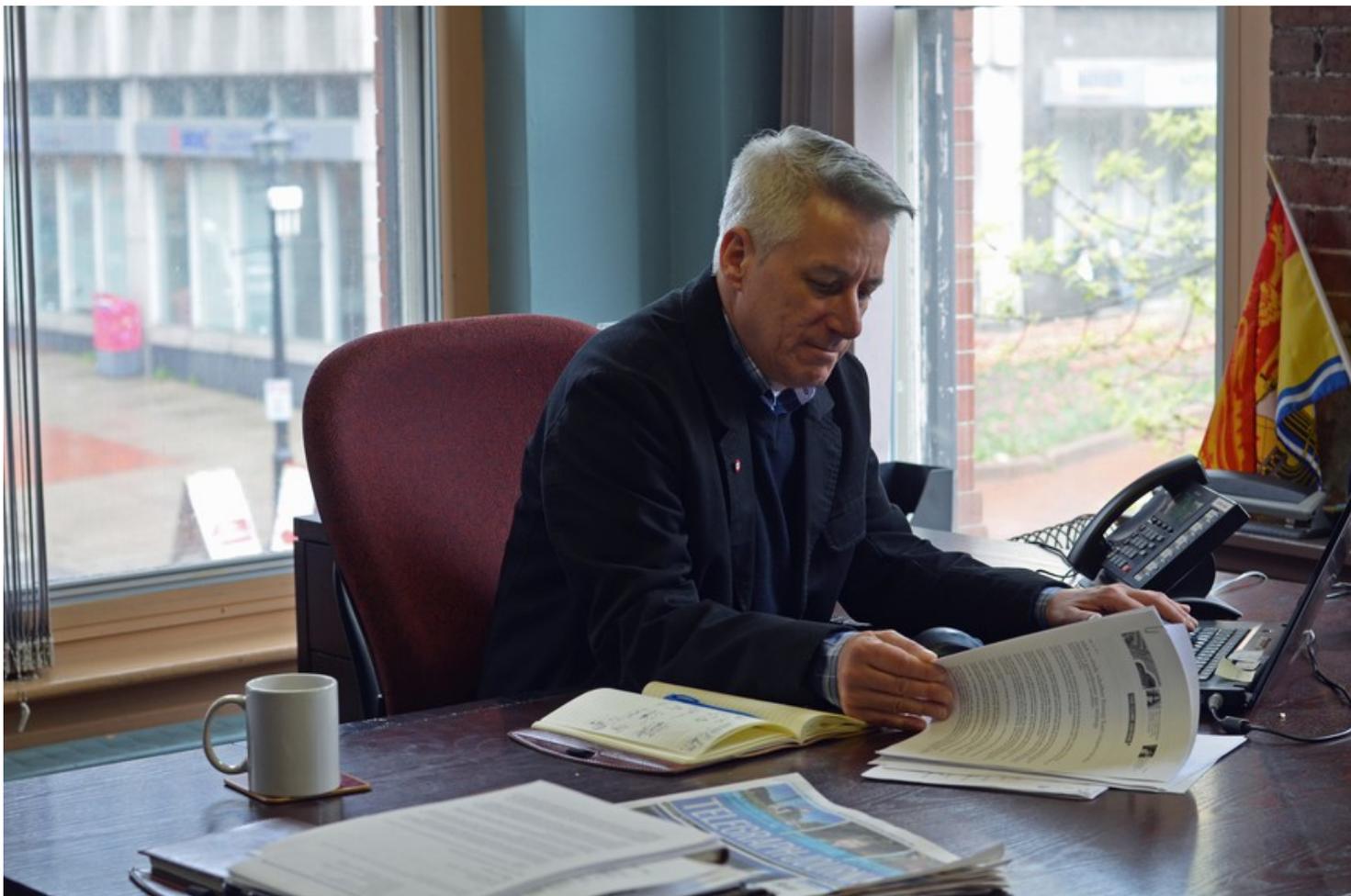


NEWS

We won't support proposed trucking tax: Chamber



David Duplisea, CEO of the Saint John Chamber of Commerce, said the Chamber does not support the city's proposed heavy vehicle permit program. Telegraph-Journal Archive



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Emma McPhee | Telegraph-Journal

SAINT JOHN • The Saint John Chamber of Commerce has issued an open letter to the mayor and council, stating that it "fundamentally disagrees" with the city's proposed new trucking fee.

The city is scheduled to vote on the fee at Monday night's council meeting.

The city unveiled a heavy vehicle permit program in its sustainability report at its April 20 council meeting. The proposed program could force transport trucks weighing more than 43,000 kilograms to buy permits to drive in Saint John as early as 2021.

The move would bring in at least \$1 million to the city, according to the sustainability report.

More revenue from the levy and the province's share of industry tax is just part of the city's new financial sustainability plan, which aims to close the city's projected \$10-million structural deficit in 2021 and beyond.

"We disagree with the overall narrative that industry is not paying its fair share," Chamber CEO David Duplisea said in an interview with the Telegraph Journal on Monday. "So since we disagree with that narrative fundamentally, anything that comes out, such as a trucking tax, we would have to disagree."

Ron Marcolin, a divisional vice-president with Canadian Manufacturers & Exporters, previously told the newspaper the association believes they already pay their fair share of taxes in New Brunswick.

"“We’re already paying a lot of tax on a wide variety of fronts, so yes, let’s review (the tax system) but let’s also appreciate that we don’t really have any wiggle room here to increase tax,” Marcolin said.

Duplisea said that if the permit program were implemented, Saint John would become one of the only jurisdictions in North America to have such a tax.

"We're already a highly taxed jurisdiction," Duplisea said. "It really affects our competitiveness and it's just not something that we could support at all."

A trucking tax could also impact the cost of goods sold, according to Duplisea, and that cost would be passed on through the supply chain to the consumer.

In an interview on Monday, Mayor Don Darling cautioned against singling out any one item in the sustainability plan.

The three-prong plan calls for a cost-cutting restructuring of city hall operations and its economic development agencies, the elimination or reduction of some services and the introduction of new user fees, and a push for “transformative” municipal reforms, he said.

"The trucking fee is a symptom of a bigger problem. We're not sustainable. We need ideas. We need change. We need to make some difficult decisions and most folks are working through these ideas through a very singular lens," Darling said.

At tonight's council meeting, deputy-mayor Shirley McAlary said she will be calling for the city to remove the heavy vehicle permit program from the sustainability plan. Council will then vote on the motion.

"It's just the wrong thing to put on a tax," McAlary said. "We want to be open for business. And I think that if we put this tax on, we're giving the message that we're closed for business."

Mayor Don Darling also indicated that he does not support the trucking fee.

"I'm not in favour of it, because I don't believe it's a good policy," he said. "Certainly we need some of the transformational changes that we've been asking for many years. But I just don't think that's the right direction."

But Darling added that the \$1 million slated to come from the heavy vehicle permit program will have to come from somewhere if the city is to address its \$10 million structural deficit.

The trucking tax was only one element of the sustainability report addressed by Duplisea in his letter to council, although he cautioned that the Chamber couldn't comment on all elements of the report as some fall outside the Chamber's mandate.

Duplisea also said the Chamber will work with the city and the province to implement legislative changes as laid out in the report, such as the tax reform that would allow the city to keep the province's \$8 million share of heavy industry tax revenue.

Overall, Duplisea said, the Chamber sees the report as positive and will support the city to move forward.

"This is the first time in a long time, decades, that we've been in a position where we can move forward; we need to get collaboration amongst all of the region," Duplisea said.

With files from Barbara Simpson

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