

The Halifax Chamber of Commerce's Response to the Federal Budget

Positive investments in competitiveness and the green economy ...but increasing debt levels and shortage of support for businesses and growth concerning.

The Halifax Chamber of Commerce was pleased to see many of the measures announced in the Federal Budget released on March 28. The support for the green economy and sustainability through substantial tax credits is critical for Canadian and Nova Scotian businesses to embark upon and remain competitive in this developing sector. It will be vital for the federal and provincial government as well as the Halifax municipality to collaborate to ensure that the effort put into programming is aligned for the greater good of local businesses as they compete against the world. We would have liked to have seen more specific focus and support for the Atlantic loop, which will be critical in the regions effort to reduce our reliance on coal generated energy and our transition to net zero emissions. While new technologies and support for these businesses is critically important, support for transitioning businesses that will impact our carbon footprint now, cannot be ignored.

The Halifax Chamber also recognizes and supports the investments in addressing some of the labour market issues faced by almost every business jurisdiction in the country and sees the Employer Led Training for upskilling and the labour mobility improvement through the Labour Mobility Deduction for Tradespeople as strong program changes. Combined with a continued focus on increased immigration, these efforts will pay dividends to the economy. However, more focus must be put on welcoming immigrants and providing the supports and accreditations needed to ensure they quickly become productive members of the community. The Federal Government must continue to support the province to ensure the infrastructure exists to support new and existing citizens with health care, transportation, and affordable housing solutions.

The reduction to the excise tax rate on alcohol from 6% to 2%, while a small impact in the overall budget, demonstrates the government's willingness to heed the concerns of local businesses and the advocacy of Chambers across the country. We would have liked to see more specific supports for local businesses, particularly those small businesses still recovering from the pandemic. A simple change to the repayment program of CEBA loans would have had a significant impact on SMEs across the country.

Like the recent provincial budget in Nova Scotia, we are extremely concerned over the level of spending compared to the deficit that is accumulating. We understand that the issues of the day like health care, workforce, housing, and sustainability cannot be addressed without significant spending and government programs, but there needs to be far more discussions around revenue generation and support for businesses if our economy is to survive the level of spending being undertaken by Federal and Provincial Governments. And, while we are encouraged by a lot of the programming being put in place in this federal budget, ultimately business revenue, economic prosperity, and GDP growth has to pay for these programs, which is where this budget lacks focus at every level. Increased personal and corporate taxation as well as debt financing have been an easy way out for governments to build programming, but it is no longer a sustainable fiscal approach in this time of shrinking incomes, increased inflation, and rising interest rates.