

## **New Brunswick's Carbon Plan: A Tax on All of Us**

*By David Duplisea, CEO, Saint John Chamber*

In just a few months from now, the cost of living in New Brunswick will jump significantly overnight. The federal government's rejection of a Made in New Brunswick carbon program will mean that on April 1, 2019, New Brunswickers will be paying more for energy, putting our province at an immediate competitive disadvantage, particularly when compared to our Atlantic Canadian neighbours.

This is the result of New Brunswick being required to adopt the "federal backstop" as our provincial carbon plan. In contrast, the governments of Newfoundland, Nova Scotia and Prince Edward Island all successfully negotiated individualized short-term carbon programs that reflect their regional needs and ensure consumers are not faced with escalating and uncompetitive energy costs.

As the only province in Atlantic Canada in the position of having to prepare for the federal backstop, it's critical that our community and business leaders are aware of the impacts this federal plan has on our ability to remain competitive, grow and prosper, and attract people and businesses to our region. To start, there will be immediate and notable impacts to New Brunswickers on April 1: consumers will pay more to fill their vehicle and heat their homes. Overnight, these fuel costs will jump by over four cents per litre and may grow to 11 cents more per litre by 2022. There are also similar and immediate increases to heating oil, diesel and aviation fuel costs in our province.

More worrisome will be the gradual ripple effect created as these increased costs permeate through industry, making industry less competitive and squeezing already-tight margins; businesses will likely have no choice but to pass these costs on to the consumer. That is, if they haven't already lost that consumer to neighbouring provinces where the same goods and services now cost less than what they do in New Brunswick.

In all of this, New Brunswick consumers are promised a rebate; what remains unclear is what this rebate will account for and how it will be distributed. Either way, it is the Chamber's position that a consumer rebate will not sufficiently account for the widespread economic impacts we expect in New Brunswick as a result of the federal backstop program. And the promise of a future rebate also provides little comfort to a fixed-income New Brunswicker faced with higher energy costs today.

Ultimately, as we face this unprecedented competitive disadvantage, it leads us to question if we are still in a position to foster growth of local export-oriented industries, attract business investment and support the growth of new start-ups.

It is the Chamber's role to foster an economic climate that enhances growth, prosperity and an improved quality of life in the community. Our members represent small, medium and large businesses and organizations from across the region. We respectfully ask the federal government to work together with the government of New Brunswick to allow for a Made in NB solution, just as Nova Scotia, Newfoundland and PEI were afforded. I, along with my colleagues at The Chamber, are confident that working together, we can identify a path forward that is what's best for both the environment and the communities where we live, work, and call home.



For additional information, please contact  
The Chamber, Dylan Folkins at (506) 634-8111.

*The Saint John Region Chamber of Commerce is a nationally accredited business organization dedicated to fostering an economic climate that enhances growth, prosperity, and an improved quality of life in the community. With close to 600 member businesses, representing the interests of 37,000 people, The Chamber is a dynamic advocate and the principal voice for the business community of Greater Saint John. It offers a variety of programs, activities, services, and networking opportunities designed to enhance the business prospects of members and the overall business climate of the area.*