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The CCGM gives the 2020-2021 NB budget high marks for its continued focus on fiscal discipline and new tax reduction measures

The Chamber of Commerce for Greater Moncton gives the 2020-2021 New Brunswick budget high marks for its continued focus on fiscal discipline and new tax reduction measures.

Chamber CEO, John Wishart, said the organization is pleased to see the Higgs government recommit to a balanced budget and continued pay down of the provincial net debt.

"In these uncertain economic times with stock market falling, this decision to continue to live within our financials means makes sense," Wishart said.

The budget forecast calls for a \$92 million surplus in 2020-2021, and a net debt reduction of \$129 million.

The Chamber is also happy to see the government move to reduce the double taxation on non-owner occupied residential properties. The rate will fall by 50 percent over 4 years, starting with a 14-cent reduction per 100 dollars of assessed value in 2021.

The budget will also see a reduction of the provincial non-residential property tax rate from 2.186 dollars to 1.856 dollars over 4 years.

"The reduction in the double taxation, in particular, should help with our housing shortages, easing a disincentive to build multi-unit residential building."

Greater Moncton multi-unit residential occupancy rate is 2.2 percent, the lowest in recent memory.

The Chamber is also pleased to see a reduction in gas taxes through the Made-in-New Brunswick" carbon tax plan and a commitment by government to reduce business red tape by an equivalent of at least \$14 million in 2020-2021.

The Chamber fears, however, that the budget's 1.2 percent GDP growth projection maybe optimistic. The current economic crisis brought on by Corona virus fear and the stock market downturn will likely have an impact on investment returns.

A further cut to Opportunities New Brunswick funding, from \$40 million to \$38.6 million may also be tough considering the agency was handed a new mandate earlier this year by the Premier.

In the recent pre-budget consultation, the Chamber of Commerce for Greater Moncton listed these core priorities for the provincial government: to balance the budget, and pay down the debt, to introduce a new comprehensive tax reform review (examine total cost to business, individuals and capital investment), to address labour shortages by ensuring young New Brunswickers are adequately trained, and immigrants are supported to integrate into communities, and to bring premium rates of WorkSafe NB to the lowest level possible.

Our organization thinks priorities should focus on a private-sector-driven economy and responsible financial management. If we achieve those two core goals, we will create the wealth necessary to adequately fund our health care and education systems.

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