

ATLANTICA or bust

Jonathan Dean – leader of the Atlantica Party, a former debating group that’s been gaining momentum and attention since its inception in Halifax in 2006 – unabashedly supports merging the four Atlantic provinces into a single political entity. The notion dovetails nicely with his low-cost, free-trade, small-government economic principles, about which he spoke recently with our contributing editor, Alec Bruce.



Atlantic Business Magazine: You and your party are on the record supporting Atlantic political union. This is a long-simmering debate...

Jonathan Dean: Naturally, it’ll be a nettlesome prospect trying to get it...

ABM: Absolutely, but I’m interested in the genesis of your position.

JD: Well, I’ve always been politically interested. I got involved with a small group of people. We just started reading books, making comments, chatting about the news and so on. And then I said to them: Let’s start actually doing something. There were three routes we could have taken. One was to form an advocacy group. The second was to join a mainstream party. And the third was to start our own party. And we chose to do the latter. We realized that it’s not sufficient just to have greater freedom of information in our government. This is a worthy goal, and a good thing. But we need more and better ways to get new and fresh ideas into political discourse. That’s why we decided to launch. It was probably the more fun route to take, because we had nothing to lose. None of us clearly had any background in politics. And quite frankly, none of us is really interested in being a politician, but we are willing to take that on.

ABM: That’s certainly a novel approach: a political party whose members have absolutely no political ambitions! Or, at least, so you say.

JD: Well, the whole thrust of the Atlantica Party is not to become another mainstream party. We’re not going to follow the route of the NDP here in Nova Scotia, in which they’ve sort of arrived as a mainstream party.... I see the Atlantica Party as being a reforming party, and once it has achieved its aims, I’m not sure what

the purpose of the party would be. We stand for putting up new ideas that you won’t get from the existing parties.

ABM: Other than Atlantic union – which is, frankly, a pretty old idea – what are the new ideas?

JD: These would encompass such things as electoral reform. Okay, let’s tackle that. I would be very happy if, at some point, we have a referendum on changing the electoral system in Nova Scotia, of which the Atlantica Party would be an advocate. We would actually be a clamouring advocate for electoral reform. I would be extremely happy if we could accomplish that. Whether or not the electors would go for that is entirely up to them.

ABM: Are you referring to some type of proportional representation?

JD: We like the single-transferrable-vote. We like it a lot. Although it’s also been put forward that we should approach this the way they did in British Columbia, where you have a citizens’ committee that gets together and comes up with something that’s not political. For me, of all the issues we have, that’s probably the easiest one. It’s easy to show that the system is broken and that it’s not working. Look, no system is perfect, but we can certainly improve on what we have. We think single-transferrable-vote, a form of proportional representation that has run-offs built into it, is the best. Related to this, we would like to see some political reform, as well. We’d like to see direct elections of the premier. We’d like to see a proper separation of powers. We don’t like the idea of parliamentary sovereignty. We like the idea of popular sovereignty. But, again, we’re most interested in getting the debate started. Ultimately, we want to put forward a proposal where the system can change itself.

ABM: Speaking of change, where does the party stand with respect to some of Atlantic Canada’s key economic issues?

JD: I guess you could call us non-interventionists. We would like to see, for example, a different fiscal relationship with governments. Rather than accepting federal transfers through ACOA, and others, why don't we do a deal where we get more tax royalties instead? Or we could apply that money to lowering taxes and costs across the board. We think that government is for creating infrastructure, making a place pleasant to live, helping people, educating people, and generally preparing the ground for industry and businesses to come in and create prosperity.

ABM: But what would your main economic goals try to accomplish?

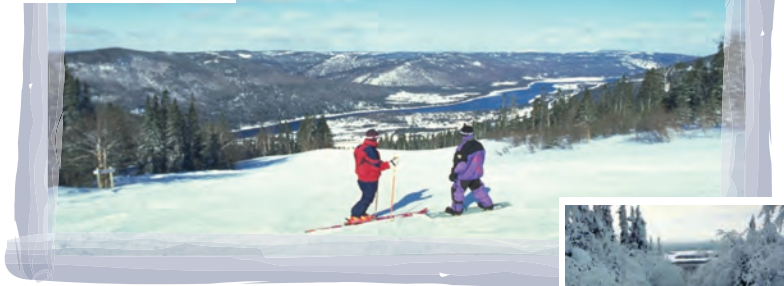
JD: Clearly, they would include lowering taxes over the long term, and lowering the cost of doing business generally. We also like the idea of freeing up the labour market. We need to make the labour market much more responsive in this region to make it easier for business to do what business does best. This cuts to the core of another priority. We would like to see every person here become an entrepreneur if possible. And we want to focus on indigenous business. Sure, we'll work with companies who want to move here. But, fundamentally, we believe economic growth comes from local businesses and local entrepreneurs.

ABM: What's your view of provincial and federal government policies regarding foreign direct investment, which have been major planks of economic development for at least 20 years?

JD: Well, we believe that governments should certainly work with companies who are interested in coming here. We should certainly grease the skids for them: help them find locations; identify areas for infrastructure improvement. But if you are working with companies who are willing to move around and play the game, the chances are that they are going to pick up and leave at some point. At least if you build infrastructure for them, or educate people for them, all this is left behind. What's more, if you are building indigenous entrepreneurs and companies, these are much less likely to pick up and leave. Eventually, they develop deep roots. I think there's much less likelihood for a McCain Foods or an Irving company to pull up and move to California.

Winter Wonderland!

Experience Stunning
Humber Valley Resort, Western Newfoundland



Our luxurious chalets are minutes from downhill skiing at Marble Mountain and snowmobiling in the back country.

Book your winter getaway now and plan your star-lit nights relaxing in the hot tub!

www.nomadpm.com

ALWAYS IN VOGUE
NL 709.722.9432 NS 902.562.5501
www.voguefurners.com

ABM: So, then, how do we nurture the growth of enterprising, home-grown businesses?

JD: We'd like to see a mandatory credit in high schools where you are required to learn how to set up a business. We'd also like to see the costs for setting up a small business drastically lowered. I had to learn about this first hand when I set up my own business here. I had to hire a lawyer in Toronto

because it was cheaper. When you are an entrepreneur preparing to set up, there are high barriers to entry. Why not just have a flat \$25 fee? Maybe, you could even do it all online. We'd like to see those programs where you teach people. But the major hurdle is making Nova Scotia and Atlantic Canada a place where companies can make money. That's how you create prosperity. That's how you create a virtuous cycle of further investment, capital, productivity, wage

growth, job growth. By having low taxes and low costs, including low costs for infrastructure.

ABM: Let's talk about taxes. The New Brunswick government has recently introduced a tax regime that's quite favourable to businesses and individuals. It stops short of actually flattening taxes altogether, however. What's your position regarding a genuine flat tax?

JD: I've some material that suggests that a graduated tax is actually more efficient than a flat tax. I honestly don't know, beyond the fact that we want to see substantively lower taxes over time. One of the things about attracting businesses is creating an environment where you don't have undue business risks – things such as deficits. A deficit is bad because you have to raise a lot of money to cover it. But it also raises the spectre of future tax hikes and future inflation, which are obviously bad for entrepreneurs looking down the road. One of the functions of government over the long run is to lower the risks to business through deficit elimination, balancing budgets, and installing a low-cost regime.

ABM: So, from your point of view, government is far too expensive – it's far too much a burden on the region's entrepreneurial class.

JD: We like deregulation. We like small government.

ABM: So, is this where Atlantic union fits into the bigger picture?

JD: Absolutely! It is the one concept that dove-tails nicely into everything we've discussed. The bottom line is that we like Atlantic union in whatever form we can get it. And just like our positions on electoral reform and political form, we'd actually be a strong advocate for this. The ideal, of course, would be political union of the four Atlantic provinces. But we should at least create an inter-provincial free trade zone. Anything in this direction is good for all of us, the public and private sectors, alike.



Are you concerned about today's financial markets?

Find out how we can help.

While no one can predict where the market is headed, we can make sure your portfolio is aligned with your personal situation and long-term goals.

To review your concerns and to get a fresh opinion, we have Investment Advisors in the following locations:

- | | | | |
|----------------------|---------------------|--------------------|-----------------------------|
| New Brunswick | Newfoundland | Nova Scotia | Prince Edward Island |
| • Fredericton | • Corner Brook | • Antigonish | • Charlottetown |
| • Moncton | • St. John's | • Bridgewater | |
| • Saint John | | • Halifax | |
| | | • Sydney | |
| | | • Wolfville | |

Please visit www.bmonesbitburns.com to view local Investment Advisors' websites.

BMO Nesbitt Burns
Making money make sense™



If you are already a client of BMO Nesbitt Burns, please contact your Investment Advisor for more information. ®"BMO (M-bar roundel symbol)" is a registered trade-mark of Bank of Montreal, used under licence. ®"Nesbitt Burns" is a registered trade-mark of BMO Nesbitt Burns Corporation Limited, used under licence. BMO Nesbitt Burns Inc. and BMO Nesbitt Burns Ltée are indirect subsidiaries of Bank of Montreal. ™/® Trade-marks/registered trade-marks of Bank of Montreal, used under licence.



Enter our online trivia contest:
atlanticbusinessmagazine.com
Volume 5, No. 3 (1994): In "Revving Up Retail", writers Nicola Gammon and Adrian Smith share the sales strategies of Kmart, then the world's second largest retailer with over 2,300 stores in the U.S. and 127 outlets across Canada.