



NWT & Nunavut Construction Association
Pre-Budget Submission
to the House of Commons Standing Committee on Finance

5 October 2017

The NWT and Nunavut Construction Association (the 'NNCA') is a nonprofit industry association with members active in the construction community across the northern territories. We strive to offer valued programs and services to our members and to be the effective voice of the construction industry in the North.

Federal measures to help the North become more productive and competitive

The NNCA strongly encourages the federal government to make significant and meaningful investment in northern infrastructure to support social and economic development in the North and as a means of attracting investment. The infrastructure needs of the North are well-known and include:

- Basic water and sewer
- Adequate and affordable housing
- Health, education, and recreational facilities
- Roads, highways, and bridges
- Harbours, ports, airports, and rail
- Electrical transmission and communication networks
- Infrastructure such as parks, trails, and roads that enhance leisure activities and support tourism

We also encourage the federal government to work with territorial and provincial governments to provide incentives to owners for energy retrofits to residential and non-residential buildings, especially in light of the federal government's ambitious climate targets and our northern environment.

We recommend that the federal government index the Northern Residency Tax Deduction to keep pace with inflation to ensure the deduction is effective, now and in the future. This deduction is intended to help offset the increased cost of living in the North. Accordingly, it also helps local businesses to recruit and retain workers.

Accessing federal programs, services, and funding can be challenging and confusing. Thus, we recommend that the federal government develop a more efficient and effective infrastructure funding system to make it reasonably straightforward for other levels of government to access federal infrastructure funding.

It is important that the federal government and its departments and agencies recognize that southern practices may not work in the North and as such, should not be imposed.

Please find below the NNCA's response to the two questions posed by the House of Commons Standing Committee on Finance in the invitation to appear before the Committee on October 5, 2017 in Yellowknife, NT.

1. What federal measures would help Canadians to be more productive?

Beyond support for education and training, in particular that which is focused on the needs and opportunities presented by our economy and our industry, many of the federal measures to help Canadians become more productive are more appropriately addressed by other organizations.

2. What federal measures would help Canadian businesses to be more productive and competitive?

The federal government should put the proposed Tax Reforms for businesses (those currently being debated) on hold as a means of helping Canadian businesses remain competitive, productive, and profitable.

We support the introduction of an investment tax credit to encourage businesses to invest in equipment. This tax credit would help businesses to modernize their fleets and to compete in the ever changing construction world. This credit would also result in a reduction in emissions as new equipment must meet the new standards. This investment tax credit could be similar to what the federal government had in place many years ago. It prompted businesses to utilize the tax credit, stimulated the manufacturing industry, and ensured that money was not left dormant in businesses.

We encourage all levels of government to work together to reduce barriers, such as trucking regulations, to doing business across territorial-provincial borders. These barriers increase the cost of doing business and consequently, these barriers also increase the cost of living.

We support the Canadian Construction Association's recommendation that the federal government enhance the incentives offered to employers to train apprentices rather than mandating apprentices on federal construction projects. These recommendations are to increase the annual value of the Apprenticeship Job Creation Tax Credit and to extend the applicability of this Tax Credit to include all years of recognized apprenticeship programs.

We support expanding the entrepreneurial and business mentorship services funded by the federal government as a means of supporting start-ups and growing one's business.

We recommend the development of federal navigator services to assist businesses in accessing the appropriate programs, services, and funding; said services should be widely known and easily accessible.

The NWT and Nunavut Construction Association also supports the *Pre-budget Submission for Budget 2018* presented by the Canadian Construction Association as well as the Canadian Construction Innovations' recommendations for the 2018 Federal Budget.

Additional Background Material

Canadian Construction Association. (2017). *Pre-budget Submission for Budget 2018*. Retrieved from: <http://www.cca-acc.com/wp-content/uploads/2017/08/Prebudgetsubmission.pdf>

Canadian Construction Innovation. (2017). *Canada's Future Built Environment: Productivity, Talent and Growth: CCI Recommendations for Federal Budget 2018*. Retrieved from: <http://www.ourcommons.ca/Committees/en/FINA/StudyActivity?studyActivityId=9571255>

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National Aboriginal Economic Development Board. (2016). *Recommendations on Northern Infrastructure to Support Economic Development*. Retrieved from: <http://naedb-cndea.com/reports/recommendations-on-northern-infrastructure.pdf>

Northwest Territories Association of Communities. (2017). *2018 Federal Budget Consultation Submission*. Retrieved from: <http://www.ourcommons.ca/Committees/en/FINA/StudyActivity?studyActivityId=9571255>

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