

### **There's something happening here**

This is a story for sharing. A survey of our members suggests that economic conditions in the city are very strong, with 94 per cent saying conditions are either excellent or good. Four out of ten said that economic conditions are better in the city this year compared to last, and half say their company's financial position is better compared to last year. Those are some pretty good results.

A bit of background. Each year, the Board of Trade reaches out to its membership to ask them what they think of the economic conditions in the city and where business is going. The survey isn't scientific – it's not a random sampling of all business, it's not calculated to plus or minus four per cent 19 times out of 20 – but it is useful. We recognize both its limitations and its help in keeping a finger on the pulse of the city. With more than 80 members responding, about one-tenth of our membership, the Board is fairly comfortable that it reflects the reality of business people and entrepreneurs in St. John's.

To a certain extent, the numbers from the survey this time around are close to what they were when we did the survey in August of last year. But the survey we did this past January, after the meltdown in the markets, was a different story altogether. What is the lesson in all of this? Maybe it's that we have a resilient business community that is looking to create a self-fulfilling prophecy by staying positive.

There is a lot of good information that comes from our member survey, such as employment intentions and growth and revenue projections, but two questions in particular grab my attention. We asked members about the factors that enable their economic growth, and the factors that hinder it. It largely came down to employees and taxes, and these are exactly the things we want more debate on and more solutions designed around.

Really, it boils down to this: how can we help businesses increase revenues and decrease costs? We can and should be constantly working towards an environment that create success, knowing that success adds tax revenue to government, increases payroll, and makes the city and the province a more competitive place for businesses to locate. Our survey may not provide all the answers but it can at least help us focus.

If our members are saying that their success is owing to their employees, what more can we do as an organization and as a society through our educational institutions or policies to support this? More than 80 per cent of the people who took our survey say that employee skills and knowledge enable their company's economic growth. It might sound cliché but it appears that businesses are keenly aware of their most important asset.

With so much of our success as business owners and managers contingent on the brains and efforts of our employees, we have to make sure that our workforce is better than Nova Scotia's and Ontario's and New England's and Europe's. Our educational system, within the classroom and outside of it, has to create a habit of innovation, learning and success. Considering it is a few short weeks until the new school year, we can all consider how to enhance the learning experiences of current employees and the future work force.

On the other side, those who took the survey are saying that existing taxation regimes hinder their economic growth. Dogmatic arguments aside, businesses recognize that we have a share to pay towards funding health care, roads, education and other necessary public spending. The challenge is how to make paying our fair share even fairer. It might not be a popular topic but if a cost gets passed on to a business in the form of a tax, it is generally going to trickle down to the consumer. Business taxes ARE

consumer taxes in a different form. It's in all of our best interests to help find a way to squeeze the most out of every tax.

There is something happening here, and it really is quite positive and uplifting. Businesses are showing confidence now and into the future, and that bodes well for governments, employees, and the public as a whole. If we can concentrate on making our strengths even stronger, and cut out our weaknesses, we will continue on the track to a prosperous society.