

MEDIA RELEASE

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Economic update fails to improve investment climate, Calgary Chamber says

CALGARY – The federal government’s Fall Economic Update makes progress to improve Canada’s business operating environment, however continues to fall short in addressing the country’s most significant competitiveness and market access issues, says the President and CEO of the Calgary Chamber of Commerce.

“We continue to urge the federal government to take actions to remove regulatory barriers that are preventing Canada’s resources from reaching new markets, depressing oil prices and stifling investment in all industries,” said Sandip Lalli. “We are disillusioned the economic update did not meaningfully address the issues that are costing the Canadian economy as much as \$80 million a day.”

Lalli said the federal government deserves credit for responding to specific business-friendly initiatives recommended by the Chamber and appreciates further efforts announced to help businesses grow.

“We do see this as a signal that Ottawa is listening to concerns expressed by the business community to make our tax system more competitive and helping small businesses access markets within and outside Canada.”

Specifically, Lalli said allowing the full cost of machinery and equipment used in the manufacturing and processing of goods to be written off immediately for tax purposes will result in a drop of the marginal effective tax rate for new business investment in Canada. The Chamber is encouraged that the federal government also introduced an accelerated investment incentive that will benefit Canadian businesses.

We are also pleased to see the government announce funding to assist businesses in diversifying their exports, setting an ambitious goal of increasing Canada’s overseas exports by 50 per cent by 2025. This will help Canadian businesses take full advantage of recently signed trade agreements, which is in line with Calgary Chamber recommendations.

The Chamber is disappointed the federal government didn’t take the important step of reducing the corporate tax rate and is concerned over the lack of a plan to balance the federal budget.

With two significant elections coming up in 2019, the Calgary Chamber will continue to advocate for business-friendly policies to all levels of government, specifically those that address competitiveness, lagging productivity, regulatory inefficiencies, and a lack of market access.

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ABOUT THE CALGARY CHAMBER

The Calgary Chamber is an independent non-profit, non-partisan business organization. For 127 years the Chamber has worked to build a business community that nourishes, powers and inspires the world.