



**NEWS RELEASE
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Federal budget game plan to maintain economic recovery welcomed by local business community

(Calgary, AB) – The Calgary Chamber of Commerce gave the federal budget a ‘B+’ grade today because of the five-year roadmap to deficit elimination, commitment to expenditure reductions and further steps to improve corporate tax competitiveness. Chambers members were hoping to see new initiatives to eliminate internal trade barriers and significant measures to reduce Canada’s uncompetitive personal tax rates as outlined in its 2010 Pre-Budget Submission.

“The business community’s highest priority is deficit elimination,” said Heather Douglas, President & CEO of the Calgary Chamber of Commerce. “This budget shows a level of fiscal restraint and a plan to return to balanced budgets that instills confidence. Higher taxes or deeper cuts in a tentative recovery period would have been a mistake.”

The Chamber hopes that the ongoing expenditure review process will create additional savings, and return the country to black even faster. New spending in this budget is primarily based on initiatives for job creation.

“Spending restraint sets the stage, and gives the Government of Canada the opportunity to make meaningful personal tax reductions as a next step,” remarked Douglas.

According to the Finance Department, Canada’s personal income tax burden is the highest of G-7 nations and is above the average of the OECD countries.

Chamber members are also pleased with the strong commitment to cut red tape. The Red Tape Reduction Commission promises to improve the conditions for investment and help small businesses succeed. Small businesses are job generators and represent up to 90 per cent of the businesses in Canadian communities.

Canada’s internal trade barriers remain a major concern. The Government of Alberta estimates that internal trade barriers cost the Canadian economy as much as \$14 billion per year.

“The European Union has long since eliminated barriers to trade and labour mobility between a group of separate and distinct nation states,” stated Douglas. “The current system not only divides the country, but limits the potential for job and productivity growth. Removing trade barriers accomplishes these goals without additional government spending.”

The Chamber has strongly supported the elimination of interprovincial trade barriers through the B.C.-Alberta Trade, Investment, and Labour Mobility Agreement (TILMA) and the recently signed Western Economic Partnership that begins the process to incorporate Saskatchewan into a western free trade area.



“While regional agreements are laudable as an interim step, a new pan-Canadian agreement is long overdue,” stated Douglas.

The Chamber’s federal pre-budget submission is available at the Chamber’s website: www.calgarychamber.com

About the Chamber

The Calgary Chamber of Commerce is a member-driven, sustainable organization whose mission is to connect, serve and champion the Calgary business community in its quest to excel.

The Public & Government Affairs Department measurably contributes to the Chamber's profile and effectiveness. We are the leading edge business advocate and forum for debate, and a credible source for policy analysis and issue commentary. We advocate new and innovative solutions to improve the business climate on behalf of our members.

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