Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Medicine Hat District Chamber of Commerce

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

1. Enhance dialogue with U.S. counterparts to provide support for their border initiatives and ensure that there is financial capacity to ensure the hours and services of ports of entries consistently match the U.S. border standards in both traveler and commercial services and enhance the opportunity for bilateral trade. 2. Retain the current structure for Employee Profit Sharing Plans. This program is beneficial to businesses as it does not attract either Employer/Employee Canada Pension Plan (CPP) or El contributions, it allows for more control over retirement assets, it is treated as pension and /or RRSP eligible earnings and it allows for income splitting opportunities. 3. Establish higher tax credits for donations and provide less direct funding to charities. This will provide a greater focus on fundraising, rather than on grant subsidies and provide greater incentives for individuals and businesses to provide donations to the charities of their choice. 4. Continue to reduce unnecessary regulations through the recommendations provided by the red tape reduction commission. Businesses feel that much of recent regulatory requirements are unneeded and provide no further benefit or value added. Instead the regulatory burdens are increasing the cost to taxpayers and to businesses. 5. Reduce corporate tax and particularly tax on small business corporations. There are other jurisdictions in the western hemisphere where corporate tax is lower and we need to ensure we provide leadership in this area and provide a competitive advantage for businesses to create investment and a higher tax base. 6. Retain the Scientific Research and Experimental Development tax credit program under the current guidelines and structure. It would be unconstitutional to implement a government selection process and deny eligibility for some businesses to take advantage of the tax credit program, possibly putting one industry or province at a disadvantage over another. 7. Provide monetary support and advocacy influence for Canadian Forces Bases to directly support the retention of overseas military training operations on Canadian soil with a particular focus on the British Army and other Commonwealth countries. This investment provides significant returns into our local economy through military procurement opportunities and local spending. 8. Work with the cattle industry to determine a cost-effective solution to the removal of Specified Risk Material until a time when the Canadian Food Inspection Agency discontinues its current policies for disposal of dead stock cattle and their associated Specified Risk Material and work with the United States Government to harmonize regulatory standards in both Canada and the United States for Specified Risk Material. This would encourage the sustainability and growth of the cattle industry and create a more competitive environment for this industry. 9. Invest and improve the Immigration process and Foreign Worker progress based on the recommendations of the Canadian Chamber of Commerce, Alberta Chambers of Commerce and local Chambers of Commerce. 10. Invest in the expansion of hours at the Wild Horse Port of Entry to ensure there is a second 24-hour commercial border crossing in Alberta. With a population of 3,779,353 and the fastest growing GDP in the Country, Alberta remains the only province with one 24 hour port of entry. Alberta requires a second port for the effecient and effective movement of goods. By doing so, the Government would clearly indicate their support of bilateral trade with our largest trading partner in the US and for a province who contributes significantly to Canada's overall economy as well as supporting a north-south trade corridor that extends from Mexico to the Northern Part of Canada.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Enhance programs and services through Citizenship and Immigration by: • Improving the educational campaign overseas in order to acquaint future newcomers with the Canadian labour market requirements, application processes, and integration services. • Examining the immigration processes in competing countries such as Australia and New Zealand, including the fees that immigrants are required to pay to government, and adopt effective practices to improve Canada's competitiveness. • Working with business and professional credentialing bodies to develop more flexible approaches to recognizing credentials and experience, while maintaining Canadian standards. • Developing an education profile of the main source countries of immigrants in order to have a transparent and comprehensive description of their educational systems available for business and other hiring entities. • Raising the profile of the International Qualifications Assessment Service to ensure businesses and immigrants are aware of the opportunity to access reliable assessments of foreign educational qualifications relative to provincial educational standards. • Increasing staffing levels and training, and optimizing information/technology systems at Canadian consulates to improve visa/work permit processing times for permanent residents, temporary foreign workers, and international students, especially at locations with large backlogs of applications. • Prioritizing applications from foreign workers and international students based on the Occupations Under Pressure list rather than on a first-come, first-served basis to help speed the processing of applicants in the most-needed occupations. • Expanding the list of Occupations Under Pressure to reflect Alberta's current and future labour needs, as well as to create a labour market database which would include short and long-term labour shortages. • Reinstating the e-LMO (Labour Market Opinion) process and streamline the LMO process for any worker in an occupation on the Occupations Under Pressure list by considering the broader labour market for that skill rather than only the specific advertising efforts of each individual employer. • Differentiating immigration processes between professional skilled and semi-skilled versus low-skilled and non-skilled workers under the Temporary Foreign Worker Program. • Increasing the number of candidates in the Provincial Nominee Program, and expanding the processing capability of that program to meet the expanding need for foreign talent in Alberta. • Adopting a new approach to processing immigration applications, for example doing more of it in Canada, to eliminate backlogs within 24 months. • Creating an Approved Employer List of employers with a proven track record of explicitly following both the letter and the spirit of the regulations, with expanded latitude with respect to processing of Temporary Foreign Workers. This would free up Service Canada and other government staff to scrutinize more files, and expend their time pursuing those employers and files that may not always be adhering to the intent of the regulations. This list would be similar to the NEXUS immigration system currently in place between Canada and the U.S.A.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

As in question 2.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

1. Encourage a public debate about challenges for the Canadian productivity in the forthcoming decades. 2. Develop a long-term, comprehensive productivity strategy for the country that would take into account the changing international business environment Canada is operating in.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

1. Increase the Value on GST/HST new housing rebates or index the values to inflationary rates, as the value on the rebates has not changed since 1991. 2. Implement retroactively to July 1, 2010, the exemption of managed assets* owned by residents of non-HST participating provinces from the harmonized sales tax. *Managed assets are defined as investment products, such as mutual funds, segregated funds, exchange traded funds, hedge funds and managed pension plans.