

## 2022-2023 Provincial Budget Priorities

- Economic Recovery
- Population Growth & Labour Force Development
- A Competitive Business Sector
- Key Infrastructure Development

### Economic Recovery

For the next fiscal year, we think priorities should focus on an economic recovery built on a private-sector-driven economy and responsible financial management. If we achieve those twin core goals, we will be able to help businesses solidify their futures, and in the long run, create the wealth necessary to adequately fund our health care and education systems.

If the province finds itself with more funds than expected due to increased tax revenue or federal transfers, instead of putting most of it towards paying down the debt, it should use it for strategic, non-recurring spending. In other words, resist the temptation to spend it on healthcare or education, and spend it on infrastructure. Those once-in-a-lifetime projects that will have positive domino impacts on our economy.

New Brunswick needs to continue to assist the hardest hit business sectors and increase efforts. When it comes to provincial assistance programs to businesses, the current \$10,000 small business and \$2,000 self-employed grants for businesses impacted by COVID restrictions are a start, but there's more needed to help

tourism operators, hotels, restaurants, seasonal and other gravely impacted businesses recover and remain operational.

The budget should provide an overview of how to harness those additional dollars that will be put into the economy as we travel more, eat out more, spend more on entertainment, etc. and be a roadmap to what is expected to be additional consumer spending once COVID has finally lifted.

### **Population Growth & Labour Force Development**

Members continue to identify the attraction and retention of newcomers and increasing their workforce as the main challenge to business growth.

This isn't just a regional issue; it is a situation that most businesses and entrepreneurs must confront when they are trying to fill positions. Therefore, we need to work on attracting and retaining people and take advantage of New Brunswick's quality of life as a tool to achieve these goals.

We have done moderately well at attracting additional population from elsewhere in Canada and internationally over the last two years and should break through the 800,000 population barrier in 2022. That said, we still very much need to increase the annual intake of immigrants to at least 10,000 per year immediately. The combined annual immigration targets of Greater Moncton, Saint John and Fredericton already account for close to the 7,500 current target. We are concerned that the federal government (IRCC) is ill-prepared for what will likely be a huge increase in immigrant applications once border restrictions are eased. We urge the province to work with IRCC to avoid bottlenecks that could hamper our population growth targets.

We must be well-equipped to welcome and integrate newcomers into our communities – whether they are arriving in Canada from other countries, coming to New Brunswick from other provinces or returning home after being outside New

Brunswick.

The lack of housing is an immediate concern to welcoming newcomers and population growth. We should not confuse affordable housing that supports our homeless population, with “more affordable housing” that is needed for new immigrants and the working poor. Subsidies or tax deferrals that stimulate the creation of more affordable housing should be encouraged. Extending municipal voting rights to newcomers who become permanent residents would also add to welcoming and integrating our newcomers.

If the pandemic showed us one thing when it comes to labour force, it is the urgent need for foreign credential recognition and to harness the abilities of international 1273 rue Main St, Ste. 200, Moncton NB, E1C 0P4 | 506.857.2883 | comms@ccgm.ca 4students learning in our province. We must break down the barriers for nurses, engineers, doctors, lawyers, accountants, etc. trained elsewhere and provide pathways to get accreditation to work in our province.

The province must launch a robust re-skilling program through the community college system that better aligns labour market needs with the skills being taught. This can include mid-career re-skilling as employees adapt to new processes and needs in the economy. This can also help with retention. Also, to alleviate urgent needs in the healthcare system, the province must consider identifying positions and skills of greatest need in New Brunswick and offer free tuition or other incentives to those willing to work towards filling these needs.

We support efforts to bridge our post-secondary institutions and public education system with the business community. We believe creating more awareness among our young people to the real opportunities that exist here at home is crucial to retaining our talent and

growing our population. Together with our fellow chambers in Moncton and Fredericton, The Chamber will continue to build on the success of a pilot program this year – Future Link – to connect experiential learners and business.

We believe there should be greater effort to encourage an entrepreneurial culture in our public education system (i.e. entrepreneurial studies, a mandatory financial literacy course in high school). The Idea Centre in Anglophone East is a great example of how flexible learning environments can create the entrepreneurs of tomorrow.

One of our competitive advantages continues to be our bilingual culture. We must find a way within our public education system to create a generation of bilingual speakers through French Immersion.

We still need post-secondary institutions that deliver curriculum that prepares students for a rapidly-changing world – critical thinking skills, communication skills (oral and written), and other soft skills. Most 20-year-olds will eventually have a job that doesn't exist today.

### **A Competitive Business Sector**

Entrepreneurs must face hurdles and red tape when they are trying to get government aid. We call upon the government to work toward eliminating these hurdles. Introduction of the ONB Business Navigator program is a good example of a positive step. But we can do more – Value-for-Money audits on major public spending initiatives and benchmarks for government.

Double taxation is an enormous disincentive to building and the province must eliminate double taxation of non-owner-occupied buildings immediately. The province also must play a leading role in creating more affordable housing. If our economy is growing and more people are moving to the province, the lack of

affordable housing will be a significant hurdle to sustained growth.

We are also calling on the provincial government to work toward more harmonization of rules between the four Atlantic provinces. We have known the importance of this for years, but it became a key issue and additional hurdle especially during the pandemic.

We acknowledge we have the lowest minimum wage in Canada and that every citizen deserves an opportunity to earn a decent wage, and therefore the minimum wage in New Brunswick needs to rise.

As the business community has explained to governments previously; timewise, business require a long runway to adjust to any

### **Key Infrastructure Development**

Our airports – and in fact our entire transportation infrastructure -- face an overwhelming financial challenge that may delay an air travel recovery until 2025 and continue to interrupt inter-community bus and train travel.

We are pleased to hear that a provincial airport strategy is close to completion. We believe there are strengths in maintaining the three major airports in the province.

We believe, the province should be willing partners in major projects that will provide spinoff economic benefits – schools, major downtown projects, climate change plans. As previously stated, it is imperative that the province spends unexpected increased tax revenue or federal transfers strategically, on once-in-a-lifetime projects that will have positive ripple effects on our economy.