



LETHBRIDGE
CHAMBER of COMMERCE®

News Release

Budget 2017

Lethbridge Chamber applauds long-term investments but is concerned over growing debt.

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On Wednesday the Federal government released the new budget for 2017-18 titled “Budget 2017 - Building a Strong Middle Class”. However, a realistic title for this budget could have been “Budget 2017 - Let’s Just Wait and See”. With significant regulatory, taxation, and trade changes expected south of the border in the coming months and only moderate economic growth nation-wide, it is no surprise that there’s few surprises to be seen. The government’s intention is understandably to delay major new initiatives until the evolving situation in the United States resolves itself into something predictable.

Priorities were shifted, very little new money was spent, but there were also few tax changes.

Harry Gross, President of the Lethbridge Chamber of Commerce, applauded the investments in skills-training and innovation evident in this budget.

“All levels of our government are putting a priority on investing in Agri-food as one of the central pillars of a new, diversified Canadian economy. Our region is ready to be a leader in that drive. However, many of our producers and industry members can’t always find workers with the right high-tech, computer, or technical skills that they need to expand and run state-of-the-art operations. We’re hopeful that the Federal government’s investments in skills training and innovation will help address these needs.”

The Chamber is also concerned about a lack of vigor in Ottawa to address the decreasing competitiveness of Canadian businesses as our neighbours south of the border move to slash regulations and taxes.

“Canada is a great place to do business,” said Karla Pynch, Executive Director of the Chamber of Commerce, “but businesses that compete internationally hoped to see something in this budget to give them an edge in the face of rising labour and regulatory costs. There simply wasn’t anything.”

The Chamber also warns that Canadians should be wary of the high deficits being run by the Federal government. Although Canada’s economy has been performing moderately well, there is no guarantee that it will continue to do so, nor that commodity prices will recover at the rate that this budget plans for.

“When you run deficits of this size you have very little room to maneuver if there is a sudden downturn in the economy,” said Gross. “The government is banking on steadily improving resource prices and economic growth to result in smaller deficits, but there’s no guarantees in global economics, and there is still no plan to bring us back to balanced budgets within the foreseeable future.”

While this budget delivers some solid long-term investments vis-à-vis skills training and investments in innovation, it does so at an increasing cost that will be shouldered by the next generation with an ever-steeper mountain of debt.

For more information, contact Peter Casurella by telephone at 403-849-7225 or by email at policy@lethbridgechamber.com.

The Lethbridge Chamber of Commerce

The Lethbridge Chamber of Commerce is *The Voice of Business*, promoting and enhancing a healthy economic and social environment in our region by serving the interests of business. We represent over 750 businesses and over 10,000 employees in the Lethbridge area.

For more information on this initiative, please contact Peter Casurella at 403-327-1586 or by emailing policy@lethbridgechamber.com