



November 21, 2010

The Honourable James Flaherty
Minister of Finance
House of Commons
Ottawa, Ontario
K1A 0A6

Dear The Honourable James Flaherty:

Subject: Business tax relief is crucial to Canada's economic success

Hamilton Chamber of Commerce, the effective "Voice of Hamilton Business" since 1845, comprises some 2,000 individuals representing 1,200 employers. Our members are from all sectors and collectively employ 75,000 citizens. From amongst these members, we've engaged a strong group of almost 300 active business volunteers who serve on 12 standing committees and/or geographic divisions (Ancaster, Dundas, and Glanbrook). These volunteers represent literally thousands of years of practical experience in business and are a valuable resource in our City. The basis of the Chamber's public policy positions (currently, close to 200) are derived from this resource.

As you know, our colleagues at the Canadian Chamber have been active in encouraging Parliamentarians to keep their word on the issue of tax reductions. We believe this is a critical issue, and I am writing to personally advise you that the Hamilton Chamber of Commerce is solidly on side with the Canadian Chamber. We are likewise of the opinion that this remains fundamentally essential to the future well being of private sector jobs and prosperity in Hamilton and Canada

In 2007 the federal government announced a series of graduated corporate tax reductions designed to keep Canada competitive with our trading partners, many of whom have reduced corporate and payroll taxes in recent years, even through the recent recession. This strategy has been re-iterated in two federal budgets since then.

However, today, we understand that some voices are heard calling for these tax reductions to be stopped and for the federal government to instead collect \$4.5 billion in taxes from the business sector.

Both the Canadian and Hamilton Chambers vehemently disagree with this suggestion. These tax reductions have been already factored into company financial strategies for many months. With the national stimulus programs coming to an end, the tax reductions will free up capital that will immediately be at work growing business in Canada. Even small businesses not covered by these taxes will benefit from the stimulating effect of this tax relief.

Moreover, we feel strongly that political leaders have an obligation to live up to the promises they have made. Consistency and reliability in government policy are critical factors in economic stability. Employment and investment has been predicated on the availability of funds that, if the tax changes are reversed, will no longer be available. This will have a negative impact on economic growth.

I encourage you to stand firm on the promised tax reductions. I am attaching a short [briefing note](#) that contains some of the arguments made by the Canadian Chamber in Ottawa.

Respectfully,

A handwritten signature in black ink, appearing to read 'Richard Koroscil', with a stylized, flowing script.

Richard Koroscil
Chair
Hamilton Chamber of Commerce
Enc (1)
JD

cc:

The Honourable Michael Ignatieff,
The Honourable Jack Layton,
The Honourable Gilles Duceppe

All local MP's, & Regional Senator.
All Directors, Hamilton Chamber of Commerce, including Chairs of our Ancaster,
Dundas & Glanbrook Divisions.
All members of our Government Affairs Committee
All local media.
Perrin Beatty, President & CEO of the Canadian Chamber of Commerce