

# Chamber of Commerce reaction to 2013 Ontario budget



## Ontario Premier Kathleen Wynne

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By [Jonathon Liedtke](#)

Premier Kathleen Wynne's minority Liberal government has handed down a budget which just might have gone far enough to appease the NDP to avoid an election. While PC leader Tim Hudak isn't content with Wynne's budget, Windsor and Essex Chamber of Commerce President and CEO Matt Marchand expressed that it was a "modestly good budget for Windsor-Essex".

The budget includes: a \$295-million youth employment strategy aimed at creating 30,000 jobs in over two years, \$45-million over a three year period to establish the new Ontario Music Fund which seeks to create more jobs in the audio and production industry, a \$50,000 increase in the employer health tax exemption to help small businesses, an advisory panel to look at increasing the minimum wage and stricter regulations to ensure that corporations pay their full tax burden, which is estimated to generate \$4-billion over a four year period.

The 2013 Ontario budget also includes \$127.6-billion in spending, a project deficit of \$11.7-billion for 2013-14, and an increased overall debt of \$272.8-billion, with interest costs of \$10.6-billion per year.

Marchand noted that the acceleration of capital cost allowance which was included in the budget was viewed as a positive step by his membership as it "makes our cost of equipment and machinery a little more competitive, and that's always a good thing. We

have heard from our members it was a priority for them and we're happy to work with the government to get that for our members."

"There was despite some rumblings about a potential corporate tax hike [and] that did not happen and that was met with some good feelings from our membership," said Marchand. "There was some concern based on the rumblings of certain government scenarios that there would be an increase."

Marchand explained that the chamber had hoped for a clearer path towards both reducing the deficit and overall debt of the province and for a more structure plan on how to deal with interest rates should they rise.

"There was no clear plan in the event that interest rates rise and how the Ontario government would respond to that," said Marchand. "We do have significant exposure to interest rate hikes given our debt load and we have to start looking at what's the go-forward point if interest rates begin to rise, which inevitably will happen."

Marchand noted that the budget included "pluses" and "minuses" and that while "on balance there's some good things" that "a little more detailed [information] with respect particularly [towards] how we get to balance and if interest rates were to rise" are necessary.