

## **News Release**

### **BUDGET UPDATE 2009 REPRESENTS A SOLID BASE FOR LONG TERM COMPETITIVENESS**

September 1, 2009

For immediate release

The British Columbia Chamber of Commerce gave a cautious welcome to the provincial Budget Update unveiled by the Finance Minister today as a realistic approach to difficult economic times.

“This government should be congratulated. In difficult economic times we face tough choices, and this government has made the decisions necessary to ensure that we can continue to create jobs and business can continue to invest,” said John Winter, President and CEO of the BC Chamber of Commerce. “The drop in government revenue outlined in the Budget update clearly shows that as a small, open trading jurisdiction BC must focus on job creation and competitiveness. The Budget update does this by continuing to focus on creating the most competitive tax regime in North America with an ongoing commitment to tax cuts at the personal and corporate level, as well as a commitment to the elimination of tax on small businesses. The Chamber believes that the introduction of HST is a critical component of ensuring that when businesses look to invest, BC is the first place they look.”

Budget Update 2009 includes measures to mitigate the impacts of HST with an increase in the basic personal income tax credit to \$11,000 and a full provincial rebate for residential energy. Further to this the Budget Update outlines a significant acceleration of capital investment, creating 21,600 jobs over the next three years.

“The Chamber welcomes the introduction of mitigation measures for consumers,” continued Winter. “This shows government is listening to concerns about the HST and is acting where appropriate. We believe government should continue to work with impacted sectors such as homebuilding, tourism and foods services to look at mitigating measures for these critical sectors.”

“Our members will also be pleased to see the increase in the Apprenticeship Training Tax Credit program and a commitment to maintaining funding in post-secondary education,” added Winter. “Government must keep its eye on the issue of skills shortages; while the current economic challenge has reduced the importance of this issue, BC still faces a significant challenge in terms of our skill and productivity record that must be addressed if we hope to maintain, let alone raise, our standard of living.”

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