



NEWS RELEASE
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MONCTON (NEW BRUNSWICK) - March 31, 2015 – *The Greater Moncton Chamber of Commerce Reviews New Brunswick’s fiscal plan for 2015/16*

Brian Gallant’s Liberal government delivered its first budget today after months of tough talk about spending cuts and taxes increases. Finance Minister Roger Melanson suggested that today’s budget would hit all New Brunswickers in the pocketbook.

“We were expecting to see a tough budget,” says GMCC CEO Carol O’Reilly. “There were a few impactful announcements, but a lot of what we were expecting to hear about today has been side barred for a later. It’s more about what wasn’t in the budget then what was. Now is the time for action.”

The GMCC is disappointed that there was no further announcements on future oil and gas development. Announcements about changes to the HST, income tax, property tax, tolls and assets will all be brought forward at a later time.

Finance Minister, Roger Melanson says that “those who have more, are being asked to help more.”

The government announced changes to personal income taxes. Two new tax brackets were introduced. Income earners between \$150,000 - \$250,000 will see an increase in taxes from 17.84% to 21% and those who earn \$250,000 + will also see an increase of 17.84% to 25.75%. The message in this budget is that not everyone has the same resources.

“Of course as the voice of the business community, the GMCC was discouraged to hear about the dividend tax credit for small business which has been lowered from 5.3% to 4%,” says O’Reilly. “Small business owners are already feeling the immense pressures of our current economic situation. This is seen as yet another blow.”

The government also announced increases to provincial tax on fuel. Regular gas will be taxed at 1.9 cents per litre and diesel fuel will be taxed at 2.3 cents the latter being approximately a 10% increase.

The GMCC is concerned about how this increase will affect trucking and construction as well as many businesses using industrial equipment.

“This will impact not only trucking companies but also consumers who will have to pay more for goods,” says Executive Director, Jean Marc Picard of the Atlantic Provinces Trucking Association.

“This fuel tax increase could have many repercussions,” says O’Reilly. “Trucking companies may not stop in NB to fuel up in Nova Scotia or worst case scenario they may potentially leave the province in order to set up shop where they can afford to do business.”

The seniors in our province and the universities also took a hit.

Finance Minister, Roger Melanson emphasized that more difficult decisions lie ahead. The government will continue to develop their Strategic Program Review that was implemented earlier this year and continue to engage the public so we may return to a state of fiscal balance in New Brunswick.

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The Greater Moncton Chamber of Commerce is the voice of the business community for more than 825 businesses representing more than 35, 000 members in Moncton, Dieppe and Riverview and the vicinity.

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