

More revenue to provide better services

Brief submitted to

Mr. Blaine Higgs
Minister of Finance of New Brunswick

In view of the upcoming
2013-2014 Budget

By

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MORE REVENUE TO PROVIDE BETTER SERVICES

EXECUTIVE SUMMARY

The CFSJ wishes to seize this opportunity to make recommendations in terms of how the government can increase its revenue in the upcoming 2013-2014 budget. The provincial revenue can indeed be increased through fair taxes, thus reducing the deficit. Ultimately, NB would be in a position to invest more in its people.

MAIN FINDINGS

1. In 2009, when income taxes were drastically reduced on individuals and corporations, the Public Treasury was deprived of hundreds of millions of dollars. This measure resulted in fewer funds being available to help reduce the deficit and the debt.
2. If the province returned to the 2008 tax rate, its revenues would increase by 238 million dollars which would reduce by almost two-thirds the projected deficit.
3. The 2009 tax cuts favored the richest in NB. They were beneficial to the wealthy and a gold mine for businesses.
4. The Tax Reduction Plan was detrimental to the economic health of NB, ending up in massive cuts in programs and an increase of the public debt.

DISCUSSION

The reduction of the property tax has aggravated the lack of provincial revenue. There are ways to make the tax system more equitable.

1. The tax rates for companies should be brought back to 13% which would ensure a fairer contribution on their part. The deficit has gone down since 2010, but it is mainly because of the cuts in government programs and the increased fees on many goods and services.
2. Tax breaks account for a reduction in tax revenue. Recently, the provincial government announced that it will reduce the property taxes for some large companies, farms and owners of buildings and cottages in the amount of \$ 49 million per year.
3. On the positive side, some initiatives have been undertaken lately by the government to reduce poverty in terms of minimum wage, welfare rates, dental and vision care, social housing and school supplies allowances.
4. The income tax is the most equitable and fair manner to make citizens pay for the public expenses in the province.
5. If the minimum wage was raised, workers would then be in a position to purchase more goods and services, a factor which would stimulate the economy.

SUPPORT IN FAVOR OF A MORE EQUITABLE TAX SYSTEM

The following groups and experts have spoken out on the issue of inequalities:

1. Economists Christine Saulnier and Angella MacEwen found out that the cost of poverty in NB amounts to 2 G \$ per year.
2. NB Business Council, in December 2012, asked Minister Blaine Higgs to return to the taxation rate of 13% which was in effect in 2008.
3. Professor Rod Hill, from UNB Saint John, suggests restoring the 2008 tax rates to solve the deficit of the province.
4. Thirteen economists signed an open letter to Blaine Higgs in December 2012 claiming that the tax cuts were aimed at taxpayers with relatively high incomes and who needed them the least.
5. The *Conseil économique du NB* requested the provincial government to increase individual taxes (March 27, 2012).

CONCLUSION

1. Government should invest more in people (sufficient income to cover basic needs and a decent minimum wage). Using the new tax revenue to improve services to social assistance recipients would reduce their food insecurity and provide them with more adequate housing and a better quality of life.
2. Between 2008 and 2012, it is the wealthiest in NB who received the highest percentage of tax reductions. If the province made changes to its tax system, it is obvious that the current deficit would be lower than it is now.
3. An increase in the provincial revenue would enable government to provide adequate services to all New Brunswickers.

RECOMMENDATIONS

The CFSJ urges the government of New Brunswick to reduce the extreme poverty which now prevails by taking the following measures:

1. To adopt a progressive, rather than a regressive tax system.
2. To avoid raising the HST to increase the provincial revenues as it is a regressive measure.
3. To return to the 2008 tax rates for individuals.
4. To add a fifth tax bracket of 21% for those earning more than \$150,000 per year.
5. To increase corporate taxes in NB at the 2008 level and to raise taxes on small businesses at the 2011 level (at 5%), two measures which would add millions of dollars to the Public Treasury.
6. To design a system that guarantees all New Brunswick citizens the assistance that they need to cover their basic needs.
7. To raise the basic social assistance rates.
8. To index the minimum wage to the cost of living and implement regular increases thereafter.

I. INTRODUCTION

The Common Front for Social Justice (CFSJ) is a non-profit organization whose mandate is to lobby for justice, better social policies and greater solidarity within society, particularly with those living in poverty. Since it is during the annual budgetary process that the government demonstrates clearly its priorities and intentions regarding the distribution of income, the CFSJ wishes to make recommendations in terms of how it could increase its revenue so that it may have more funds available to help out people in need.

The CFSJ agrees that we should aim at reducing the deficit and live according to our means. But since we are going through a difficult economic period, it is certainly not the time to rush to cut the deficit at the expense of services to citizens, especially the most vulnerable.

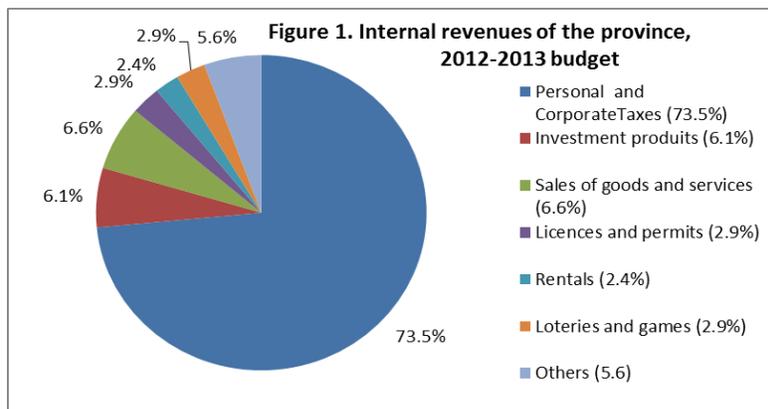
In this brief, we will first discuss the role of government as a revenue collector and distributor of public funds. The CFSJ will then propose avenues for the 2013-2014 budget in view of increasing the revenue through fair taxes and thus, reduce the deficit so that, ultimately, NB can invest more in people.

II. SOURCES OF REVENUE FOR THE PROVINCE

2.1 Sources of income

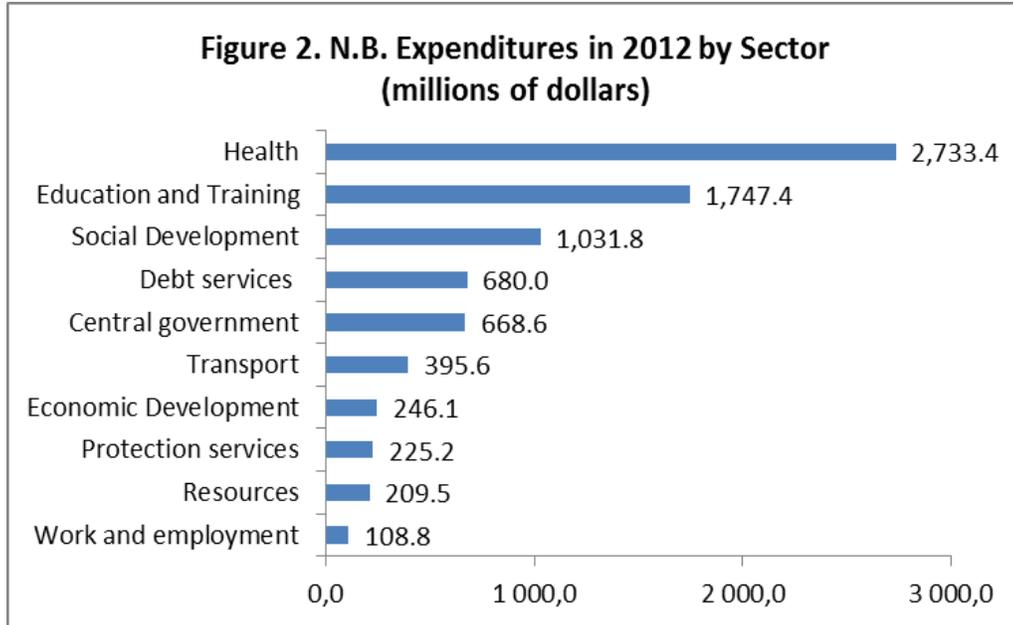
In its provincial budget, government indicates which funds it intends to allocate to various departments to enable them to cover their current expenses. It also spells out which funds will be allocated for the capital expenditures and the costs related to the Legislature, provincial courts, etc.

Revenues for the province during the year 2012-13 are expected to reach just over 8 billion dollars. These revenues come from two sources: the **federal government**, through the federal transfers in the amount of 3,027 million dollars (37.8% of total) and from **internal revenues** generated by New Brunswickers and estimated at 4,986 million dollars, namely 62.2% of total (1). Figure 1 shows in detail where the internal revenue comes from.



2.2 How are provincial revenues spent?

As shown in Figure 2, the majority of provincial revenues serve to provide public services to citizens. The two major provincial expenditures are for health and education.



Expenditures that do not appear in figure 2 are the amounts of grants and loans given to NB businesses. Appendix A shows a **partial list** of private sector subsidies totaling **45.6 million dollars, plus** a mention of another amount of **2.1 million dollars**. This money was awarded to NB businesses since September 2010, i.e. since the Alward government came in power.

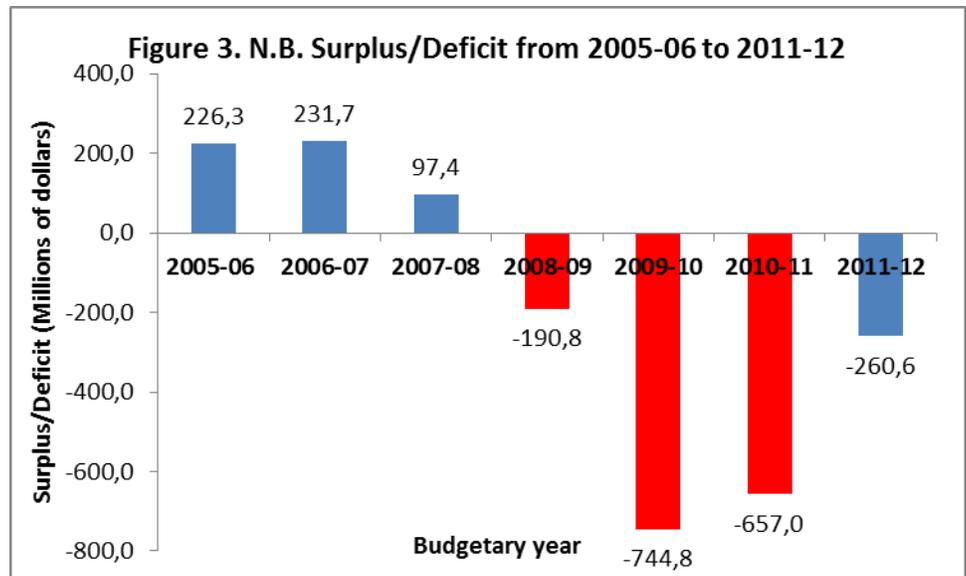
2.3 NB deficit as compared to other provinces

During the last decade, the first provincial deficit of about 176 million dollars occurred when we were hit by the global economic crisis. This deficit was triggered by the financial sector. We must remember that we, as Canadians and as New Brunswickers, have paid hundreds of millions of dollars through our taxes to bail out ailing firms across Canada.

In 2009, the Liberal government of New Brunswick has decided to drastically reduce taxes on the income of individuals and corporations, thus depriving the Public Treasury of hundreds of millions of dollars. These significant reductions have reduced the provincial revenues at a time when we needed them the most. This measure, which was taken by the former Liberal government and maintained almost entirely afterwards by the current Conservative government, largely explains the current deficit.

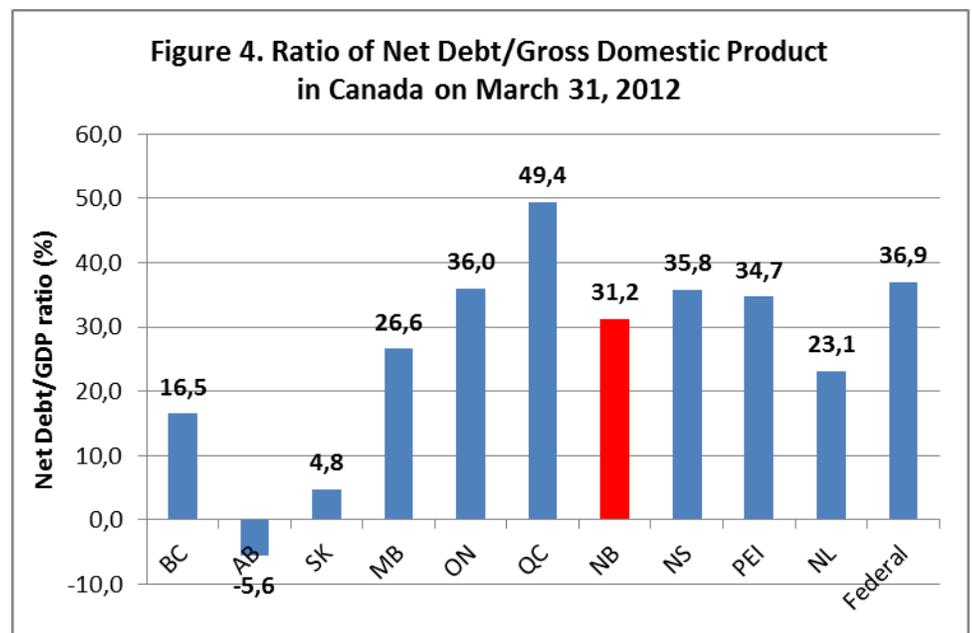
As shown in Figure 3, the provincial deficit appeared in 2008-2009 and thereafter, the economic crisis worsened it. In 2009-2010, it reached a record of 722.3 million dollars (2).

It should be noted that the projected deficit for the year 2012-2013 will decrease, as it is foreseen to be 356 million dollars.



The provincial debt should be analyzed in the light of its gross domestic product (GDP). Figure 4 lists the relative Debt/GDP ratio for the Canadian provinces and the federal government (3).

In terms of Net Debt/GDP ratio, we see that NB is falling at the 6th rank behind Alberta, Saskatchewan, British Columbia, Newfoundland, and Manitoba. Our provincial deficit is lower than that of Ontario, Quebec, Nova Scotia, Prince Edward Island and the federal government.



The CFSJ believes it is necessary to reduce the deficit, but the

Minister of Finance must give this goal a relative importance. The deficit cannot be eradicated at all costs, especially not at the expense of services to citizens, particularly the most vulnerable.

III. THREE PROPOSALS FOR THE 2013-2014 BUDGET

The CFSJ is submitting the three following proposals to the Minister of Finance:

1. To reduce the deficit and the debt through increased personal taxes;
2. To request businesses to make a fairer contribution;
3. To invest in people.

3.1 Reducing the deficit and the debt by increasing fairly the personal taxes

3.1.1 Analysis of tax cuts for individuals since 2009

The 2009 tax cuts violated the principle of progressivity which is at the basis of every modern tax system. Because of the cuts, there was less revenue since the system was regressive rather than progressive. In addition, the reduction in tax rates for individuals resulted in fewer funds being available to help reduce the deficit and the debt. A group of NB economists made their position public on CBC on December 14, 2012:

If we returned this year to the 2008 tax rate, the provincial government revenues would increase by 230 million dollars which would reduce by almost two-thirds the projected deficit. If we continue instead under the current regime for another year, the accumulated deficit will grow by almost 1,000 million dollars due to the reductions in the rates.

The Plan for Lower Taxes in New Brunswick, 2009 to 2012, drafted in March 2009 by the Liberal government, showed how citizens would gain at different income levels once the tax cuts passed in 2009 would be fully implemented in 2012 (4). These data are presented in Table 1.

Table 1. Annual individual savings in taxes for a single person and a single income family, depending on the level of taxable income (2008 versus 2012).

Taxable income	Single person	Single income family
\$15,000	\$65	\$0
\$30,000	\$395	\$583
\$60,000	\$1,307	\$1,283
\$90,000	\$2,619	\$2,596
\$150,000	\$5,922	\$5,898

When we look at how much individuals and families with a single breadwinner should save during the four-year period, it is clear that the changes to the tax system have been implemented to favor the richest, and not the others. The loss of revenue for the province was such that even the *Conseil économique du NB* saw the need to request the provincial government to increase individual taxes (Press Release issued on March 27, 2012).

If the province collected the extra money, it is obvious that the current deficit would be lower than it is now. It is difficult to understand why it is not moving in that direction.

As Table 2 shows, between 2008 and 2012, it is the wealthiest in NB who received the highest percentage of tax reductions.

Table 2. Impact of the tax cuts adopted by the NB in 2009 (4)

Income tax bracket on annual gains	2008 tax rate	Income bracket on 2012 gains	2012 tax rate	% reduction between 2008 and 2012
1. \$0 to \$34,836	10.12%	0 to \$38,190	9.1%	-1.0%
2. \$34,836 to \$69,673	15.48%	\$38,190 to \$76,380	12.1%	-3.38%
3. \$69,673 to \$113,273	16.80%	\$76,380 to \$124,178	12.4%	-4.40%
4. More than \$113,273	17.95%	More than \$124,178	14.3%	-3.65%

3.1.2 Proposal for a fairer collection of personal income tax

It is obvious that the 2009 tax cuts favored the richest in NB. **The CFSJ is in favor of a progressive tax system and hopes that the Minister of Finance will return to the 2008 tax rates for the individuals. The CFSJ also proposes adding a fifth tax bracket for those earning more than \$ 150,000 per year.** The proposed rates for the various income brackets are shown in Table 3.

Table 3. Proposal of the CFSJ in terms of tax rates for various income brackets for the 2012-2013 provincial budget.

Annual income tax bracket	Tax rate
\$0 ¹ to \$34,835	10.12%
\$34,836 to \$69,872	15.48%
\$69,673 to \$113,273	16.80%
\$113,274 to \$150,000	17.95%
%150,000 and over	21.00%

¹ A person earning less than \$8,953 did not pay income tax in 2011

Professor Rod Hill of the University of New Brunswick, Saint John campus, examined the proposal made by the CFSJ (5). Interestingly, he came out with the same conclusion as the CFSJ, namely that individuals with high incomes were the ones who had benefited the most from the tax cuts of 2009. In fact, nearly half of the tax cuts went to people with an income over \$ 80,000. They are the ones who pocketed the most money, not those with an income of \$ 30,000 or \$ 40,000 per year. Of all those who received tax cuts, those with an income of \$ 250,000, i.e. 0.4% of the taxpayers, received 9% of the cuts.

In December 2012, thirteen economists in the province signed an open letter to Blaine Higgs which read as follows:

The tax cuts initiated by the Graham government and financed through borrowed money were aimed at taxpayers with relatively high incomes and who needed them the least.

Half of the most privileged taxpayers took 90% of the tax reduction. Ten percent of taxpayers with the highest revenues have benefited from half of the tax cuts. Approximately 1,700 taxpayers whose annual taxable income exceeds \$ 250,000 per year received 9% of the total tax cuts, i.e. 20 million dollars per year (6).

The economist Rod Hill thinks the best solution to solve the deficit of the province would be to restore the 2008 tax rates. It would also improve the fairness of the tax system. Professor Hill's calculations, presented in Table 4, show how much additional revenue would go to the Public Treasury.

Table 4. Excerpts from Professor Rod Hill's study - Estimated Change in Average Tax Rates and Average Income Tax Payments, Pre-tax Income by Categories, 2009 dollars, 2009 tax year data (See reference no 5).

Income group (thousand of 2009 dollars)	Average N.B. net PIT ¹ rate, at 2012 marginal tax rates (%)	Increase in average individual tax payments for filers with taxable returns	Increase in PIT, as percentage of average income in this income group	Additional revenues in 2009 tax year (millions of 2009 dollars)
0-5	1.0%	\$4	0.1%	\$0.0
5-10	0.5	\$5	0.1	0.0
10-15	1.1	\$16	0.1	0.3
15-20	2.2	\$44	0.2	1.4
20-25	3.3	\$84	0.4	3.7
25-30	4.2	\$129	0.5	5.8
30-35	4.7	\$172	0.5	7.3
35-40	5.2	\$218	0.6	8.2
40-45	5.7	\$338	0.8	10.2
45-50	6.0	\$470	1.0	11.1
50-55	6.4	\$607	1.2	11.7
55-60	6.7	\$749	1.3	11.8
60-70	7.0	\$960	1.5	24.6
70-80	7.5	\$1,249	1.7	24.2
80-90	7.8	\$1,567	1.9	17.6
90-100	7.9	\$1,929	2.0	13.8
100-150	8.0	\$2,721	2.3	35.2
150-250	8.6	\$4,919 [\$4,692]	2.7 [2.6]	19.3 [18.4]
250+	9.6	\$19,162 [\$12,172]	4.4 [2.8]	31.8 [20.2]
Total				\$238.0 [\$225.0]

Note: Values in brackets show the effect of omitting the proposed new top marginal rate. This shows the annual effect of the recent tax rate reductions for those income groups. Source: author's calculations from 2009 Canada Revenue Agency data <http://www.cra-arc.gc.ca/qncy/stts/gb09/pst/fnl/html/t02anb-eng.html>

¹ PIT = Personal Income Tax.

As Table 4 shows, a return to the individual tax rates which were in effect in 2008 would bring approximately \$ 238 million to the Public Treasury in NB.

3.2 Businesses should make a fairer contribution

Tax cuts were not only beneficial to the wealthy, they were also a gold mine for businesses. The Tax Reduction Plan adopted by the government of Shawn Graham, and maintained by David Alward, was detrimental to the economic health of NB. The money which was not collected because of these cuts had an impact on us, the taxpayers, in the form of massive cuts in government programs as well as an increase of the public debt. The CFSJ is of the opinion that this trend can be reversed and revenues can be increased by taxing companies in a fair manner.

Let us now look at some of the cuts in corporate taxation, both large, medium and small businesses, as well as the impact of the reduction of the property tax. These decisions have indeed aggravated the lack of provincial revenue.

3.2.1 Proposed taxation for large and medium-size businesses

The Shawn Graham Tax Plan specified that the tax rates be reduced significantly for businesses in the province. In fact, his plan was to lower the tax rate from **13%** as it was **in 2008** to **12% in 2009**, to **11% in 2010**, to **10% in 2011**, and finally to **8% in 2012**. With this 5% reduction in five years, NB would have been among the provinces with the lowest tax rates in the country.

The David Alward government capped the tax cuts for businesses at 10% in 2011. However, the loss of money accumulated since 2009 for the public purse amounts to millions of dollars. This situation is serious enough that in December 2012, the NB Business Council, which includes some of the largest companies in the province, decided to publicly ask Minister Blaine Higgs to return to the taxation rate of 13 % which was in effect in 2008 (7).

If we compare the provincial tax rate of NB companies with that of other Canadian provinces, we are, with British Columbia and Alberta, at the forefront in terms of the lowest provincial rates. Regarding the combined tax rates, federal and provincial, we are again among the lowest in Canada. The figures for 2012-2013 are shown in Table 5.

Table 5. Federal and provincial tax rates for Canadian companies (8)

Province	BC	AB	SAK	MN	ON	QC	NB	NS	PEI	NL
Provincial tax	10%	10%	12%	12%	11.5%	11.9%	10%	16%	16%	14%
Federal tax	25%	25%	27%	27%	26.5%	26.9%	25%	31%	31%	29%
Total	35%	35%	39%	39%	37%	38.8%	35%	37%	37%	43%

3.2.2 Tax rates for small businesses

Small businesses with an annual income of less than \$ 500,000 have received a reduction in their tax rate in the last budget. It will decrease from 5% to 2.5% (a

reduction of 50%) by the end of the current government's mandate. **We are recommending to the Minister of Finance to bring it back to 5%.** Not only it is reasonable to ask people to make a greater contribution to the economy of the province, but it is equally important to require the businesses to contribute their part. Small businesses must pay their fair share.

3.2.3 The issue of property taxes

Recently, the provincial government announced that it will reduce the property taxes for some large companies, farms and owners of buildings and cottages in the amount of \$ 49 million per year (9). As shown in Table 6, the big winners were the companies themselves who certainly did not need this tax break. Incidentally, the taxpayers will now have to make up for the provincial shortfall ensuing from these gifts.

Table 6. Reduction of property taxes of certain large companies in NB

Company name	Property tax reduction
1. Irving – Refinery, paper mill, etc.	Around \$ 800,000
2. Potash Corporation	\$541,965
3. Champlain Mall, Moncton	\$397,579
4. Costco	\$100,000
5. Home Depot	\$90,000

3.2.4 Proposal for a fairer contribution on the part of businesses

The NB government had assumed that the reduction of corporate taxes would create jobs. If we look at the employment situation in NB, this assumption did not bear out. From 2008 to 2011, we have not had an increase in the number of jobs. Instead, there was a net loss of 7,800 full-time jobs while only 800 part-time jobs were created. The unemployment rate in 2008 was 8.5% and it increased to 9.5% in 2010. In December 2012, it was 10.8% (10). If the deficit has gone down since 2010, it is mainly because of the cuts in government programs and the increased fees on many goods and services. We must return to a fairer contribution of businesses.

The Liberal government had planned to reduce the corporate tax from 13% to 8% between 2008 and 2012. In its 2010-2011 budget, the Conservative government has dampen the reduction to set the corporate tax at 10% as of July 2011. **The CFSJ proposes that the tax rates for companies be brought back to 13%.**

Tax reliefs are not the key element for companies when they decide whether or not they should open a new plant or new offices. What they care about are factors such as natural resources, skilled labor, good roads, good health care and social services, a good educational system and attractive cultural and sporting facilities.

3.2.5 The HST should not be used to increase the provincial revenues

The income tax is the most equitable and fair manner to make citizens pay for the public expenses in the province. This is because the income tax is a progressive tax in the sense that the each citizen is requested to pay according to his or her income.

At the present time, many voices, especially those in the business community, suggest that the Harmonized Sales Tax (HST) should be increased from 13% to 15%. **The CFSJ is opposed to this proposal and supports the present government in its decision not to move in that direction.**

The consumer tax is indeed a regressive measure in the sense that it does not take into account the citizens' capacity to pay. Whether citizens are millionaires, professionals, blue collar workers, unemployed or welfare recipients, everyone ends up paying the same percentage of HST. This tax applies to a wide range of products and services: shirts, shoes, brooms, electricity and telephone bills, etc. An increase in the HST would mean that those on a low salary or a fixed income would have to pay more than they do now for their goods and services and certainly much more in terms of percentage of their income than the wealthy.

In times of economic difficulty, it is certainly not the time to put in place regressive taxes. Again, the people at the bottom of the income scale would end up being the most penalized if we increased the HST.

III. INVESTING IN PEOPLE

There are two major reasons why the Minister of Finance should give priority to the needs of the people in developing the 2013-2014 budget:

- Low-income people should have sufficient income to cover their basic needs and stay healthy, which is especially true for welfare recipients;
- There is a need for a decent minimum wage which would make of NB a fairer province for all workers.

These two types of investment in people are described in more detail below.

3.1 Investing in poverty reduction saves public funds

A joint study conducted in 2011 by Christine Saulnier (Canadian Centre for Policy Alternatives, Halifax Office) and economist Angella MacEwen revealed that the cost of poverty for the NB government amounts to two billion dollars per year (see Reference no 11 and Appendix B).

In NB, it is the lobbying from groups advocating for poverty reduction as well as the costs associated with maintaining thousands of people in poverty that incited the government to adopt a Poverty Reduction Plan. In November 2009, the province

has opted to create a crown corporation, the Economic and Social Inclusion Corporation (ESIC). Its overall objective is the following:

By 2015, New Brunswick will have reduced income poverty by 25% and deep income poverty by 50%, and will have made significant progress in achieving sustained economic and social inclusion.

Here are some examples of initiatives that have been undertaken to reduce poverty since the establishment of the ESIC:

- The minimum wage was increased to \$10 an hour, but unfortunately, it was not indexed to the cost of living and this is not in sight at the moment. As a result, the purchasing power of thousands of workers has begun to crumble.
- A very slight increase in the welfare rates of 7,036 individuals with disability was granted. Their benefits were only increased by \$ 4.17 per month (\$ 50 for the year) in October 2011 and October 2012.
- The government has established a provincial dental and vision care program for children of low-income families.
- The province has invested in social housing for the low-income earners.
- The Department of Social Development has doubled the allowance for school supplies at the beginning of the school year, raising it from \$ 50 per child to \$100.

The Economic and Social Inclusion Corporation has also established 12 Community Inclusion Networks (CIN) in various regions of the province. The CINs are responsible for the inclusion of individuals in the labor market, monitoring literacy, organizing community transportation, promoting economic development in the community, setting up social enterprises and determining housing priorities.

Reading the first annual report of the CINs, we find a collection of stories. They focus on the development of children, the organization of youth camps, the provision of lunches and snacks, the promotion of community gardens, the setting up support groups for literacy and discussion groups for women etc. All of these initiatives are commendable. However, there appears to be no overall provincial plan. What worries the CFSJ is the lack of determination to reduce income poverty and to alleviate the suffering of people whose basic needs in terms of food, adequate housing, clothing, health care, etc. are not met.

The CFSJ regrets that the government of New Brunswick has not yet raised the basic social assistance rate of some 32,500 individuals who are in the category of transitional assistance. Thousands of citizens have to get by with the same income they received in October 2008.

The CFSJ has also noted that there was a \$ 7.5 million cut in the social assistance budget for 2012-2013. **It is imperative that the upcoming budget set aside additional monies to increase the basic rate of all welfare recipients.** Only that will ensure an increase in their income. It is imperative to reduce the extreme poverty which now prevails.

3.2 Adopting a decent minimum wage

The CFSJ reiterates that the increase in the minimum wage to \$10 an hour was a good decision taken by the Alward government, as well as its objection to a two-tier minimum wage. The CFSJ however urges the government of New Brunswick to **index the minimum wage and implement regular increases to it thereafter**. Low-income workers will then be in a position to purchase more goods and services, a factor which will stimulate the economy. They will pay more income taxes which will be directed to the Public Treasury.

IV. CONCLUSION

In summary, the CFSJ is recommending to the Minister of Finance an increase in the provincial revenue to provide adequate services to New Brunswickers. Our analysis of the socio-economic conditions in the province leads us to three recommendations which will help promote tax fairness. In short, the CFSJ wants the NB government to increase its revenue as follows:

1. To go back to the 2008 tax rate for individuals and add a fifth tax bracket of 21% for those earning more than \$ 150,000;
2. To increase corporate taxes in NB at the 2008 level, thereby adding millions of dollars to the Public Treasury;
3. To raise taxes on small businesses at the 2011 level, i.e. 5%.

The CFSJ is suggesting to the Minister of Finance to use the new tax revenue to invest, among others, in services to social assistance recipients. This will reduce their food insecurity and provide them with more adequate housing and a better quality of life.

The CFSJ is in favor of an economy that gives all New Brunswick citizens the possibility to satisfy their basic needs. We reject the myth that it is through tax cuts and less generous social programs that we can create a healthier and more prosperous province.

Appendix A

Money paid to NB companies between September 2010 and September 2012 *

Nom de l'entreprise	Lieu	Montant (\$)
SC&W Solutions Ltd	Bairdsville	146 400
Cèdres Balmoral Ltée	Balmoral	260 000
Aditya Birla Minacs	Bathurst	1 500 000
FFG Canada (Accordé par Investir NB)	Bathurst	1 500 000
Thing5 (Accordé par Investir NB)	Bathurst	352 000
Transmed Inc.	Campbellton	23 000
Doaktown Golf Course	Doaktown	4 600
Beaulieu Plumbing and Mechanical Inc.	Edmundston	47 000
Ébénisterie Tech Design	Edmundston	154 300
Enseigne Pattison Sign Group	Edmundston	66 000
Entreprises Les 3 J inc.	Grand-Sault	960 000
Association coopérative des pêcheurs de l'Île	Lamèque	202 500
Produit Forestier Arbec (garantie de prêt)	Miramichi	8 200 000
Produits Forestiers Arbec	Miramichi	7 100 000
Maple Leaf Motel, Campground and Restaurant	St-Léonard	108 000
Érablière du Nord-Ouest inc.	St-Quentin	16 000
Érablière Laplante et Fils de St-Quentin	St-Quentin	91 100
Érablymax inc.	St-Quentin	27 100
Guy Levesque inc.	St-Quentin	15 000
Kent Homes	Bouctouche	500 000
Domaine Centre-Ville Dieppe inc.	Dieppe	1 800 000
Canadian Syrup Inc.	Elgin	40 000
Radian6 (Accordé par Investir NB)	Fredericton	3 800 000
York Development Inc.	Fredericton	950 000
Old Dutch Foods Ltd.	Hartland	115 000
Elite (Accordé par Investir NB)	Moncton	495 000
FCT	Moncton	180 000
ING Direct	Moncton	3 150 000
R.C.L. Development Ltd	Moncton	2 250 000
Riverbend Log Homes	Nakawic	60 000
Cardwell Farms Compost Products Ltd	Penobsquis	57 000
Elias Management Group Inc.	St John	2 300 000
Genesys Laboratories Canada Inc. (Accordé par Investir NB)	St John	300 000
Hostopia prêt subvention	St John	700 000
Innovatia Inc.	St John	3 491 000
Jenny's Spring Housing CO-OP Ltd	St John	972 000
Xplornet (Accordé par Investir NB)	St John	484 000
Ganong Bros Ltd	St Stephen	3 000 000
Superior Tanks Ltd (Accordé par Investir NB)	St Stephen	100 000
Covered Bridge Potato Chip Co	Waterville	125 000
Grand total		45 642 000

*Note : In addition to the companies listed above, the **Department of Postsecondary Education, Training and Labour** granted, between 201 and 2012, the sum of **\$2,117,801 to 42 New Brunswick companies**. The CFSJ is aware that additional financial support was awarded to other companies but, after attempting to obtain the total information, this was not possible.

Annex B

Information taken from CCPA News Release Sept. 27, 2011

« La pauvreté coûte 2 milliards \$ par an aux citoyens du Nouveau-Brunswick »

(Halifax / Moncton) Une nouvelle étude publiée aujourd'hui, intitulée «Coût de la pauvreté au Nouveau-Brunswick», réalisée conjointement par l'économiste Angella MacEwen et Christine Saulnier, révèle que:

- La pauvreté coûte au gouvernement du Nouveau-Brunswick un demi-milliard de dollars par an;
- Ces coûts représentaient 6,5 % du budget du gouvernement du Nouveau-Brunswick pour l'année 2009-2010;
- Les dépenses de soins de santé liées à la pauvreté coûtent à elles seules au gouvernement 196 millions de dollars par an;
- En ajoutant aux coûts pour le gouvernement l'ensemble des coûts économiques, le coût total de la pauvreté pour la province est de 2 milliards de dollars;
- Investir dans un plan global visant à réduire la pauvreté pourrait coûter aussi peu que la moitié des coûts attribuables à la pauvreté.

« Il est clair qu'en tardant d'agir pour combattre la pauvreté au Nouveau-Brunswick cela est très coûteux non seulement pour le gouvernement, mais pour la société dans son ensemble », explique Christine Saulnier, directrice du Centre canadien de politiques alternatives, au bureau de la Nouvelle-Écosse, auteur du rapport dévoilé aujourd'hui en partenariat avec le Front commun pour la justice sociale du NB Inc.

Tout en dévoilant ces coûts, le rapport démontre que si on réussissait à sortir de la pauvreté la tranche de 20 % des citoyens les plus pauvres au NB, une quantité importante de ressources pourrait être épargnée ou réaffectée. « Cette fois encore, cette recherche montre que nous avons beaucoup à gagner en investissant dans la réduction et l'élimination de la pauvreté », affirme MacEwen. «Les politiques qui s'attaquent aux causes profondes de la pauvreté sont susceptibles d'améliorer la qualité de vie et de promouvoir la production économique pour l'ensemble de la province.»

Les calculs dans le rapport sont fondées sur des recherches qui, l'une après l'autre, font le lien entre la pauvreté et les problèmes sur le plan de la santé, le manque d'alphabétisation, l'augmentation de la criminalité, le piètre rendement scolaire pour les enfants et plus de stress pour tous ceux qui vivent dans la pauvreté.

Selon Saulnier, « Les données citées dans l'étude sont des estimations prudentes des coûts économiques de la pauvreté au Nouveau-Brunswick. Elles ne tiennent pas compte du vécu réel des pauvres au quotidien ni des conséquences qu'a la pauvreté pour la société.

»L'étude portant sur le coût de la pauvreté au Nouveau-Brunswick peut être téléchargé gratuitement à www.policyalternatives.ca.

Pour ce qui est des entrevues avec les médias, veuillez appeler Christine Saulnier au (902) 240-0926 (cellulaire) ou Jean-Claude Basque au (506) 854-2745. Christine Saulnier présentera les conclusions de ce rapport lors du Forum provincial du Nouveau-Brunswick: «La pauvreté, la faim, la mauvaise santé - Mettons fin à cela!» organisé par le Front commun NB pour la justice sociale, et qui aura lieu le mercredi 28 septembre 2011 à Moncton. Pour plus d'information, voir <http://www.frontnb.ca/>.

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