



# Nova Scotia Federation of Agriculture

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## Media Release

October 24<sup>th</sup>, 2014

### **Nova Scotia's government fails to support small and medium sized business**

On October 22<sup>nd</sup>, the provincial government unveiled a tax credit for businesses; obviously targeted to large corporations.

The news release stated that as of January 1<sup>st</sup>, 2015, businesses investing 15 million or more dollars in capital projects are eligible for a 15% tax incentive. This move by government clearly excludes small and medium size business from the benefits and growth potential that this type of tax incentive can bring.

According to The Chronicle Herald, this credit is estimated to cost the government 30 million dollars a year. A more equitable application of this funding to small and medium sized businesses, including agriculture, if aligned with the government's focus on growing the rural economy and goals 15 & 16 of the "Ivany Report", would grow Nova Scotia's economy in more areas of the province.

Small to medium businesses are a significant contributor Nova Scotia's economy. According to a report put out by the Canadian Federation of Independent Businesses, 97.4% of businesses in Nova Scotia are considered small and medium. These small and medium businesses employ just over half of Nova Scotia's total workforce.

Imagine what Nova Scotia agriculture could look like if farmers and other small to medium sized businesses had access to 30 million dollars a year in tax credits. Nova Scotia Federation of Agriculture President, Dennis Boudreau, says "If Nova Scotia farmers could access a similar tax incentive program that had a realistic investment cost for small businesses, farms could be expanded to increase production for local consumption and export. An increase in production usually means more employment opportunities for workers and trades people. These endeavors all cost money and a tax incentive for all businesses, not just large corporations, would be a great first step from government."

It seems as if rural Nova Scotians have been forgotten again. Where is the support for the often coined "Ivany Report"? Has the "Now or Never" report outlining what needs to be done to ensure Nova Scotia's sustainability been forgotten, too? It looks that way.

Going forward, it will be essential that the Nova Scotia government support their province's small and medium businesses on a level playing field as implied by Premier McNeil. A tax credit to help offset the cost of capital ventures undertaken by small and medium businesses instead or alongside of large corporations would be a step in the right direction for Nova Scotia's rural economy.

For more information, contact:

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