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:** Regroupement des jeunes chambres de commerce du Québec

or

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

Topic: Federal budgets and the public service

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

The Regroupement des jeunes chambres de commerce du Québec (RJCCQ) believes that one problem facing Canada is intergenerational inequity in its tax structure.

The benefits enjoyed by previous generations have created a series of federal budget deficits, resulting in a sizeable debt. The RJCCQ therefore believes that the Harper government must continue its efforts to wipe out the budget deficit quickly and work on implementing a debt repayment plan.

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.

While we applaud the social gains made by previous generations, it is clear that some current measures are untenable, given the reversal of the age pyramid.

We therefore encourage the federal government to consult with young business leaders to determine how best to craft its plan to balance the budget and pay off the debt.

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

We realize that these measures will have immediate consequences. However, we believe that, in the long run, Canadian society as a whole will benefit once the budget has been balanced and the debt has been paid down. Among other things, this measure will boost confidence among young business leaders, prompting them to invest more and become involved in creating new businesses, which in turn will produce economic spinoffs for the entire country.

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.

Having budget surpluses again and paying down the national debt will boost the confidence levels of young business leaders and reduce their tax burden. This will allow them to invest and create businesses with more confidence. The proliferation of new businesses and the ensuing expansion of the job market will produce social and economic benefits across the country.

Topic: Small and medium-sized enterprises

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

Canada's small and medium-sized enterprises (SMEs)--its true economic engine--are in jeopardy. The clock is ticking, and many SME founders and owners are close to retirement age. This puts many small businesses in a vulnerable position in that they could either close or come under foreign ownership.

The RJCCQ's objective is clear: We want these businesses to stay open and in Canadian hands. We recommend that the federal government provide tax benefits to Canadian entrepreneurs wishing to buy SMEs.

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.

$10 million-$99.9 million

2 years

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 RJCCQ believes that entrepreneurs wishing to buy businesses could do so if they were simply given attractive tax incentives.

Since access to capital is often a major obstacle to purchasing a business, these measures could take the form of access to capital by allowing entrepreneurs to use money from their RRSPs or TFSAs as downpayments for the purchase. Tax holidays are also still a good way to facilitate job creation.

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

The RJCCQ believes that Canadian society as a whole benefits when our SMEs stay proudly Canadian and in operation. This specific measure is designed to help entrepreneurs and people wishing to buy or take over businesses. However, the preservation of jobs and ensuing wealth creation will benefit everyone.

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.

Implementing measures to help entrepreneurs buy or take over SMEs will keep jobs in Canada and generate economic spinoffs in communities across the country.

SMEs account for more than 98% of all privately held companies in Canada and employ more than 48% of all private-sector workers in the country (Industry Canada, July 2012).

Topic: Immigrants and immigration

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

Each year, thousands of skilled workers and professionals choose to immigrate to Canada because of its international reputation, its welcoming population and its robust economy. The RJCCQ believes that efforts to recruit skilled immigrants and focus on integration must continue.

We therefore recommend that measures be implemented to facilitate the integration process for immigrants so that they can access jobs in line with their skills and remain in Canada.

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.

$5 million -$9.9 million

4 years

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.

Continuing to invest in recruitment, immigration and integration of the cultural communities in Canada will generate significant spinoffs by enabling businesses to become more competitive in the global marketplace.

These measures should also make it possible to recruit university students and researchers who will contribute to Canada's growth in other ways.

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

The primary beneficiaries of such measures would be skilled immigrants who have recently arrived in Canada. Their integration into their business communities and their occupational contributions will, however, benefit Canadian society as a whole and put Canada in a competitive position in the global marketplace.

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.

Skilled and better integrated immigrants will be active participants in stronger Canadian communities, more diversified and more competitive businesses, and a more effective government.

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

Investment for the future is the common thread in our recommendations. The Regroupement des jeunes chambres de commerce du Québec wants the Harper government to focus on youth and young business leaders to ensure Canada's economic growth over the long term.

To that end, we also recommend that the government implement measures to encourage businesses and Crown corporations to include young business people on their boards of directors. Such a measure would bring new ideas to the table for the management of these companies and transfer a wealth of knowledge to young business leaders.

Furthermore, our organization is taking the lead with this recommendation by offering free training for young board directors.

*Please note that at least one recommendation must be provided