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Greater Moncton Chamber opposes proposed tax on machinery and equipment for heavy industry

The Chamber of Commerce for Greater Moncton presented to the Standing Committee on Law Amendments Thursday, September 5th in Fredericton in relation to Motion 31, which proposes an end to a 50-year-old tax exemption for business machinery and equipment.

The CCGM opposes any changes to our property tax system to reduce or eliminate tax exemptions that apply to heavy industry. The Greater Moncton Chamber suggested four areas could be impacted if such modifications were introduced: business competitiveness, tax fairness, scope and definitions, and finally, capital investment and job creation.

"When you look at the state of New Brunswick's economy and our current lack of competitiveness against other jurisdictions in North America, why would New Brunswick decide to tax businesses even more and make our companies less competitive", Chamber CEO John Wishart told the all-party committee.

The CCGM, representing close to 800 members from the Greater Moncton area, urges our political representatives in New Brunswick to keep in mind that there is a direct link between business confidence and prosperity. Taxing machinery and equipment in heavy industry would have a negative ripple effect through the entire economic supply chain, Wishart warned.

The motto of the CCGM is 'Inspiring Growth' and we believe that our government can 'inspire growth' by making New Brunswick a more competitive tax environment for both businesses and residents.

"Business confidence results in investment. Investment results in jobs. Jobs result in a net increase in our population. More people means prosperity. Our government needs to keep this economic chain in mind as they consider this motion", added Wishart.

The CCGM recommended to the committee that government undertake a wholesale tax reform process, perhaps through a Royal Commission, to explore all parts of our business and personal tax system, to ensure fairness and promote economic growth.

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Information

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