



June 1, 2009

Ms. Darlene Grant Fiander  
President  
TIANS  
via e-mail: [dgf@tourism.ca](mailto:dgf@tourism.ca)

Dear Ms. Grant Fiander:

Thank you for your letter of May 13, 2009 that included an election questionnaire. I am pleased to respond.:

### **1. INVESTMENT IN TOURISM**

**What is your party's view on tourism's importance to the economy? What will you do differently to manage the business of tourism if elected as the governing party in the upcoming election?**

We, too, believe that tourism is a huge driver for our economy. We are investing a great deal in this sector through many different means:

For example:

- Our Building for Growth Plan includes a \$40 million investment in preserving and enhancing our museums, parks, resorts and waterfront development. We must modernize and upgrade our facilities in order to be successful in this very competitive sector.
- We will be investing \$14.4 million over two years to upgrade Nova Scotia's sailing ambassador, the Bluenose II, in partnership with the federal government.
- Paving important tourism routes such as sections of the Cabot Trail and Route 333 to Peggy's Cove to allow cyclists and motorists to safely share the road.
- Eliminated the 3.5 per cent liquor licence levy effective January 2007, benefitting hundreds of small businesses in Nova Scotia's tourism and hospitality sector.
- Set to launch our new marketing plan, focusing on growth markets with easy access to Nova Scotia, increased emphasis on social media, developing compelling visitor experiences and building even stronger relationships with our industry partners.
- Injected \$2.5 million from the Community Development Trust Fund to support tourism niche marketing and product development.
- Provincial financial support has helped create a world-class tourism and heritage site at the Joggins Fossil Cliffs, Cumberland County - now a UNESCO World Heritage Site.

- Dedicating an additional \$1 million to help address critical infrastructure needs in the Nova Scotia Museum system and to further support community museums
- Again this year, local provincial museums will receive an additional \$2.3 million, because we know these heritage resources provide lasting social and economic benefits.
- Established an Office of Gaelic Affairs in Antigonish to develop and promote Gaelic language and culture in the province.
- Also making additional investments through our operating budget.
- Adding close to \$1 million to funding for culture - bringing us closer to our goal to double the budget by 2010. The fact that we are adding funds in these challenging economic times demonstrates our ongoing support and commitment to this important sector.
- Our government is working with regions, such as the Yarmouth and Acadian Shores to develop a long-term plan for boosting tourism in the area. Last year, the provincial government and the Atlantic Canada Opportunities Agency (ACOA) are each contributing \$67,500 to the \$150,000 project, with \$15,000 from the South West Shore Development Authority. The goal is to draw on the rich cultural heritage of this beautiful part of Nova Scotia to bring more visitors to the area to combat what has been a steady decline in American visitors to Canada in the past 10 years and a change in the Cat ferry schedule, between Yarmouth and Maine. We and the Federal Government recognize the potential for tourism in Yarmouth and the Acadian Shores region as well as the contribution this industry makes to the economy of southwest Nova Scotia. The development of the plan will be led by a steering committee with representatives from the department, the Atlantic Canada Opportunities Agency and the South West Shore Development Authority, as well as industry stakeholders and other partners. We recently designated a new tourism region in this area -- Yarmouth and Acadian Shores -- to help local operators with their marketing. Over the past two years, the department has invested almost \$200,000 in tourism products and training in the area.

To boost our vital \$1.3 billion tourism sector, we will continue to work with groups like TIANS, with individual regions to help find their niches and as a province to find new ways to attract tourists through Nova Scotia.

## **2. TRANSPORTATION**

### **A) Road Investment Policy**

**Is your party prepared to add a tourism filter/consideration to decisions on highway investment?**

The condition of our roads is vital to our economy, to our tourism sector and to the safety of all Nova Scotians. In 1999, the condition of our roads was deplorable. We have paved over 3700 km of roads over the last decade at a cost of \$800 million. A PC Government will continue to pave our roads and build and repair our infrastructure to ensure our roads are safe and modern thoroughfares for citizens and visitors alike.

It is important to note that every cent collected in motive fuel tax is reinvested in our roads - in fact, in the last few years, it has been approximately \$50 million over that amount that we use to help improve our roadways.

Our government announced a plan to rev up the economy of the province and keep Nova Scotia in business - Building for Growth - creating or maintaining up to 20,000 jobs over the next three years - one of the largest infrastructure programs in Nova Scotia's history.

Communities across Nova Scotia will benefit from a \$136-million joint investment in key infrastructure projects, thanks to a partnership between the governments of Nova Scotia and Canada. Announced funding for shovel-ready infrastructure projects under existing infrastructure programs and new money allocated in Canada's Economic Action Plan.

We increased the entire capital budget for highway and road construction 60 per cent over last year--creating or maintaining about 11,000 jobs.

In 2007, we made a commitment to twin and modernize highways from Yarmouth to Sydney by 2020. Highlights of our progress include:

- Made progress on twinning Highway 103 and committed to doing more. About \$60 million was spent to twin up to Exit 5 to deal with the highest traffic volumes.
- Moving forward with Phase I of a plan to build a controlled access highway from Broad River to Sable River - improving safety along this stretch of highway, while supporting the local economy.
- Built a new and improved four-lane section of twinned Highway 101 between Falmouth and Avonport - marking the completion of the 11.8 km of twinned highway.
- Have made considerable progress on Highway 104. A tender was called in Spring 2009 to clear the right-of-way for the construction of four new lanes of Highway 104 west of Exit 31A, near Antigonish.
- In just the last three years, our government has paved over 1500 km of roads across the province and is committed to another 500 km over the coming year.

Just last October we invested in several popular tourism routes with an environmental component.

Sections of the Cabot Trail and Route 333 between Beechville and Tantallon are undergoing transformations that will allow cyclists and motorists to safely share the road. This is the first of many steps we are taking to encourage the use of sustainable transportation in our province.

About 60 kilometres of the Cabot Trail is scheduled for widening over the next few years so that cyclists can safely share the road with motorists. This year's project, between St. Anns and Cape Smokey, is scheduled to be complete this fall. A section announced last year was completed this summer.

Work is also well underway on Route 333, where bike lanes are being installed to accommodate the growing number of cyclists.

Route 333 was chosen for the project because of its ability to connect with HRM bike lanes on St. Margarets Bay Road. Peggy's Cove is also located on the popular roadway, making it particularly busy during the tourist season.

The bike lanes will cover 16 km of Route 333 and are expected to be complete this fall. It will cost the department about \$65,000 per km to build the lanes using a modified chipseal and recycled asphalt surface. Traditional asphalt bike lanes would cost at least \$125,000 per km.

The department will monitor and evaluate the performance of the surface used on Route 333 to determine how to proceed with future projects. Providing the projects are successful, the province plans to continue the bike-friendly improvements on both roads until they are complete.

The projects are part of several provincial sustainable transportation initiatives. The projects also support Nova Scotia's Environmental Goals and Sustainable Prosperity Act. Under the act, Nova Scotia has established a target to have one of the cleanest and most sustainable environments in the world by 2020.

## **B) Ferry Service**

**What is your party's position on ensuring solid access into the province of Nova Scotia as it relates to ferry service? Will your party advocate to the federal government for a review of the national marine policy that affects ferry investment?**

Along with the governments of New Brunswick and Canada, our government secured the funds to ensure the Digby-Saint John ferry service its continued operation until 2011.

Our government has covered financial losses for the Yarmouth to Maine ferry service to allow it to operate in 2009. The total amount of assistance to Bay Ferries Limited will depend on the financial results of the service. But the province says it will not exceed \$12 million. The operation has been impacted by fuel costs, the value of the Canadian dollar and a decline in the number of visitors to Nova Scotia from the United States. New passport rules are also taking effect June 1st, adding to uncertainty in Canada - U.S. travel.

A federal-provincial study will examine the transportation needs of southwest Nova Scotia before a final decision is made about the future of the ferry's operations. Bay Ferries operates the Cat high-speed ferry between Yarmouth and two ports in Maine, Bar Harbor and Portland. The service is considered an important entry point for tourism traffic between Nova Scotia and the United States with approximately 100 people relying on their employment with the Bay Ferries service in Yarmouth. Some 85,000 utilizing the ferry service in 2008. We have invested \$3.75 million over three years in the Cat ferry service to ensure this important transportation link into Nova Scotia continues.

It is important to note that when the Caribou-Wood Islands Ferry Service Future was in doubt, we secured a new agreement to allow Northumberland Ferries to maintain a two-ship operation and its traditional level of service between Caribou, N.S., and Wood Islands, P.E.I.

The Atlantic Canada Ministers responsible for Transportation and Highway Safety last fall wrote the Federal Minister of Transport, Infrastructure and Communities to call attention to the importance of the international and inter-provincial ferry services based in our region. The National Transportation Strategy released by the Council of the Federation in 2005 highlighted the unique role played by these services in our core transportation network and the contribution they make to the national as well as our regional economy. As Ministers, we requested support for Marine Atlantic Inc. service between Newfoundland and Labrador to Nova Scotia and that the federal government review the National Marine Policy.

A PC Government knows the economic value of our ferry services across our province and the vital need to keep our people connected and our tourism routes secured. This is an important part of our tourism and Atlantic Gateway strategy.

### **C) Air Service**

**What is your party's position as it relates to better utilization of rural airports and the intermodal travel options for visitors? What will your party do to champion more liberalized air policies that will open Nova Scotia to the World?**

This year, our government invested \$2 million to help re-establish air service at the Yarmouth International Airport. The fund will operate for five years to help establish two daily flights from Yarmouth to Halifax and Yarmouth to Portland, Maine, starting in February. The service will be run by Starlink Aviation and will connect air corridors in Canada and the United States to Southwest Nova Scotia. It will also create Yarmouth-based jobs at the airport, which has not been operational on a daily basis, as well as economic spinoffs for the region.

Martin Pink, chair of the Yarmouth International Airport Corporation board said in January: "Re-establishing air service in Yarmouth through Starlink will boost business and the tourism industry in the region."

In the past few years, expansion projects at the Halifax International Airport and the Port of Halifax are examples of lasting infrastructure, connecting Nova Scotia to the world. Of course our government was pleased to introduce the new US pre-clearance at our international airport to help ease the travel experience of our visitors.

We will continue to lobby the Federal government to ensure we increase the number of routes to the Stanfield International Airport - further connecting Nova Scotia to the world - and vice versa.

### **3. TAXATION**

**If elected, will your government reverse this decision to raise fees by 100% for this business sector?**

Our government introduced a balanced budget in the midst of a global economic recession. That meant making tough decisions. One of those decisions was the increase of many user fees and charges by three per cent to better recover costs.

As our finance minister said at the time, user fees and other charges offset the costs of running important programs and services for Nova Scotians. Most reflected the inflation rate over the past year. However, some fees increased by more than three per cent to better reflect the cost of services, including the Utility and Review Board motor carrier licence fees. There are about 1,400 fees charged by departments that are subject to increase. The increase will generate about \$5.2 million in revenues to offset higher government expenses.

While I wish this wasn't the case, to suggest that this can be reversed in light of this year's budget is not possible.

#### **4. LABOUR FORCE SHORTAGE**

##### **What steps will your party take to ensure that Nova Scotia has access to a skilled labour market?**

As a government, we know the importance of maintaining our quality workforce and have been investing significantly in this direction. We have and continue to partner with employers and industry to ensure Nova Scotians have the skills they need to succeed in the workplace. Skill development is an investment in the future of Nova Scotia businesses and in the provincial economy overall.

In 2006 we committed to expand the Skills Nova Scotia Framework, working with the private sector and educators, to develop and implement a new 4R's strategy (Recruitment, Retention, Repatriation, and Retraining) to address the looming skills shortage in the province and region.

Initiatives put in place to advance this commitment include the following:

- Created a dedicated Department of Labour and Workforce Development in April 2008 to focus on serious issues like the framework.
- Consulted with a wide-range of stakeholders, industry, labour organizations and education and service providers to complete a review of the Skills Nova Scotia Framework. Input helped to shape recommendations for the framework which included a new operational structure, increased focus on stakeholder collaboration, productivity, barriers to training and employment, and integration of the Four R Strategy. The department's new Skills and Learning Branch focuses on the Four R strategy to help meet the changing needs of the province's economy at a time when Nova Scotia is competing with the world for skilled workers.

- Initiated Opportunities Nova Scotia to better connect employers and job seekers. Phase I consisted of a series of hiring fairs held in key regions of the province. The hiring fairs were held from March to May 2007 and were delivered in partnership with local regional development authorities, local municipalities, Jobboom.com, The People Bank and Education. Phase II was held in Fall 2007. It targeted Nova Scotians living and working in other jurisdictions such as Ottawa, Toronto, Calgary and Edmonton to raise awareness among expatriates of the many job opportunities in Nova Scotia.
- At the 2008 Nova Scotia Days event in Ottawa, we hosted a luncheon for expatriate Nova Scotians working in the capital to give them a fresh look at the opportunities in their home province.
- We launched a dedicated information and communications job site: [www.techportjobs.com](http://www.techportjobs.com) in March 2007, linking recent graduates, local professionals and expatriates with employment opportunities in Nova Scotia. The site, developed by the information technology alliance, in partnership with NSBI and the province, is a user-friendly, confidential tool - free to any provincial employer with information and communications technology job openings.
- We dedicated an additional \$13.5 million in the Nova Scotia Community College system - an increase of 15.3 per cent. This includes \$4.84 million to create 591 more student seats across Nova Scotia, with a particular focus on the areas of skilled trades and information technology training.
- We have invested \$1.4 million in Workplace Education programs to help business upgrade the skills of its workforce and to help specified groups and individuals enter or re-enter the workforce. This includes offering support to workers who have been displaced as a result of downsizing or closures and working with sector councils and business associations to assist them with recruitment and retention. Also initiating a new Employer of Choice initiative aimed at helping both private and public sector organizations recruit, retain, retrain and repatriate their workforce.
- We are providing more than \$6.6 million in annual funding to help nearly 5,000 Nova Scotian adults improve their education levels through the Nova Scotia School for Adult Learning (NSSAL), better preparing adult Nova Scotians to enter the workforce or pursue additional education.
- We offer Nova Scotians extensive and up-to-date information on career and post-secondary opportunities in the province through printed materials and on-line at [www.novascotiacareeroptions.ca](http://www.novascotiacareeroptions.ca).
- We will continue to consult on policy matters with jurisdictional partners through the Canadian Council of Directors of Apprenticeship, Interprovincial Alliance of Board Chairs and Canadian Apprenticeship Forum. Our government has also learned a great deal through participation in pan-Canadian efforts affecting apprenticeship through

Federal Labour Market Ministers, Interprovincial Standards Examination Committee Collaborate on pan-Canadian project development. We communicate regularly with jurisdictional partners to share best practices.

- Our government made an historic \$123-million investment in our community college system at the outset of our mandate. At the completion of our five-year growth plan, we will have added an additional 470 seats to the college, bringing capacity to 10,400, and our total funding commitment for this year to \$114 million. We began consultations on the second phase of the NSCC's growth plan, including consideration of new campuses where educational needs warrant.
- We were pleased to open the beautiful Metro NSCC Campus on the Dartmouth Waterfront in Fall 2007. We also held a groundbreaking for Phase II of the NSCC's Waterfront Campus. Phase II - the Centre for the Built Environment - involves a leading-edge, environmentally aware concept in education. The building will include an air-purifying biowall, open concept learning, LEED compliance, etc. NSCC's growth plan includes Phase II of the Waterfront Campus, a renovation to the Leeds Street property and exploration of opportunities for growth in rural areas.
- This investment in our community colleges was long overdue and has meant that our graduates are better trained and better able to meet the needs of our labour market. This is an on-going commitment that must continue to adapt to changing needs in the marketplace.

## **5. ENVIRONMENT**

**Is your party committed to fulfilling the stated goal to protect 12% of Nova Scotia land by 2012? What policies will your government put in place to ensure and protect public access to our coastal resources?**

Our government introduced and passed new legislation in April 2007 - Environmental Goals and Sustainable Prosperity Act. Objectives include:

- reducing greenhouse-gas emissions to 10 percent less than 1990 levels, 35 per cent lower than projected 2020 levels;
- adopting emission standards for new motor vehicles by 2010;
- developing and adopting a sustainable procurement policy for government by 2009; and
- ensuring a minimum of 18.5 per cent of electricity will come from renewable sources by 2013.

We, too, have set aggressive yet sustainable targets for our government, our province and our future. Yet everyone has a part to play to make sure we reach those targets.

Our government noted in our last throne speech: "While the task ahead is monumental, greater still is the reason for reducing the effects of our carbon footprint on this planet. It is, and always will be, our priority to adhere to our commitments, meet the targets we've set, and help change the habits of Nova Scotians so that all will act as stewards of our environment."

Thank you for the chance to address your membership through these five broad topics. As a former Minister of Tourism, Culture and Heritage, I know what a vital part of our economic development this sector is and the number of jobs it creates. I know those in the industry think the world of their community, region and province and that is why they work so hard to offer such a tremendous product for visitors.

As Premier, I have crossed this province time and time again, visiting communities large and small - seeing and learning something new every time. The scenery and people amaze me every day. My travels remind me how blessed we are to live in this province. As one passenger on one of the dozens of planes that took refuge at our airport on September 11, 2001, said of Nova Scotia, "I was flying from Frankfurt to New York for a vacation, but landed in heaven."

Sincerely,

A handwritten signature in black ink that reads "Rodney MacDonald". The signature is written in a cursive, slightly slanted style.

Rodney MacDonald, Leader  
Progressive Conservative Party of Nova Scotia