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# Media Release:

**For Immediate Release**

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## **Budget Does Not Go Far Enough on Tax Relief -- Thunder Bay Chamber of Commerce --**

While yesterday's federal budget focused on a number of the right elements, more could have been done to continue to address Canada's heavy tax burden and specific Northwestern Ontario issues such as the need for assistance for the forest industry.

The Thunder Bay Chamber of Commerce is pleased that the budget addresses a number of the Canadian Chamber of Commerce (CCC) recommendations in critical areas such as infrastructure, immigration, creation of an Employment Insurance Financing Board, and education and training. This budget also puts in place a number of measures in response to recommendations made in the recently released Chamber-led coalition paper on reducing border costs.

By contrast, the government's extension of the accelerated capital cost allowance for manufacturers and processors came up short of Chamber members' expectations.

"In particular, we were disappointed that the manufacturing and natural resource sectors did not receive significant assistance towards reviving, maintaining and growing," stated Mary Long-Irwin, President of the Thunder Bay Chamber of Commerce. "There was no recognition of the unique pockets within the country, such as the Thunder Bay region, that are currently facing struggles with a sense of urgency. First steps towards resolution of this situation would include a 'Made in Canada', Canadian-content policy," she added.

"On a positive note, last fall's Economic Statement addressed personal and corporate income tax issues. Combined with this budget's creation of a Tax-free Savings Account, we believe opportunities which encourage savings have been presented," concluded Long-Irwin.

Brian Babcock, Chair of the Thunder Bay Chamber of Commerce remarked, "Expansion of scientific and research tax credits will be good for local businesses because, as we change over to a knowledge driven economy, we have many start-up and incubator type businesses locally that may benefit. Ideally, we would have preferred to see it extended to larger businesses as well."

While recognizing the necessity for fiscal prudence in times of economic uncertainty, the Chamber of Commerce agrees with previous statements from the Finance Minister that Canadians still pay too much tax. Addressing this must remain high on the list of Government priorities as it is crucial to improving the quality of life within the community of Thunder Bay.

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