House of Commons
Chambre des communes
Canada

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(•) **an organization** **Organization name:** Medicine Hat & District Chamber of Commerce

or

( ) **an individual** **Name:** _____

Topic: Trade and investment

*Recommendation 1: Please provide a short summary of your recommendation.

Extend 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 3.7 Million and the fastest growing GDP in the Country, Alberta remains the only province with one 24 hour commercial port.
Additionally, the hours of operations and services provided at ports of entry across the country should consistently match the U.S. border standards in both traveler and commercial services.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

other: please provide your estimated amount: no change

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Through collaboration with the US & the Beyond the Border Plan, funds and resources hould be distributed more effectively, ensuring budgetary guidelines are maintained, which may mean closing less efficient/effective border crossings and moving those resources (manpower and monetary) to border crossings that are better suited/equipped. Canada and the US should evaluate more shared facilities, shared manpower and streamlined operations/technology. In Alberta, there are only 6 border crossings, however resources could be moved from Del Bonita and/or Carway and reallocate resources to Wild Horse.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Canada and the US have one of the most profitable trading relationships in the world = over $1.6 billion in two-way trade and over 300,000 travellers crossing the border each day. With more efficient borders, trade and prosperity would increase, benefitting Canadians as a whole. Additionally, by adding a second 24 hour port in Alberta, you increase the ease of trade between Canada and the US, by improving bilateral trade in two critically important players in both the Canadian and the US economy(Alberta & Montana).

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Transportation access is fuel for economic development. Regions with flexible, efficient transportation networks can access product markets, suppliers, vendors, workers and customers more efficiently and more cost effectively than those that do not. Investment leads to trade, as companies' activities increasingly become part of the global value chain - to be part of this chain, Canada and the US must ensure that the goods and services produced have easy access to markets, creating jobs and growth by increased supply-demand and streamlined trade corridors, such as the Ports-to-Plains Corridor.

Topic: Personal taxation

Recommendation 2: Please provide a short summary of your recommendation.

As the thresholds for the new housing rebate have been frozen since 1991, the Medicine Hat & District Chamber of Commerce recommends the federal government:
1. Revise current GST New Housing Rebate thresholds to reflect the significant increase in housing prices in order to ensure the same percentage of purchasers qualify for the rebate as intended when the program was implemented in 1991.
2. Adopt a rebate model for new housing that is designed to protect housing affordability for all price thresholds by increasing the value on the housing rebates or or index the values to inflationary rates.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

unknown

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

This should not have an impact on the government financially, as it is in line with the commitment made in 1991 when the GST was introduced. The federal government made a commitment to adjust the thresholds to reflect changes in housing prices, and thus to protect housing affordability over time stating: “The government will review these thresholds at least every two years and adjust them as necessary to ensure that they adequately reflect changes in economic conditions and housing markets.”

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

This would benefit new home owners across Canada and would create housing affordability at a time when the economy is most in need of this benefitting factor. Additionally, it would show the government's ability to follow through on previous commitments made.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Since the rebate thresholds have been frozen since 1991, new home buyers are paying more GST than would be the case had the rebate thresholds been adjusted to reflect higher housing prices over the past two decades. As housing prices have increased, fewer and fewer home buyers have qualified for the GST rebate. The GST is increasingly posing a barrier to the affordability of new housing in Canada. As house prices continue to rise, housing affordability will continue to deteriorate, impacting not only home buyers, but resellers and home builders.

Topic: Immigrants and immigration

Recommendation 3: Please provide a short summary of your recommendation.

Drastically improve programs to Citizenship and Immigration - we have over twelve recommendations to foreign worker programs which drastically affect labour in our Country. Recommendations include improvements in training, credentialing, qualification assessments, prioritization of occupations under pressure, streamlining LMO's, creation of approved employer lists and streamlined applications and processes.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

unknown

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The recommendations are based in policy and process, so should not have a significant impact overall. Training of immigration staff and increased staff for processing requirements would have a budgetary impact, but internal efficiencies and improved processes would offset the costs to human resource requirements.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Regions with low unemployment rates who are unable to secure and source labour from within Canada would benefit, as there is a shortage of skilled labour. The Alberta government estimates that the province will experience a shortfall of 109,000 workers by 2016.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

By allowing for improvements within foreign worker programs and assisting particularly with occupations under pressure, you create opportunities for business. Instead of businesses shutting down because they are unable to find labour, you would see business investment increase in Canada because not only do we have low taxes and an environment conducive to business growth and prosperity, but we can also accommodate businesses through labour force supply and policies that are inclusive rather than barriers to business.

Please use this page if you wish to provide more explanation about your recommendation(s).

Our primary recommendations are based in border initiatives, foreign worker programs and tax indexing, however we also would like the government to consider the following:

1. 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.

2. 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.

3. 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.

4. 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.

5. 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.

*Please note that at least one recommendation must be provided