



Chamber advocacy results in major tax savings in 2009 federal budget

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The federal budget contained \$20 billion in new tax relief over the next five years, with major initiatives such as an increase in the basic personal amount and the threshold at which the two lowest personal income tax brackets take effect. It also includes substantive measures to lower the burden on small businesses, and improve access to credit. Planned and previously announced corporate tax reductions, reducing the rate from 22.12 in 2007 to 15 per cent by 2012, were continued, positioning Canada as the most competitive of the G7 countries.

"Our efforts to improve tax competitiveness on behalf of our members have paid off at a critically important time," says Geoff Pradella, Vice-President of Public & Government Affairs with the Calgary Chamber of Commerce. "We made a strong case in our 2009 Pre-Budget Submission, and were pleased to see the government implement almost all of our key recommendations."

The Chamber has consistently called for competitive tax rates to spur business investment, lower the costs of doing business in Canada, create jobs, and raise the standard of living for all Canadians. To help inform decision-makers, it submits pre-budget recommendations, publishes regular opinion editorials, engages topical and timely public speakers, and hosts in-depth, one-on-one meetings with key opinion leaders -part of an integrated and strategic policy advocacy program.

"Our meeting with Canada's Finance Minister last summer was a major step in terms of the growing interest in our work and the profile that our recommendations are receiving from senior government officials," comments Pradella. "At that time, we commended the minister for action to reduce the corporate tax rate, and suggested that going forward his government should focus on personal tax relief."

The Chamber's 2009 federal pre-budget submission argued that any stimulus package should contain a mix of broad-based personal tax relief, including an increase to the basic personal amount and tax reductions for the middle class, as well as focused time-limited measures, to help weather the current economic storm.

"Personal tax relief puts more dollars in citizens' pockets to spend and invest, and empowers individual Canadians with more decision-making ability," says Pradella. "We were very to see this in the budget this year."

"Another key theme in the Chamber's 2009 recommendations was the inclusion of strategic infrastructure spending, directed at initiatives that would improve Canada's competitiveness and productivity - like transportation and post-secondary institutions.

"Roads, public transit, and post-secondary infrastructure are valuable investments that create jobs now while setting the country up more competitively for the future," states Pradella.

Each year the Chamber provides pre-budget recommendations to the provincial and federal governments. Membership surveys ensure the Chamber is focused on the important issues.

Tax competitiveness and infrastructure has ranked as top five priorities of members for many years in our annual survey.