Atlantic Canada is the only region in Canada to not have a U.S. Customs pre-clearance airport. The Chamber urges continued provincial and federal government support and actions in achieving U.S. Customs pre-clearance in the Halifax International Airport.

### *Capital Transportation Authority*

The Chamber of Commerce supports the establishment of a Capital Transportation Authority. With a population of over 370 000<sup>1</sup> and covering an area of approximately 5500<sup>2</sup> square kilometers the Halifax Regional Municipality faces transportation challenges unique in Nova Scotia. In order to efficiently and effectively respond to the transportation needs of Halifax businesses, residents and visitors and to ensure that the transportation system in and around the city is seen as an advantage, not a hindrance, to doing business in the city, a coordinated approach is needed.

A transportation authority would be a vehicle to such a coordinated approach. The Chamber of Commerce encourages all levels of government to continue their efforts to establish a transportation authority to lead the implementation of inter-modal transportation initiatives.

### *Halifax Gateway Council*

As the largest city in Atlantic Canada and a natural hub for land, air and sea traffic Halifax needs a coordinated approach to traffic entering the region. As a hub for the region it is imperative that Halifax be able to attract and conduct large volumes of diverse traffic. A gateway council would ensure Halifax maintains and enhances its competitive position with respect to transportation on both the national and international level. The Chamber urges the government to support a Gateway Council involving major stakeholders in the transportation sector.

## **People Strategy/Business Environment**

### *Immigration*

Immigration continues to be an important aspect of the Chamber of Commerce's strategy to support a strong business environment in Nova Scotia. The Chamber applauds the government's active leadership in this area with the recently released "Framework on Immigration" discussion paper and related consultations.

With a mere 0.6% of immigrants to Canada choosing to come to Nova Scotia and given a very low retention rate of immigrants who do choose Nova Scotia, it is imperative the government and stakeholders capitalize on the current momentum in this area and implement new initiatives to increase immigration to Nova Scotia. Without immediate action to reverse the decline in immigration to Nova Scotia, the province will soon face a shrinking population without other sources of growth. The Chamber of Commerce will continue to be involved in stakeholder consultations on immigration.

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<sup>1</sup> Source: Statistics Canada, Population of census metropolitan areas, 2001 Census boundaries. <http://www.statcan.ca/english/Pgdb/demo05a.htm> Last accessed September 26, 2004

<sup>2</sup> Statistics Canada, 2001 Community Profiles. [www.statcan.gc.ca](http://www.statcan.gc.ca). Last accessed September 26, 2004.

### *Health Care*

The Chamber of Commerce is concerned about the sustainability of the health care system. With an ageing population, declining workforce and increased expectations of the Health Care system, continually increasing funding is not a viable option. The Chamber encourages the government to spend responsibly in this area and to seek efficiencies in the delivery of health care services. The Chamber also encourages the government to reduce the stress on the health care system by investing to help Nova Scotians become healthier and more active.

### *Worker's Compensation*

The Chamber of Commerce is working with partners to encourage the Worker's Compensation Board to offer incentives to businesses that show demonstrable improvements in the health, safety and well-being of employees. The benefits of a comprehensive workplace wellness program are far reaching and extend to employees, the employer, and society as a whole. Employees of workplaces that meet criteria for quality and health in the workplace are generally healthier, have fewer lost days, stay longer at a job and make fewer medical and WCB claims than when those criteria are not in place.

### *Healthy Workforce*

Building a healthy workforce has long been a priority of the Chamber of Commerce. The Chamber intends to continue its work to raise awareness of how businesses can help improve the health of their workforces and the benefits to business of a healthy workforce.

### *Deregulation of Store Hours*

The Chamber of Commerce supports the deregulation of store hours in Nova Scotia. In the lead up to the plebiscite on Sunday Shopping the Chamber will be encouraging members and the general public to vote in favour of the deregulation of store hours.

## **Energy**

In view of the significant contribution the offshore oil and gas industry has made to the province over the past decade the Chamber supports the development of Nova Scotia's offshore oil and gas resources.

The Chamber's position on offshore oil and gas policy remains consistent. We recommend:

- That benefits reporting schedules be revised to reflect (1) the capacity of Nova Scotia industry to undertake work and (2) the actual Nova Scotia content of work;
- That the return from offshore oil and gas comprises royalties and taxes as well as jobs and business conducted in Nova Scotia and that this return be appropriate to the investment, i.e. our offshore resources;
- That regulations governing offshore oil and gas be updated and streamlined; and
- That the Minister of the Environment be included in the Atlantic Energy Roundtable.

## Finance

### *Debtwatch*

The Chamber of Commerce is concerned about the debt level of the government of Nova Scotia. Of particular concern are Nova Scotia's debt relative to other provinces, the level of debt to GDP and the level of debt per capita.

Since spring 2003 the Chamber has monitored provincial debt with Debtwatch. Debtwatch is based on 5 indicators: tax competitiveness, sustainability, vulnerability, flexibility, and managing within budget. The Chamber continues to maintain Debtwatch and supports initiatives of government to manage the debt.

## Municipal Issues

### *Regional Planning*

The Chamber is committed to participating and contributing to the on-going regional planning process being undertaken by the city of Halifax. With approximately 40 per cent of Nova Scotia's population living in the Halifax Regional Municipality and a number of areas of shared jurisdiction, the Chamber believes the province has an important role to play in this planning process. A strong capital region, with an aggressive plan for planned growth will benefit the economy of the province. To further support planned economic growth the Chamber, on behalf of the HRM is facilitating an economic summit. The summit will bring together leaders from Halifax's business community to discuss the main issues that will affect our economy in the coming years.

### *Tax Reform*

It is important to ensure the tax climate in HRM is attractive and competitive, on both the residential and commercial sides. It is the Chamber's view that the tax system must be revised to address imbalances in the current tax system and to ensure taxes paid by the commercial sector bear a closer relationship to services received. The Chamber is prepared to work together with the HRM and the province to explore tax options.

### *Business Occupancy Taxation and Assessment (BOAT)*

The Chamber supports the elimination of the Business Occupancy Tax (BOT) and encourages the government to proceed with its plan to eliminate the BOT. The Chamber recommends that administrative cost savings and additional revenue derived from BOT elimination be directed towards relieving the burden of tax borne by the commercial sector. The Chamber urges collaboration between the HRM and the province on the terms of the elimination to ensure municipalities have sufficient time to plan and phase-in a replacement strategy.

## Consultation

The Chamber appreciates this opportunity to present our plans and priorities to government. This opportunity is one vehicle among many for government and the business community to improve working relationships between these two groups. Without discussion and consultation among all stakeholders, finding creative ways to improve the business environment in Nova Scotia would be next to impossible. The Chamber believes that by involving the business community and community organizations in governments' planning processes in a meaningful way a diversity of concerns and priorities will be reflected in outcomes.