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**From:** Warren Reed [REDACTED]  
**Sent:** Friday, February 24, 2017 11:09 AM  
**To:** Office of the Legislative Counsel;  
**Subject:** Law Amendments Committee Submission, Bill 59  
**Attachments:** incentives.pdf

Madam Chair, Committee Members,

I represent the James McGregor Stewart Society. We advocate for people with disabilities. Our focus is equal rights. This submission to the Law Amendments Committee is about profiting from the investment in Bill 59.

Our society is named for J.M. Stewart, 1889-1955, son of a Pictou lawyer, grandson of a Cape Breton minister, and a principal of Stewart, McKelvey, the white-shoe Halifax law firm. In his time he was Nova Scotia's premier corporate lawyer. He wrote the rules for many of our most successful and long-lived companies. He was president of the Canadian Bar between the wars. He is one of fewer than 500 Canadians to be awarded the Commander of the British Empire for services to the Empire in WW II. His obituary was in the New York Times.

He was the gold medalist of his class at Pictou Academy, and at Dalhousie, where he studied classics. In those days, Dalhousie got to appoint a Rhodes Scholar in alternate years. In 1910, the faculty senate refused to award Stewart a Rhodes Scholarship because he had had polio as a boy and walked with crutches. The motion proposed by Dean Richard Chapman Weldon himself read:

*Serious physical defects should be considered as rendering a candidate ineligible for the Rhodes Scholarship.*

In spite of his evident unsuitability for the Rhodes, Stewart went on to lead his Law School class, shaped Eastern Canada's leading corporate law firm, became chairman of Dalhousie's Board of Governors, and was an authority on Rudyard Kipling. He met Kipling and left his extensive literary collection to Dalhousie.

While Richard Chapman Weldon showed himself to be very small-minded indeed, we shouldn't feel too sorry for Stewart, who died a wealthy and consequential man. He lived in 'Braemar', his estate on the Northwest arm and motored around in his Rolls Royce.

He was a thrifty Scot, with a head for investments, who could give good advice to this committee. Bill 59 is about three things: Equality, Legacy and Investment. The Charter promises equality, and this Act may deliver. The legacy is yours if you choose to embrace it.

Let's think about investment. Like public education and modern infrastructure, government can make good investments. This is an opportunity to invest in people. As Bill Gates said to Warren Buffet "the best investment any of us can ever make is in the lives of others"

No matter how you slice it, Bill 59 is going to cost money. Capital expenses will be significant, and the solutions proposed in the current Bill - extremely long or nonexistent time horizons and the prospect of wholesale exemptions - don't match the aspirations of the Act. So let's face the truth and admit that access isn't free. The good news is that every sign points to increased economic activity, government saving, and increased tax revenue. Everyone will benefit from investing in access, and you should champion that fact.

Missing from Bill 59 is the promise to identify and evaluate tax incentives, which are the most likely way to encourage investments of this nature. The Minister of Finance will need to work hand-in-hand with the Minister of Justice to make access happen.

Nova Scotia faces a ton of problems. Some of them relate to a cavalier waste of human capital. Too many people with disabilities on government support and too few participating in the economic life of the Province. That's a great big problem and we have the tools to make it better.

Government must use its fiscal powers to ensure that people with disabilities share in the promise of Nova Scotia. I'm attaching a chart showing how you can turn a profit by using incentives, just like retailers do every day.

Here is a little more on four persistent problems that have accessibility as a central theme and how an investment will pay off:

#### **Increasing government supports and declining revenue**

The simple answer to this problem is jobs. For every full-time minimum wage job enjoyed by a person moving from community support, government saves around \$20,000 in expense and gains about \$7,000 in revenue. Government can do any number of things to encourage this:

- Pay half the salary for such people for two years up to \$10,000

- Continue their Pharmacare or subsidize private supplementary coverage for 2 years.

After two years, government receives the full benefit in new tax revenue.

### **An aging population needing care**

Aging at home is in everyone's interest. Government can fix this problem almost instantly by giving credits for accessibility improvements, an expansion of current grant programs. The payback is in fewer nursing facilities, new employment for housing contractors and increased property valuations.

### **Vanishing workers**

This is a cascading problem. Uneven access to transportation and suitable housing keeps people isolated. Limited access to higher education (Dalhousie Law School is less than one half of one percent students with visible disabilities) means inadequate training. Limited employment opportunities in government (9.9% of the workforce self identifies as having a disability, yet only 3.9% of provincial employees do so - the lowest representation of the five groups the province identifies as important to employment equity). Loan-burdened recent graduates leave the province for jobs. There are many opportunities for intervention.

Not just government, but private employers stand to gain by diverting overlooked talent to productive work. We need to get to work on a whole web of problems: transportation, housing, higher education, and recruitment. Quick fixes just don't work.

### **Cruise Ships and the changing face of tourism**

238,217 passengers arrived in Halifax on 136 ships in 2016. The Americans with Disabilities Act mandates that 3% of their cabins be accessible. This translates to roughly 7,000 passengers and probably an equal number of their companions. Good tourism practice requires that they not be disappointed. We're sitting next to millions of aging New Englanders. Sharing the cost of accessibility through property tax credits will pay in increased traffic, higher HST, higher valuations, and in other, more subtle brand sensitive ways.

### **Conclusion**

The lack of attention to these possible solutions to persistent problems is puzzling. Government needs to do the research, and more importantly commit to using the tools of fiscal policy to make access happen.

Warren Reed

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Incentives				Returns					
	Type	Example	Amount	HST	Income Tax	Valuation	Employment	Supports	Health Expenditures
Business	Credits	Similar to digital animation	50% of capital expense	\$	\$		\$	\$	
	Deductions	Employee salary	50% of salary for 2 years for employees formerly on supports	\$	\$			\$	
		Employee benefits	Continuation of Pharmacare for 2 years	\$				\$	\$
	Property Tax relief	Shared Cost of Accessible Washroom	Front end loaded			\$			
	Licensing		Preference to accessible businesses	\$	\$		\$		
	Depreciation		Accelerated				\$		
	Credit Syndication		a new model, like Affordable Housing Tax Credits or Historic Tax Credits in the US				\$		
Individuals	Home Improvement	Similar to caregiver credit	fixed amount	\$		\$		\$	\$
	CEDIFs	Self Help	Government Encouraged			\$	\$		
Institutions	Access to higher education	Accessibility Vouchers to students	fixed amount				\$		
	Retention (should do this anyway)	Loan Relief	link to salary		\$		\$		