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# Matt Smith: It's time to talk about a 'growth agenda'

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For nearly 75 years, the Allegheny Conference on Community Development has played an important role in convening public- and private-sector leaders in southwestern Pennsylvania to drive our regional discourse around improving our economy and quality of life. We believe there is an opportunity to leverage our region's inherent assets – a talented workforce, internationally recognized university system, strong coordination among our political leadership between parties and up-and-down levels of government, and world-class energy, to name a few – to ignite a dialogue around a “growth agenda” for our communities, region and commonwealth.

Economic growth not only is essential to put Pennsylvania's state government on firm financial footing, but it is also essential for addressing – and tackling – the issues facing our region. From education to health care to economic equity, no matter what the problems or issues we as a region desire to address, it is easier to design and implement solutions within the context of a robust economy. Thus, the need to adopt policies and practices that improve and grow our economy.



Matt Smith is president of the Greater Pittsburgh Chamber of Commerce, an affiliate of the Allegheny Conference on Community Development.

Over the past 17 years, the state's annual tax revenue consistently returned about 5.3 percent of its total gross domestic product. Through an economic boom and the Great Recession, while tax rates have gone up and down, or even as new taxes have been created, Pennsylvania has continued to collect about \$53 million in taxes for each \$1 billion of state GDP.

Based on this understanding, the best and only avenue to solve the state government's fiscal challenges is to adopt policies and practices that grow GDP.

Therefore, we believe a dialogue focused on growth will encourage public and private leaders to come together to discuss the best way to move our region and commonwealth forward. As a launching pad for this regional dialogue, we propose organizing around three broad themes: capital and infrastructure investment, workforce development and education, and tax and regulatory policy.

Programs and policies that encourage capital and infrastructure investment to ensure robust transportation, infrastructure networks and broadband connectivity will help grow Pennsylvania's economy and connect our region's job centers. Increased capital for critically needed infrastructure support, such as airport improvements, repair and upgrades to combined sewer overflow systems and connectivity via multiple transportation modes will ensure a return on investment for generations to come.

As we know from the Conference's "Inflection Point" report, a strong education system and talented and well-trained workforce is imperative to private-sector success. After all, if business attraction and expansion leads to economic growth, then talent – which is a driver of business success – needs to meet industry needs. To this end, we see a critical need to invest in the labor marketplace, high-skilled training and bridging a great divide between educators and employers so that we can align our labor supply and pipeline with the market and where it is headed.

We also are keenly aware of the importance of tax and regulatory policy. We must reduce our 9.99 percent corporate net income tax rate and lift the cap on the net operating loss carryforward provision.

Finally, continued streamlining of regulatory and/or permitting processes at all levels and departments would produce increased productivity and growth in pillars of our economy.

As we begin to enter into a midterm and gubernatorial election year, we invite you to join in this ongoing dialogue and to think about these issues and this larger, overall "growth agenda," which ultimately will lead to an even stronger economy and better quality of life.

**Jennifer Beahm**  
Managing Editor  
*Pittsburgh Business Times*



