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From: Clair DUFF [REDACTED]
Sent: April 11, 2022 9:59 AM
To: Office of the Legislative Counsel
Subject: Letter re: non-resident tax
Attachments: 11 April Letter to Premier Houston .pdf

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Good morning,

Please see my letter attached for distribution to the Law Amendment Committee members.

I would also like to request time to address the committee. Please advise the timing of the meeting to speak to this bill and your process.

Thank you.

Clair Duff

Clair S. Duff

Toronto

Mahone Bay

11 April, 2022

Delivered via email:

The Honourable Tim Houston, Premier of Nova Scotia, premier@novascotia.ca

Dear Premier Houston,

Congratulations on your win last summer. To be the Premier of NS is a huge honour and privilege, and I look forward to you leading with the inspiration, courage and creativity that all Nova Scotia deserves. I also hope that you will look to the interests of all Nova Scotians, those here and away, to make sure that you govern this province to help it reach its potential. We're counting on you to do things right, do the right thing and do all of us proud.

I am writing regarding the proposed non-resident tax introduced in your budget on 29 March. I understand the issue that you must address by way of housing availability and affordability in the province is a mammoth task, particularly in HRM. It's a complex issue that needs a great deal of thought and planning. Risks need to be considered and weighed against alternatives. This first crack at addressing the issue seems to have become a bit of a lightning rod for many Nova Scotians.

I am a Nova Scotian who, like many, left after graduating from Dalhousie for opportunities not available in this province. I didn't choose to go because I wanted to leave Halifax or NS, it's dear to me, but to do what I wanted, to reach my best potential, I had to leave. I spent my entire career in Toronto and in 2016, my partner and I managed to build a cottage in NS. A dream brought to reality. Now retired, we spend upward of 5 months in NS each year and during Covid, we were here for 16 months. That gave us great insight into the realities of living full-time in NS. One of the reasons we live here seasonally is to try it out while we decide if we should move here permanently. Eyes from away and objectivity clarifies things and crystallizes the magical thinking often brought to decisions like "let's move full time to the cottage". We knew the people were great and the scenery beautiful, those were givens. And we love our house. Winter is a sobering time in NS, with its snow and rain/freeze cycle, not to mention the frequent NSPC power outages, the potholes, and the tick issue. That's only a wee bit of what informs how folks like us make decisions like these. It also includes things like political stability, accessible health care, rates of taxation, predictable leadership and trust. Before we bought, we tried out two other parts of Ontario before

opting for NS. Now, with the non-resident tax and the message it sends, we are wondering if we made the right decision.

I have been keenly interested in the aspirations of Nova Scotia's leaders to galvanize the economy, grow the population and attract businesses. That's a noble and daunting objective worthy of chasing down. I really wanted to help and had many thoughts and ideas on what needed attention and support. I chatted about some of the structural and other challenges with Scott Brison and others in government and hoped I could somehow make a contribution. I might still be interested in helping, if someone will restore my trust. Because right now, I am hurt and embarrassed to be from NS.

You plan to raise \$81,000,000 from non-residents by taxing them. What will this money be used for and how much money is required? When a plan to remedy the housing crisis comes forward and this isn't enough money, will you come back to us again? Or will it fall to people in NS, the voters, let's say, to supply the next tranche? And if you get enough money, will the tax go away? Lack of clarity is not good for anyone, voters or not. Addressing and fixing housing availability and affordability is a wickedly difficult issue, in NS and Canada more broadly. Taxing those who can't vote for you feels like a craven attempt to solve this quickly and without requisite thought. Further consultation might lead to hitting it out of the park.

NS showed great leadership throughout the scourge of Covid. The frequent Globe and Mail columns on how the province led the country on how to manage a pandemic are testament to how we can get things done. Pump up that pride and accomplishment! Ladder it to business, to entrepreneurs and all Nova Scotians who are so proud of this province! I would assert that the province and its people know the right thing to do; the creative work required here is well within our grasp.

There is "power with" and "power over", Premier Houston. Barrelling through and brooking no dissent is a difficult position to hold if you need to find creative and consultative solutions. Which is pretty well all the time. A strong leader knows there is almost always wisdom in dissent. It takes great courage to say "let's step back, listen, and re-assess. Maybe we missed something?!" And that's what we're asking you to do now. Pump the brakes, slow down a bit and think carefully about this policy. There's more than one way to solve for "x" and you'd be well served by engaging those of us in *and* outside the province to help solve this *with* you. That's a tougher thing to do when you have a majority, to reach out to many; but if you want to lead to inspire, to release potential and reach for competitive excellence, that will be required. Learning to be vulnerable and building trust inside and outside your party will take you to incredible heights.

As leaders, we have to use heart AND head to make decisions. This is one of those times Premier Houston, that it might be wise to bring a wee bit more heart to bear on this issue. Walking back this policy for further consultation would show the degree of openness, circumspection and ability to hold opposable views that is a hallmark of world class leadership.

Show the resilience and strength of character to move to that level. It will serve you very well now and in the future to resolve this constructively for all. This is a wonderful learning opportunity for all of us in NS.

There is no right answer to this housing issue and how to pay for it. There are, however, many possibilities that will get you much closer to serving the interests of the many stakeholders involved with considerably less collateral damage.

In closing, it is my deepest fear that many of us non-residents will be forced to leave. We will rise up, literally and metaphorically, in a chorus of "Farewell to Nova Scotia" that will do irreparable economic, social, reputational and cultural harm to a province we all hold dear.

Let's help one another, Premier Houston.

Respectfully,

Clair S. Duff
Mahone Bay, NS and Toronto, ON

Cc'ed:

Members of the Nova Scotia Law Amendments Committee; Legc.office@novascotia.ca
Provincial MLA's