

HANSARD

NOVA SCOTIA HOUSE OF ASSEMBLY

COMMITTEE

ON

ECONOMIC DEVELOPMENT

Thursday, January 16, 2014

RED CHAMBER

Organizational Meeting

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ECONOMIC DEVELOPMENT COMMITTEE

Mr. Joachim Stroink (Chairman)
Ms. Suzanne Lohnes-Croft
Ms. Pam Eyking
Mr. Ben Jessome
Mr. Gordon Wilson
Mr. John Lohr
Ms. Karla MacFarlane
Hon. Denise Peterson-Rafuse
Ms. Lenore Zann

[Ms. Pam Eyking was replaced by Mr. Brendan Maguire.]
[Hon. Denise Peterson-Rafuse was replaced by Hon. David Wilson.]

In Attendance:

Mrs. Darlene Henry
Legislative Committee Clerk

HALIFAX, THURSDAY, JANUARY 16, 2014

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT

10:30 A.M.

CHAIRMAN
Mr. Joachim Stroink

MR. CHAIRMAN: Good morning, folks, I'd like to call this meeting to order. I remind those in attendance to please have their phones, et cetera, off and we'll get this meeting going.

I would like to take a moment to quickly go around the table and introduce ourselves. We'll start with my name - Joachim Stroink, and I am the chairman of the Economic Development Committee.

[The committee members introduced themselves.]

MR. CHAIRMAN: The Standing Committee on Economic Development meets the second Tuesday of every month, from 9:00 a.m. to 11:00 a.m. However, there may be times when committee meetings will need to be cancelled or moved due to special circumstances. We will address meeting times a little later on the agenda. There are some requests from members to maybe change that time and I'd like to have an open discussion about that.

An organizational briefing package has been sent outlining the mandate of the committee and the overview of the Committees Office. The mandate of the committee is to “. . . establish for the purpose of considering matters normally assigned to or within the purview of the Nova Scotia Economic Renewal Agency . . .” currently known as Economic and Rural Development and Tourism “. . . and Minister responsible for the Agency and the Department and Minister of Transportation and Public Works . . .” currently known as the Department of Transportation and Infrastructure Renewal “. . . and matters relating to the Technology and Science Secretariat.”, which have been formally merged into the Department of Economic and Rural Development and Tourism.

Following the witness presentation, I will open the floor to questions, depending upon committee consensus, questioning is allotted either per caucus or per member. There are usually two rounds of questioning. Questions can be asked by the members in the form of a round table in the order of requests received or by the caucus.

The chairman keeps a list of the members who wish to question the witnesses and keeps track of the time and notifies the caucus members that their time has expired, before moving on to the next caucus members. This process is repeated for a second round of questions with less time allocated for members. Please keep in mind that all members are to direct their questions through the Chair.

Previously the committee has not been meeting during the House session; however, the committee can set the frequency of these meetings.

Before the committee schedule is exhausted we will hold an agenda-setting meeting. The purpose of this meeting is to set the schedule of witnesses to appear before the committee. Prior to the meeting, members of each Party are asked to prepare a list of suggested witnesses, forward them to the clerk of the committee by the specific date. The lists will be combined and forwarded to the members of the committee caucus before an agenda-setting meeting. Copies of these lists will also be distributed to each member of the meeting.

Today we have the following items on the agenda; this is an organizational meeting so we are going to try to put everything in order of what we want to discuss in the next little while: establish the frequency of the meetings; establish the routine of questioning on these meetings; and from there we can start off with selecting our witnesses, and I guess we'll start with ours if you're okay with that. We would like to discuss the Comprehensive Economic and Trade Agreement with Europe. Can we discuss this or are we all okay with that? I would like to ask Suzanne to bring forward what we would like to discuss from our caucus.

MS. SUZANNE LOHNES-CROFT: We would like to do the Comprehensive Economic and Trade Agreement with our witness, Frazer Egerton. Downtown revitalization - our witness would be several speakers and they're listed on your paper, rather than go through them. Also, ocean technology sector, and our witness would be Jim Hanlon of the Halifax Marine Research Institute.

MR. CHAIRMAN: I would also like to make a motion to add a gentleman by the name of Tony Goode to the ocean tech topic. I believe Tony could provide a significant insight to the committee on this topic. Tony has 30 years of commissioned service in the Canadian Navy. Tony is currently associated with CFN Consultants (Atlantic) Inc. He works with industry and governments in key industry sectors including aerospace, defence, ocean technology, and the environment. So I'd like to bring him forward as a witness.

MR. JOHN LOHR: Mr. Chairman, I guess I would just like to ask the rationale for No. 2 - downtown revitalization. I'm just wondering if that is really an appropriate topic for this level of government where it is really a municipal issue.

MR. CHAIRMAN: That is a fair question. We've discussed this in the back end. Economic development and the revitalization of Barrington Street is important on our tax structure and based on the income that we need on a provincial level to get money coming into the province based on the taxes that come out of those businesses. Right now it is completely dead so we should have a look at what we can do to support the downtown core. Does that answer?

MR. LOHR: Well yes, I would still think that - I guess what I would like to know then is, is there buy-in? I mean, where does the municipal government, the City of Halifax stand on that, do they want this brought forward at this level?

MR. CHAIRMAN: They're very interested in working with the provincial government on fixing the downtown core. If we don't have a vital downtown core, then your riding or rural ridings aren't able to get the things that they need to support their constituencies. I mean, 55 per cent of the tax base comes out of HRM, and if we don't have the downtown core functioning and working, then we can't have what we need in rural areas of Nova Scotia.

MS. LENORE ZANN: I just have maybe an addition to that then. If we're going to talk about downtown revitalization, I would have first thought what you thought as well, which is, well, that's just Halifax, HRM, and there are a whole lot of other places across Nova Scotia that are struggling as well. I know, for instance, the Truro downtown has been struggling to try to keep businesses, attract businesses, things like that, and it's very important to us as well. I'm wondering if, perhaps, that could be broadened to include the downtown revitalization of towns across Nova Scotia as well as just HRM.

MR. CHAIRMAN: I think that's a fair comment and I think that can be a completely separate topic that can be brought forward maybe at a later date. I completely support that, but I think downtown HRM is a different beast of its own because of the way that it's run and how desperate it is in the sense of how if that's not functioning - like that's the heart of Nova Scotia - if that's not functioning, then we're not able to support the rest of Nova Scotia. I think that's a great topic and if we could bring that forward maybe at a later date.

MS. ZANN: I just know that a lot of the rural districts would say that the hearts of their downtowns are just as important to them as the downtown HRM.

MR. CHAIRMAN: Absolutely, and please feel free to bring that forward on a later date. Are there any other questions? Mr. Lohr, please go ahead.

MR. LOHR: I'd like to ask, what is the process? So we have three items brought forward here by you, do we have an opportunity to vote on the items, or is this . . .

MR. CHAIRMAN: We can vote on each one. What we can do on these three is we'd like to vote en masse, and then as we go through on the other two Parties we will vote individually on each one. Does that make sense? No? Okay, fair enough. Gordon, go ahead.

MR. GORDON WILSON: Thanks. Could I suggest that possibly we go through these as we each, as a caucus, pick one - one for the Liberals, one for the PCs, one for the NDP, and then go back through again and again?

MR. CHAIRMAN: Sure, we can do that if you like.

MR. GORDON WILSON: And rotate through that way. Thank you.

MR. CHAIRMAN: So we'll start with our top one, which is Comprehensive Economic and Trade Agreement. If we all agree to that, can we vote on that one?

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried. That one will go through.

Then we'll look at Nova Scotia Business Inc. John, go ahead.

MR. LOHR: Thank you, Mr. Chairman. The PC caucus would like to bring forward our No. 2 item, the Department of Statistics and Economics - tax reduction impacts to labour market, investment market. That would be our first choice.

MR. CHAIRMAN: Okay, we can vote on that one, or does anybody have any questions regarding the tax reduction impacts to labour market?

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

We'll go to the NDP caucus. Mr. Wilson.

HON. DAVID WILSON: Thank you, Mr. Chairman. Write all our names down in front of you because I don't even remember everybody. I've chaired committees in the past and I make sure that if I don't know somebody (Interruption) I know his name.

Under our suggestions we'd like to call the Ivany Commission when it's most appropriate. I think it ties in a little bit on what we were talking about with the downtown revitalization. I mean this is pertaining to rural Nova Scotia, which I think everyone around this room feels is important so that would be our first one - when it's appropriate, when it comes out. I don't think we'll get him in here before, telling us what's in the report.

MR. CHAIRMAN: Can I address that because if we're okay with that I'd like to discuss that a little bit more, if everybody is okay with that? We, as a caucus, have discussed it and we've asked to table it until it comes forward and I think the idea is that it comes in May - April or May, somewhere in there is when the report is coming forward.

Once the report has come forward, I would like to have another agenda-setting meeting, based on that report, and also how frequently we meet. As economic development is such a key part and this Ivany Commission is going to be a key part of that, we might need to meet on a more regular basis to fulfill what we need out of that report.

MR. DAVID WILSON: Yes, that's fine, I'm okay with that. So we'll take that off, then.

MR. CHAIRMAN: Okay, perfect.

MR. DAVID WILSON: We'll go to Ms. Zann and she'll bring one forward.

MS. ZANN: The Ivany Commission was going to be our No. 1 that we thought was the most important for all Nova Scotians. I'd like to bring forward the Nova Scotia Soundstage and have the witness as Film & Creative Industries Nova Scotia, also IATSE and ACTRA, who are all very interested in that project.

I'd also like to get an update from Film & Creative Industries Nova Scotia to know where we are with the creative economy, with film and television in Nova Scotia. Our NDP caucus would like to suggest that one.

MR. CHAIRMAN: I think we are in agreement with that on our side, that we support that. I offer it to you guys, any questions regarding this?

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

We'll bring forward our next one.

MS. LOHNES-CROFT: Thank you, Mr. Chairman. Downtown revitalization, our witnesses would be: Andy Fillmore, vice-president of Planning and Development at Waterfront Development Corporation; Paul MacKinnon, Downtown Halifax Business Commission; and Nancy Tissington of Spring Garden Area Business Association.

MR. CHAIRMAN: We've had some discussion for this one.

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

So we move this one forward.

The Progressive Conservative caucus please bring yours forward. Karla, go ahead.

MS. KARLA MACFARLANE: Thank you. We would like to bring forward the Department of Economic and Rural Development and Tourism with regard to investments and job numbers. I'm sure we're all in favour of the fact that - we have lost over 3,800 jobs in the last year - that we need to move forward and discuss how we can change that. We'd like to bring in as a witness the deputy minister of that department, Simon d'Entremont.

MR. CHAIRMAN: We have some questions on this. You have one, two, three, four that really deal directly with the whole review process that's taking place within the government and in those organizations. They've asked that once the review has been done in those four areas - that we could table those until those reviews are done. Then they would like to come forward - so not taking them off the table but just postponing them to a later date until the review is done in the department.

MS. MACFARLANE: And when is that review expected to be completed again?

MR. CHAIRMAN: It is being done right now, they are looking at the department. (Interruption) The end of February.

MS. MACFARLANE: Yes, I think it would probably work in the time frame anyway. We could probably still keep it on, though, when I figure out the meetings that we are having, it probably wouldn't be until after that anyway.

MR. CHAIRMAN: But if we can leave those four until after the Ivany Commission comes forward, we could take those off and bring them forward after the Ivany Commission. Then the review will come forward and we'll have a better handle of what we can get out of that department on a more clear . . .

MS. MACFARLANE: So are you referring to our Nos. 1, 3, 4, and 5 to take completely off until that review comes back?

MR. CHAIRMAN: Yes.

MS. MACFARLANE: I'm not quite in favour of it but I think we need to discuss it. Maybe I'm not understanding something. Does anyone else have any comments towards why we would put all four into one until that review comes back?

MR. CHAIRMAN: Go ahead, Gordon.

MR. GORDON WILSON: I guess there's a lot of discussion around the Ivany Report and the implications of that on the selection of witnesses for this committee. I know right now it looks like we're shooting for six witnesses, six months, with a lot of implications around what's going to be happening three months from now.

Could I suggest that possibly we move forward with one witness each, at this point in time, and review this two months down the road, when the Ivany Report is out and we're all a little better prepared to maybe either consolidate or bring forward some more pertinent things in that area? Would that be acceptable?

MR. CHAIRMAN: Karla, go ahead.

MS. MACFARLANE: I would graciously accept that suggestion. I think we all know that Nova Scotia is struggling and we really need to put this as soon as we can discuss it and get witnesses in here. I mean, we look around from the south to the north and we know we're all struggling for jobs and we really have to address this ASAP.

MR. CHAIRMAN: May I speak? I think what I would like to do - and that's kind of a lead - if we can agree with those three that we've picked and take Gordon's suggestion that we move forward when the report comes forward, but then I would like to move forward that we have a discussion of meeting at this point twice a month after the Ivany Report comes through because we don't meet in the summer months. By meeting twice a month then we can address a lot more of these issues that we have tabled.

MS. MACFARLANE: That's fair.

MS. ZANN: We were also interested in procurement and all of these kinds of things - buying local, efficiencies, whatsoever - and we're also interested in the Nova Scotia Tourism Agency, but if you think that the best thing right now is for us each to pick one topic and then take it from there, that sounds fine with us. My colleague and I are in agreement.

MR. CHAIRMAN: Are we in agreement that once the report comes forward that we can meet twice a month until the summer months and then we can get through a lot more of these? My concern is that this committee hasn't met over the last four years on a consistent basis. I think we've met a total of 16 times in the last four years so we really need to step that up and push these important issues through for the rest of Nova Scotia.

MS. ZANN: Sounds good to me. He can't vote because he's Denise Peterson-Rafuse today. (Interruptions)

MR. CHAIRMAN: I've been informed that you guys can vote, so it's okay. (Interruptions)

MS. LOHNES-CROFT: We're ready for the question.

MR. LOHR: So there are two issues, right? One is the recommendation that Gordon has made that we just have three issues on the table right now, and when those three are dealt with then we will go back at deciding, right? I think that's great. The second issue is - can we separate them out and deal with them separately? So the second issue is the frequency of meeting.

I don't know - I just think that I would be more comfortable having the report in hand and then making that decision on frequency. We might decide we want to meet more often for a brief amount of time. Do you know what I mean? We don't need to decide that right now either, is what I'm saying. I think we could just wait and see, and then maybe the timing of it too. Maybe the report will end up in our hands just as the House starts sitting. I don't know. So why do we decide that right now? Let's just wait until we have the report to make that decision, but I'm not against more frequent meetings at all.

MR. CHAIRMAN: I was just trying to be respectful to all your issues that you put forward in the timeline that we have and respecting everybody's needs and wants with the issues that we bring forward. By meeting more on a frequent basis we can get through these.

MR. GORDON WILSON: I think my suggestion was that we not wait until we've used all three up; that once we're two witnesses in that we have part of that meeting maybe extended to do more witness planning at that time so that we don't run out of witnesses and waste a meeting date to select witnesses and then lose one meeting date. So I would suggest that either at the second witness meeting that we have at the end of that or as soon as the Ivany Report is out and we have a chance to digest it, that would be when we would convene part of our meeting.

MR. CHAIRMAN: Perfect, we'll go with that, Gordon, thank you. What we need to do is just on our side decide. We have three that we wanted to go through; we have to pick one, so if you don't mind, we'll just call a short recess so we can discuss this and get on the same page. If we're okay with that, just a five-minute recess.

[10:54 a.m. The committee recessed.]

[10:57 a.m. The committee reconvened.]

MR. CHAIRMAN: Thank you for that brief moment. We would like to just switch our number one. I'll pass that over to Gordon Wilson.

MR. GORDON WILSON: Yes, in light of the changes and just going with one each, if it is okay we would like to move, instead of the Comprehensive Economic and Trade Agreement as our number one, we would like to have ocean technology sector put on there as our pick of one of the three to come up first in the review, if that's fine.

MR. CHAIRMAN: Are we all in agreement with that? Do you have any questions?
Ms. Zann.

MS. ZANN: Actually, I would have rather seen the downtown revitalization. Do you have a reason for picking the ocean technologies first?

MR. CHAIRMAN: I can speak to that, if you don't mind. Ocean technology and defence brings in more money than tourism and forestry combined. We have one-third of a body in government representing that department, so I think we need to understand that it's a huge economic driver for Nova Scotia that is not being utilized or tapped into and I think that as a government we need to look at that a little bit more comprehensively because it is a way of getting more jobs here in Nova Scotia.

MS. ZANN: I guess I've already had meetings with them before. Anyway, thank you.

MR. CHAIRMAN: So we're all in agreement with that switch?

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

We've all agreed on our three, have we? We've gone with the taxation from the Progressive Conservatives, the sound studios from the NDP, and then ocean technology and defence on our side.

Next on the agenda I'd like to discuss the meeting time and I would like to pass this over to Suzanne.

MS. LOHNES-CROFT: Thank you, Mr. Chairman. I would like the committee to consider a change of the time to either Tuesday afternoons or Thursday mornings because most of us have distances to drive. The time we spend in our constituency is vital to helping our constituents. We have some people who drive, it would take the whole day to travel, so that would mean missing Monday in their constituency office for some if it met on Tuesday morning.

I would like the committee to consider, and I can make a motion to that if you'd like, that we consider having our regular meeting times on either a Tuesday afternoon or Thursday morning - for the taxpayers also, I mean it all comes into what it pays for our per diems and everything else too.

MR. CHAIRMAN: Ms. Zann.

MS. ZANN: I would agree. Usually when we have caucus on Wednesdays I stay overnight and am here for Thursday morning, so either Tuesday afternoon or Thursday morning is fine.

MR. CHAIRMAN: Gordon, go ahead.

MR. GORDON WILSON: If it is at all possible, the Resources Committee sits Thursday mornings. I don't know if we can get both of them in at the same time or not, if there is ample time there. Actually, I think we have at least two others of us who sit on that Resources Committee. I would suggest, if possible, Tuesday afternoons.

MR. CHAIRMAN: Tuesday afternoons. Karla.

MS. MACFARLANE: Either way it's going to be a conflict because of my other committee meetings that would put me in Halifax three days a week; our caucus meetings are Wednesday and then I have other committee meetings on Thursday.

MR. CHAIRMAN: What time does the Resources Committee meeting happen? Gordon, what time does that start?

MR. GORDON WILSON: The Resources Committee meets 9:00 a.m. until 11:00 a.m., the third Thursday of every month. (Interruption)

MR. CHAIRMAN: So the second Thursday of every month would work? Thank you, John, that's a good point. If we do go more then we can go to second and fourth Thursdays of every month, after the Ivany Commission report comes through. Suzanne.

MS. LOHNES-CROFT: Would you like me to make a motion?

MR. CHAIRMAN: Yes, please. Suzanne, please make a motion.

MS. LOHNES-CROFT: I'd like to move that we have our regular Economic Development Committee meetings on the second Thursday of every month.

MR. CHAIRMAN: In the morning.

MS. LOHNES-CROFT: In the morning, 9:30 a.m. to 11:30 a.m.

MR. CHAIRMAN: Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

So February 13th is roughly when the next meeting would be. We just need to address how we're going to address our witnesses. I think in the past it has been done by a speakers list. Do we want to continue on with that or do we want to have time allotted for each caucus? It has been done as a speakers list in the past. John.

MR. LOHR: I just didn't quite catch what you are talking about; can you just explain that out a bit more?

MR. CHAIRMAN: Yes, sure. As the witnesses come in we have to ask questions and in other committees it's time allotments like 10 minutes or 15 minutes. We could do that or we can just do a speakers list of John, you're up next, Karla, you're up next, Gordon, you're up next, and in the time that we have, be respectful to each other on that matter. But if we want allotted time, we're okay with that too. David.

MR. DAVID WILSON: I'm not on the committee, but I'm on Public Accounts which allots times. When you have a witness where maybe you don't have any more questions you can end the meeting early. I think if a caucus doesn't have any questions and maybe the other two caucuses do, you just keep circulating around. I would suggest you keep it to a speakers list, and that way if you do run out of questions, you can leave a little early.

MR. CHAIRMAN: Thank you, Dave. Is everybody okay with that? If we are all in favour of going with a speakers list can we just vote on that?

Would all those in favour of the motion please say Aye. Contrary minded, Nay.

The motion is carried.

We will now adjourn the meeting. The next meeting will be, I think, February 13th, Thursday morning - I think that's a Thursday, I didn't check my calendar, I'm just taking a guess. At the first one it will be the ocean technology sector.

The meeting is adjourned.

[The committee adjourned at 11:05 a.m.]