CANADIAN FEDERATION OF INDEPENDENT BUSINESS

In business for your business.

The small business vote

Priorities for British Columbia's Municipal election

2026

Summary of BC Small Business Top Priorities

The Canadian Federation of Independent Business (CFIB) is Canada's largest association of small and medium-sized businesses, representing 103,000 members across every industry and region, including over 10,000 small businesses in British Columbia. Ahead of the 2026 municipal elections, CFIB asked its BC members which local government issues matter most to them:

1. Reduce the Cost of Doing Business
2. Keep Property Taxes Affordable for Entrepreneurs
3. Cut Red Tape and Overlapping Rules
4. Improve Safety on Main Street
5. Protect Businesses During Public Construction

"The cost of doing business keeps increasing. I want to pay my staff a living wage. To hire more staff. To invest in technologies and training. But I am constantly impeded by: blocked access to our doors, shoplifting, lewd behaviour, overall tax burden, vandalism, lack of parking downtown, ongoing construction, replacing lighting that will get broken again, folks camping in our parking spaces that we've already paid too much for, fires at our back door where there's often a camp set up, urine and feces and needles. Enough is enough!"

— Retail Business Owner, Kamloops, BC

Small Business Priorities for Municipal Candidates

On October 17, 2026, British Columbians will elect mayors and councils across the province. Their decisions will directly affect local taxes, fees, permitting, public safety and construction disruption. CFIB is asking every municipal candidate to make five practical commitments that will lower avoidable costs and make it easier to operate a small business in their community.

This election comes at a critical time for entrepreneurship in British Columbia. The province is experiencing an entrepreneurial drought, with business exits outpacing business entries for five consecutive quarters.[1] As of August 2026, more than half (56%) of BC business owners say they would not advise someone to start a business now.[2] Municipal governments cannot solve every challenge entrepreneurs face, but their decisions on property taxes, fees, permitting, public safety and construction can make a difference in lessening their load. Without action, communities risk losing local jobs, essential services and the independent businesses that give their downtowns and neighbourhoods their charm.

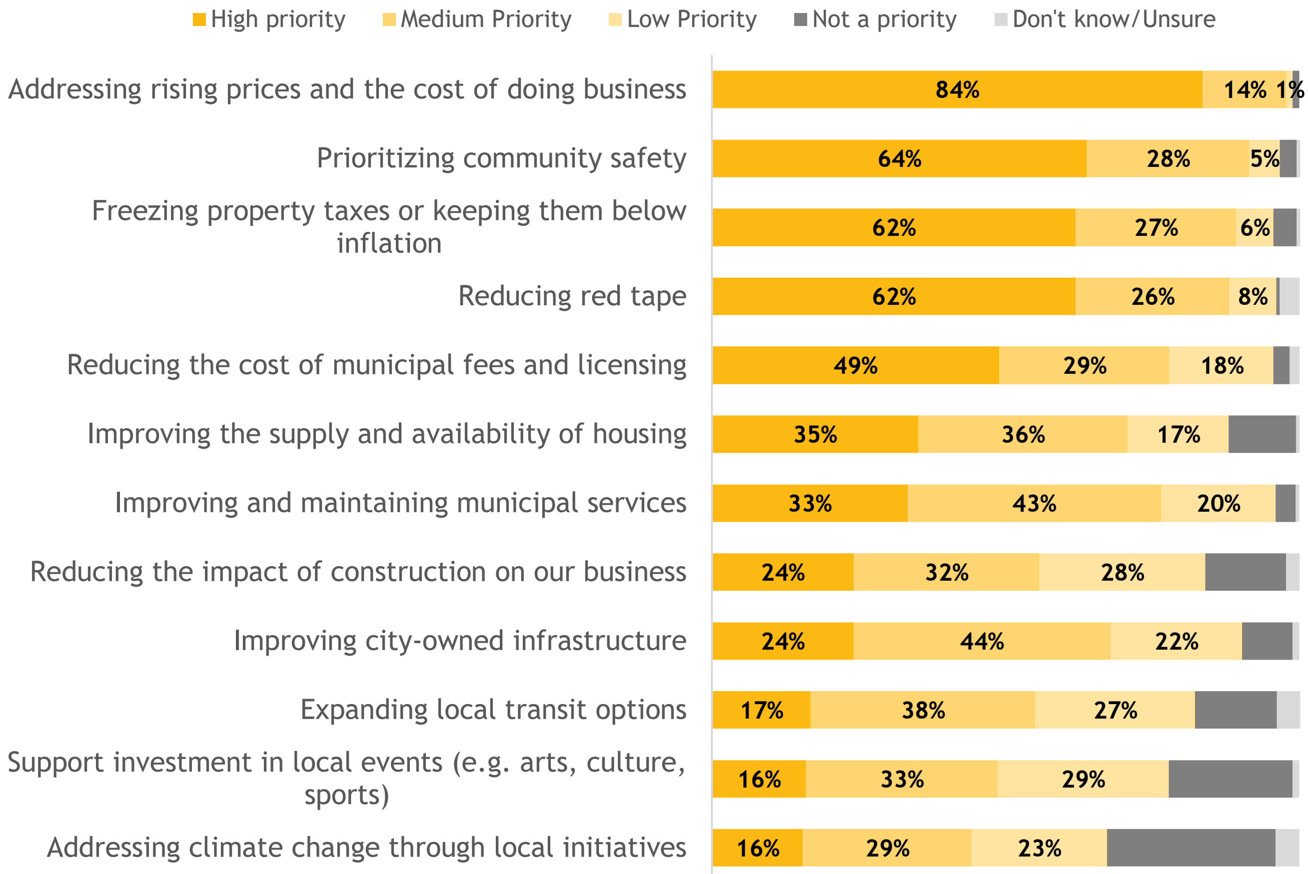
[1] *Canadian Federation of Independent Business, Canada's Entrepreneurial Drought. https://www.cfib-fcei.ca/en/site/canadas-entrepreneurial-drought.*

[2] *CFIB, Your Voice Survey – August 2026, August 18-31, Final Results, BC n=227.*

Small business owners want municipal candidates to hold the line on taxes, make property taxes fairer, cut red tape, restore safety on Main Street, and protect businesses when public construction disrupts their operations. Figure 1 shows the share of BC small business owners who rate each issue a high priority for their next municipal council.

FIGURE 1

Share of BC small business owners rating each issue as a priority for their municipal council



Source: CFIB, Your Voice Survey - June 2026, June 4-29, Final Results, BC n=174-176.

Small Business Priorities

Based on this feedback and CFIB's ongoing work with small businesses across the province, CFIB is calling on all municipal candidates to commit to these five priorities in the 2026 election.

Priority 1: Reduce the Cost of Doing Business

Rising costs are small business owners' top concern when it comes to municipal government. More than eight in ten (84%) BC small business owners rate addressing the rising cost of doing business a high priority for their municipal council.[3]

Nearly three-quarters (74%) of BC small business owners say the high cost of doing business — including taxes and payroll costs — is a challenge when deciding whether to invest in their business.[4]

"Learn to live and produce within a balanced budget just like the tax payers have to do. Companies must maintain budgets in order to survive with the lay off of employees cutting operating costs so should the government on all levels."

— Retail Business Owner, Prince George, BC

Municipal decisions on taxes, fees, and levies directly affect what small businesses pay to operate. Before reaching for new revenue tools, councils should look first for savings within their own operations. The consequences are felt beyond the business itself. When taxes, fees and other operating costs rise, small businesses have less room to keep prices competitive, increase wages or invest in new staff and equipment. If local businesses close or customers shift their spending elsewhere, communities lose more than a storefront: CFIB research found that 66 cents of every dollar spent at a small Canadian retailer stays within the provincial economy, compared with 11 cents at a multinational retailer and 8 cents when spent with an online giant.[5]

"The government should start doing business with local businesses. Cut excess government employees to reduce tax burden and lower taxes."

— Finance, Insurance, Real Estate & Leasing Business Owner, Surrey, BC

Recommendations

✓ Cap annual property tax increases at the rate of inflation.

✓ Bank any budget surplus or grant windfall against future tax increases before adding a new fee, levy, or surcharge.

✓ Cap growth in municipal staffing and operating spending to population growth plus inflation.

✓ Publish a plain-language "cost of city hall" breakdown every year showing what residents and businesses actually pay for.

✓ Avoid new levies, surcharges, or targeted fees on local businesses to close budget gaps.

✓ Support a funded, independent Auditor General for Local Government to give taxpayers real oversight of municipal spending.

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[3] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=176.*

[4] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=188.*

[5] *Canadian Federation of Independent Business, Celebrate Small Business. https://www.cfib-fcei.ca/celebrate-small-business.*

Priority 2: Keep Property Taxes Affordable for Entrepreneurs

Property taxes are one of the few costs municipal councils control directly — and BC small business owners say the current system is stacked against them.

Nearly nine in ten (89%) BC small business owners say freezing property taxes or keeping them below inflation should be a key priority for municipal councils.[6] When asked which taxes governments should prioritize for cuts, 51% of BC small business owners pointed to their business property taxes.[7]

In many BC communities, commercial property owners pay a disproportionate share of municipal property taxes relative to their share of assessed value — and a single reassessment year can spike a business's tax bill overnight.

The consequence shows up on Main Street. A national chain can absorb a 40% tax increase across hundreds of locations; the independent bookstore, hardware store or family restaurant cannot. When those businesses close, communities lose the storefronts that often enable gathering places, sponsorships and local character that a big-box parking lot does not replace. Tax policy that only the largest players can absorb decides what a neighbourhood looks like.

In their own words: BC business owners on their property tax bills

"Reduce the ridiculous amount of property tax we pay versus residential tax. This year it will be 4 times based on property assessments"

— Other Services Business Owner, Victoria BC

"They have eliminated much of the industrial land in Kelowna, and it has driven the property taxes up by inflating property values."

— Transportation and Utilities Business Owner, Kelowna, BC

"We need lower property taxes here in Courtenay, they seem to be trying to tax us out of the neighborhood."

— Construction Business Owner, Courtenay, BC

"Not much, our municipality has been difficult to work with in securing a permanent patio application. Our property taxes went up 12% last year, while our infrastructure remains sub par. We cannot get our street paved, we put in our own sidewalks and maintain them which due to the city refusing to pave our road has led to constant maintenance costs, we have one street light for our entire block which is a safety concern."

— Accommodation and Food Services Business Owner, Prince George, BC

BC has taken some steps to address property tax spikes caused by redevelopment pressure, but current tools are too narrow to solve the broader small business tax fairness problem. The Development Potential Relief Program allows municipalities to reduce municipal taxes for eligible commercial and light industrial properties where land values are inflated by future redevelopment potential.[8] However, the

[6] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=176.*
[7] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=197.*
[8] *Province of British Columbia, Development Potential Relief User Guide, December 2022; City of Vancouver, Development Potential, Property Assessment and Taxation, 2026.*

relief only applies to qualifying Class 5 and Class 6 properties, only reduces general municipal taxes, and does not apply to provincial school taxes or levies from other taxing authorities.

A small business property tax subclass would serve a different purpose: giving municipalities a direct way to provide targeted, ongoing tax relief to Main Street businesses within the broader commercial property class.

“Get spending under control! - do not view property taxes as an unlimited cash cow that can absorbed by home owners year after year.”

— Agriculture Business Owner, Okanagan, BC

Toronto’s small business subclass

Toronto offers a useful model for BC. After Ontario gave municipalities the option to create a small business property tax subclass, Toronto adopted the tool in 2021 and implemented it in 2022. In 2026, Toronto increased the discount from 15% to 20% on the municipal portion of commercial property taxes, with the City reporting that about 28,000 local businesses will benefit.

At the time, CFIB applauded the increase, noting that the municipal reduction will be automatically matched by the province on the Business Education Tax portion. The increase is a step toward the full 35% savings allowed under Ontario’s optional small business property tax subclass.[9]

BC should give municipalities the same option. A small business property tax subclass would let councils provide targeted relief to Main Street businesses without lowering taxes for every commercial property.

Recommendations

✓ Cap annual property tax increases at or below inflation.

✓ Publish, every year, the gap between the commercial share of assessed value and the commercial share of taxes paid — for every property class.

✓ Commit to a measurable, multi-year plan to close that gap.

✓ Call on the Province of British Columbia to enable a small business property tax subclass, and commit to adopting it locally once available.

✓ Use Development Potential Relief, assessment averaging, and multi-year phase-ins where appropriate so a single reassessment cannot spike a business’s tax bill overnight.

✓ Make sure new municipal spending isn't funded disproportionately by commercial taxpayers.

[9] *City of Toronto, “City of Toronto lowers Small Business Property Taxes through 2026 Budget,” February 20, 2026; CFIB, “CFIB Applauds Toronto for Increasing Small Business Tax Savings,” February 10, 2026; Ontario Ministry of Finance, New Optional Small Business Property Subclass, May 2021.*

Priority 3: Cut Red Tape and Overlapping Rules

Red tape slows small businesses down before they can even open their doors. In BC, small businesses say this issue is only getting worse, not better. Red tape is different than useful regulations and bylaws — it adds administrative complexity without enhancing public interests like health, safety, or the environment.

> *"Improving the efficiency of licensing process and operating permits related. Most of the business bankruptcy before they even start for the long waiting period to acquire permits just to operate."*

— Manufacturing Business Owner, Langley, BC

Canada's Red Tape Report, 7th Edition puts the combined cost of municipal, provincial and federal regulation to Canadian businesses at $51.5 billion a year. About 35% of that, just under $18 billion, is red tape: rules, paperwork, or processes business owners say could be cut without compromising the public interest. The burden falls hardest on the smallest firms, which spend $10,208 per employee on compliance compared with $1,374 at businesses with 100 or more employees. The average small business owner now loses the equivalent of 32 business days a year to red tape.[11]

A burning example of municipal red tape

Metro Vancouver received an honourable mention in CFIB's 2026 Paperweight Awards for its fireplace registry. The rules require residents to register eligible wood-burning devices or risk fines of up to $500, creating unnecessary paperwork for more than 100,000 households and headaches for the small businesses that sell, install and service fireplaces and wood stoves. It is one more example of local governments layering new requirements on top of existing standards instead of choosing simpler, less punitive ways to achieve their goals.[10]

Six in ten (62%) BC small business owners rate reducing red tape a high priority for their municipal council, and 49% say the same about municipal fees and licensing costs.[12]

Permit and licensing delays cost small business owners time and money they can't recover. Municipalities that publish wait times, set service standards, and remove rules that duplicate provincial or federal requirements give small businesses a faster, clearer path to opening and growing.

Recommendations

✓ Publish and track permit, licence, and inspection wait times by category, with a service-standard target for each.

✓ Adopt an "automatic yes" approach, modelled on Alberta's Automatic Yes framework: set a decision deadline for every permit and licence category, then give complete, low-risk applications automatic approval, a fee refund, or an escalation path whenever the municipality misses it.[13]

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[10] *Canadian Federation of Independent Business, 2026 Paperweight Awards, January 2026. https://www.cfib-fcei.ca/en/paperweight-award.*

[11] *Laure-Anna Bomal and Juliette Nicolaÿ, Canadian Federation of Independent Business, Canada's Red Tape Report, 7th Edition, 2025. https://www.cfib-fcei.ca/en/research-economic-analysis/canadas-red-tape-report.*

[12] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=176.*

[13] *The Government of Alberta received CFIB's 2026 Golden Scissors Award for its "Automatic Yes" Toolkit. Alberta reports that 68% of provincial permits are now aligned with Automatic Yes principles and decision times have improved for 25% of permits. CFIB, "CFIB's Golden Scissors Award goes to Alberta for speeding up permit approvals," January 30, 2026.*

✓ Digitize permitting, licensing, and inspections end-to-end through a single online portal: one application, one login, tracked from submission to approval.

✓ Scrap municipal rules that duplicate a provincial or federal requirement already in force.

✓ Let inter-municipal or multi-year business licences replace repetitive, single-city paperwork wherever practical.

✓ Name a red tape reduction lead with real authority to cut a rule — not just study it.

✓ Launch a “red tape button”: one hotline or online form where business owners can report a rule that wastes their time, with a public commitment to respond and report back on what got fixed.

Priority 4: Improve Safety on Main Street

Small businesses are bearing the brunt of crime and disorder, with storefronts increasingly becoming a target in their communities.

B.C.'s Crime Severity Index fell for a second straight year in 2025, to 92.4. But it remains well above the national figure of 75.0, and the provincial average masks what business owners experience block by block: Kelowna and Richmond have both ranked among the highest-CSI cities in Canada.[14] A falling provincial index is little comfort to an owner boarding up the same window for the third time.

Nearly two-thirds (64%) of BC small business owners rate prioritizing community safety a high priority for their municipal council.[15] CFIB research further reveals that, among BC businesses:

- 85% say the taxes they pay do not translate to improvements in community safety.
- 60% of owners are concerned about their personal safety, and the safety of staff and customers, due to crime and community safety issues.
- Fewer than four in ten businesses are satisfied with the response time or service provided by law enforcement when calling about a crime or community safety issue. A similar share say they “always” file a police report.[16]

Small business owners want simple, responsive channels for reporting theft and vandalism, faster cleanup of graffiti and damage, and a seat at the table when local safety plans are developed.

“Deal with increase in homeless camps, crime, theft, vandalism. Businesses are still expected to pay while local governments allow more homeless shelters. RCMP does their job and crown council releases them immediately on promise to appear in court. One person alone broke into one restaurant 3 times in 48 hours!!! Several businesses on the Sunshine Coast have suffered too many times to count. Gov't needs to be held accountable (BC and Federal included).”

— Manufacturing Business Owner, Sunshine Coast, BC

[14] *Statistics Canada, "Police-reported crime statistics in Canada, 2025," The Daily, July 22, 2026, and Table 35-10-0063-01, Crime severity index and weighted clearance rates, police services in British Columbia. Canada's 2025 Crime Severity Index was 75.01; British Columbia's was 92.4.*
[15] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=174.*
[16] *CFIB, Your Voice Survey – October 2025, October 9-24, Final Results, BC n=332.*

Recommendations

✓ Set service standards for how fast police respond to and follow up on business break-ins, theft, and vandalism — and publicly report actual performance.

✓ Give businesses one simple channel to report theft, vandalism, graffiti, and street disorder.

✓ Fund fast, low-paperwork rebates for security upgrades, broken windows, and graffiti removal.

✓ Prioritize same-week cleanup of graffiti, vandalism, and waste and litter in commercial areas.

✓ Give business improvement areas a formal seat at the table in community safety planning.

Priority 5: Protect Businesses During Public Construction

Major public construction projects are impacting British Columbians across the province, whether its road rebuilds, transit expansions, or utility work, they can drag on for months or even years. For small businesses these projects are making it harder for customers to get through the door, forcing them to absorb losses and take on debt.

The Broadway Subway project in Vancouver is a case in point. Businesses along the corridor have already endured more than five years of disruption, and now they're facing another two-year delay, including a full four-month road closure in early 2026. For many independent business owners, it's pushing margins to the breaking point. CFIB has heard directly from members along Broadway who are working extra jobs, dipping into savings, or putting their homes on the line just to keep staff paid and the lights on. Others are having hard conversations about whether they can stay open at all.

CFIB has been calling for better construction support for years. Our national report *Hard Hats and Hard Times* shows nearly 70% of small firms hit by local construction lose revenue, on average about 22%, and they face around $10,000 in extra costs like cleaning and repairs. Projects often disrupt them for more than 500 days.[17]

Calgary ran a construction mitigation pilot providing eligible businesses with $5,000 grants and assigned dedicated business liaisons, then approved a permanent Business-Friendly Construction Policy in March 2026 requiring the City to plan around neighbouring businesses and keep them informed in plain language.[18] Montreal and Quebec City both operate construction mitigation funds.[19] No BC municipality has matched them. CFIB has urged municipal leaders across the country to follow these examples. BC councils should be next.

"'Planned' construction happens all at once, without an actual plan. Parking is lost, streets close, and there's no real notice. The city lets developers reduce traffic flow for their own projects, but there's no requirement for a parking or transport plan for their

[17] *Canadian Federation of Independent Business, Hard Hats and Hard Times: Public Construction Impacts on Small Businesses, August 2024. Based on CFIB's Special survey on construction mitigation, May 16-June 15, 2024, n=746. https://www.cfib-fcei.ca/en/research-economic-analysis/hard-hats-and-hard-times-public-construction-impacts-on-small-businesses.*

[18] *City of Calgary, Business-Friendly Construction Policy, approved by City Council March 31, 2026. https://engage.calgary.ca/businessfriendlypolicy.*

[19] *CFIB, "Small businesses need construction mitigation relief now," open letter to Canada's mayors and councillors, June 6, 2024. https://www.cfib-fcei.ca/en/media/small-businesses-need-construction-mitigation-relief-now.*

crews — so the same neighbourhood parking spaces we already pay for disappear for months, with no fees and no accountability."

— Retail Business Owner, Kamloops, BC

More than half of BC small business owners currently rate reducing the impact of construction on their business a medium or high priority.[20]

For the small businesses that do experience major construction disruption, the effects can be severe: lost customers, lost revenue, and in some cases permanent closure. Councils should plan for these impacts before projects begin by prioritizing communicating and working with the business community, not after businesses have already suffered losses.

Recommendations

✓ Require a construction mitigation plan — covering access, parking, and timeline — before any major municipal project breaks ground.

✓ Give affected businesses direct, written notice before work starts, not after.

✓ Name one municipal business liaison, with real authority, for every major project.

✓ Compensate businesses with proven revenue losses from municipal construction.

✓ Put access, signage, and cleanliness obligations directly into every construction contract — and enforce them.

✓ Report publicly on what went wrong, and what changes, after every major project wraps up.

A Call to Action for Municipal Candidates

Small businesses are the backbone of communities across British Columbia — creating jobs, supporting local charities, sponsoring community events, and driving activity on Main Streets in every region of the province. CFIB is calling on all candidates in the October 17, 2026 municipal elections to commit publicly to these five priorities.

CFIB will share these priorities with candidates in municipalities across British Columbia and will report back to its members on where candidates and councils stand.

[20] *CFIB, Your Voice Survey – June 2026, June 4-29, Final Results, BC n=174.*

Methodology

This report presents findings from CFIB's Your Voice Survey, an online survey completed by 1,422 CFIB members across Canada between June 4 and June 29, 2026. Results for the full national sample carry a margin of error of ±2.6 percentage points, 19 times out of 20.

Findings specific to British Columbia are based on a subsample of CFIB's BC membership. This report also draws on two other CFIB Your Voice Surveys: the August 2026 survey, conducted online August 18-31, 2026, with 1,577 responses nationally and a BC subsample of n=227; and the October 2025 survey, conducted online October 9-24, 2025, with a BC subsample of n=332. Sample sizes for each BC-specific finding are noted in the footnotes and figure sources throughout this report. Because these are smaller subsamples, their margin of error is wider than the full-sample figure above and results should be interpreted accordingly.

CFIB is a non-partisan organization exclusively representing the interests of 103,000 small and medium-sized businesses in Canada. CFIB's research capacity is second-to-none because the Federation is able to gather timely and concrete information from members about business issues that affect their day-to-day operation and bottom line.

About CFIB

The Canadian Federation of Independent Business (CFIB) is Canada's largest association of small and medium-sized businesses with 103,000 members across every industry and region. CFIB is dedicated to increasing business owners' chances of success by driving policy change at all levels of government, providing expert advice and tools, and negotiating exclusive savings. Learn more at cfib.ca.

For more information on this small business platform, please contact:

Kalith Nanayakkara, Senior Policy Analyst, British Columbia
Kalith.Nanayakkara@cfib.ca

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