

The logo features a stylized blue figure with two circular heads and a wide, open-bottom shape, resembling a person or a pair of arms. Above the figure, the word "chamber" is written in a lowercase, orange, cursive font. To the right of the figure, the word "UPDATE" is written in a large, bold, blue, uppercase sans-serif font.

chamber UPDATE

Good morning,

The Federal Government released its [2023-24 Budget - A Made in Canada Plan](#) yesterday; here's a snapshot of some commitments by the government that will impact our business community. This update offers a focus on the key themes advocated for by the Whitby Chamber of Commerce's Advocacy Committee, namely workforce support, housing, transportation, and healthcare.

Check out our pre-budget recommendations to the Federal Government [here](#).

Overview

This budget has stark changes when compared to the commitments of the November "mini-budget". The deficit for the fiscal year ending this week grows to \$40.1 billion, or 1.5 per cent of gross domestic product, from the \$36.4 billion Minister Freeland forecasted in her November budget update. Revenue projections are down \$5.7 billion on average per year from November's budget update.

The government is responding to the economic conditions exacerbated by inflation, with significant spending in key industries, specifically clean energy and manufacturing. The "cuts", some critiques highlight, do not go far enough to manage spending and the federal debt. The government plans to cut \$7.1 billion over five years on consultants, travel and professional services.

Business, Industry and Workforce

1. Increasing the Alternative Minimum Tax rate to 20.5% from 15%; raising the \$40,000 exemption amount to approximately \$173,000 in 2024. The amount would be indexed to inflation. To increase revenue, the government has also increased tax on share buybacks by an additional 2%.
2. Government negotiated a 27 per cent reduction in the interchange fees Visa and Mastercard charge small businesses.
3. Projected to invest \$20.9 billion towards clean-energy incentives. Specifically:
 - a. a clean electricity tax credit worth \$6.3 billion over six years;
 - b. investment in hydrogen projects worth \$5.6 billion;
 - c. 15 per cent refundable tax credit for clean electricity investments;
 - d. refundable 30 per cent tax credit for investments in clean tech manufacturing.
4. \$197.7 million in 2024-25 to create work placements for students through partnerships between employers and post-secondary institutions.
5. In 2023-2024, \$814 million is earmarked for students starting their academic year. The measures include:
 - a. increasing the student loan limit from \$210 to \$300 a week;
 - b. increasing student grants by 40 per cent;
 - c. increasing limits on RESP withdrawals from to \$8,000 for full-time students, and \$4,000 for part-time students.
 - d. Divorced parents will now be allowed to open joint RESPs and mature students aged 22 and older will no longer have to undergo credit screening when applying for first-time student grants and loans.
6. Tradespeople are offered a deduction of \$500 to \$1,000 to help towards the purchase of new equipment.

Transportation

1. Government is increasing the air travellers security charge by \$32.85.
2. Government proposes changes to Canada Transportation Act for data sharing initiatives to reduce delays and improve coordination between stakeholders.

Healthcare

1. \$13-billion plan to expand dental care to families earning less than \$90,000 a year.
2. \$359 million over five years for programs addressing the opioid crisis.
3. \$158 million over three years to the Public Health Agency of Canada to support the Suicide Prevention Line.
4. \$36 million over three years for reproductive health.

Housing -Affordability and Equity

1. A one-time "grocery rebate," which will provide eligible families with up to \$467. Single people with no kids could get up to \$234 more.
2. \$4B is slated over five years for an co-developed Urban, Rural and Northern Indigenous Housing Strategy.
3. From April 1, 2023, financial institutions can begin offering the Tax-Free First Home Savings Account.

Want to learn more? Here are a few more resources providing information on the 2023 Ontario Budget:

[Budget 2023: Mo' Problems; Mo' Money – Business Data Lab \(bdl-ide.ca\)](#)

[Ontario Chamber Reacts to 2023 Federal Budget | OCC](#)