

At the outset I would like to thank the staff of Municipal Affairs along with the Minister for their work on this file for the last two years and their recognition of the importance to CBRM.

The legislation before the house will be key to the CBRM in moving forward one of the biggest opportunities for economic prosperity that has come to the Municipality since the days of Steel and Coal. The CBRM is a regional municipality comprised of 8 former municipalities and is the second biggest in the Province. This opportunity is one that has many years invested to bring it to where it is today. The introduction of this legislation did not come without many discussions and much vetting. It is an example of what the Provincial Government is promoting in its Municipal Modernization initiative, an initiative that encourages partnerships and working together for the good of the region. The project itself has been vetted through Price Waterhouse Coopers who describe the proposed transaction as a low risk approach which meets CBRM's goals and is a low risk approach for encouraging economic development. This third party review along with consultations with the trade division of Inter Governmental affairs were part of the due diligence that were done before consideration was given to the legislative change.

There has been comments by other parties such as an unequal playing field or race to the bottom that need to be addressed. Cape Breton Regional Municipality has a commercial tax rate of \$5.46. If you compare this to an area such as Guysborough with a commercial rate of \$2.58, it is more than double. They proudly describe themselves on their website as having the lowest residential tax rate in Nova Scotia at .66 cents and having a commercial tax rate that is competitive with other areas. I would be bragging also. We cannot boast that in CBRM. Our residential rate is 4 times that and with a commercial rate of \$5.46, we cannot compete in the Global Market; we would not even be in the game. We are not engaging in a race to the bottom. We are a regional government and so are not competing with our neighboring municipalities. We are offering a proposal that is comparative to others in the same industry. This deal will enable us to more than recoup our original investment, it will secure future tax revenue and encourage job creation in an area with high unemployment and 1/3 of its children living in poverty.

The legislative change before the provincial government is not something new in the Province of Nova Scotia. There are many examples of legislative authority given to municipalities for the purposes of economic development including; legislation Richmond County has with Port Hawkesbury Paper, Richmond's Bear Head LNG plant and the legislation the Halifax Regional Municipality has with Irving Shipbuilding. Other supports from the Province include those to the Guysborough landfill, Trenton Works, Northern Pulp, Michelin, Bowater and the Yarmouth Ferry, all initiatives supported by CBRM. Other municipalities across the province have received millions of dollars in support of job creation and economic development. CBRM are looking for legislation for a project that will see \$700 million dollars in Private investment. CBRM has not come out against these other projects and have in fact always supported them because they are good for Nova Scotia. This project not unlike the others will be good for Nova Scotia.

This does not give CBRM a carte blanche for other projects. We would have to do the same due diligence as we did with this project. Also, it does not preclude other Municipalities to look for similar economic tools for a regional initiative. I'm sure at that time the Province would take the same approach to ensure that they did their due diligence to ensure the protection of the Municipality, the protection of the Province and that it in fact is good for Nova Scotia. Thank you for the time and your consideration of Bill 85