

Legislative Assembly of New Brunswick

Office of the Official Opposition



Assemblée législative du Nouveau-Brunswick

Bureau de l'Opposition officielle

January 19, 2021

The Honourable Blaine Higgs, M.L.A.  
Premier of New Brunswick  
P.O. Box 6000  
Fredericton, N.B.  
E3B 5H1

Dear Premier:

As you are aware, we are fortunate that despite the pandemic, many New Brunswick businesses have managed to remain open. That being said, as pointed out by the Canadian Federation of Independent Business, the majority of them have not been able to achieve revenues comparable to those they were achieving pre-Covid-19. They are hurting.

Additionally, the move back to Orange and Red phases has created even greater burdens for many of these businesses struggling to survive.

Business owners are thankful for business assistance programs that have provided help at a time when it is desperately needed, especially programs like the Canada Emergency Wage Subsidy, the Canada Emergency Rent Subsidy program, and the Canada Emergency Business Account loans that provide interest free, partially forgivable loans to business.

While these programs are helping to stave off business closures, we believe that the Government of New Brunswick also needs to step up with additional programs to support business.

One such measure could be the deferring of provincial taxes and fees until such time that we see the pandemic behind us, and businesses return to normal levels of profitability. This would include a deferral of business property taxes. These tax revenues would not be foregone but deferred with a reasonable payment schedule. It would be truly unfortunate if businesses that are struggling have to close because the tax burden became too much for them to cope with at this time. The Government would obviously lose future tax revenues and further job losses would ensue.

The province should consider the establishment of programs such as a Small Business Emergency Support program whereby the province guarantees 25% of working capital loans up to a maximum amount of \$100 000. In addition, companies that re-pays it within 2 years, would see the 25% guaranteed forgiven.

We would also suggest that the province consider sector specific support initiatives similar to those being offered in other provinces. If we want New Brunswick's businesses to succeed, government must ensure that they are able to compete with other jurisdictions. To date, our companies are disadvantaged.

Lastly, we believe that your Government must make economic growth a priority. This is a sentiment shared by many of New Brunswick's leading economists. This is not the time to cut back on strategic investments. The federal government has provided infrastructure funding to help cost share worthwhile infrastructure investments. Such investments could create hundreds of jobs and spur on economic growth. Other provinces are recognizing the value of investing in ourselves and in our future. If we fail to do so, our economy will likely fall further behind.

Mr. Premier the Official Opposition makes these suggestions in the spirit of contributing to the dialogue around supporting our businesses and supporting our economy.

Yours sincerely,

Roger Melanson  
Leader of the Official Opposition