

# Manitoba Party Leaders' Commitments to Small Businesses

(PC Response: CFIB Leaders Election Survey, 2023)

**1. Business Affordability: Just as people are struggling with the increased cost of living, small businesses are struggling with the increased costs of doing business. In response to a recent CFIB survey, 95% of our Manitoba members said they want governments to address rising prices and the cost of doing business.**

**If elected, what is your government's specific plan to improve affordability around the cost of doing business for small business owners?**

Affordability for Manitobans is a key priority for our PC team. The supply chain disruptions that we have experienced over recent years have driven the point home that the small businesses that drive our economic engine are in a precarious situation. We are committed to continuing our track record of working collaboratively with small businesses, through initiatives such as the Manitoba First venture capital fund, and Innovative Growth Program.

**2. Provincial Taxes: In response to our recent pre-election survey, 92% of Manitoba small businesses indicated Manitoba needs to become more tax-competitive with other Canadian provinces to better support both employers and employees.**

**If elected, what is your government's plan to foster a better tax environment for small businesses in Manitoba (i.e. plans for the small business tax rate, fuel taxes, the health and education tax levy, education property taxes and the provincial sales tax)?**

Tax competitiveness is vital, because when there is the space for Manitobans and Manitoba businesses to succeed, the economic growth is powerful. We have always supported business and always will. That is why we will eliminate the NDP's payroll tax over 8 years, and we will continue to phase out the Education Property tax. We have eliminated the PST off many products and services already and next will be restaurant meals.

**3. Spending and Provincial Debt: In CFIB's pre-election survey, 83% of Manitoba small businesses expressed concern about the current state of Manitoba's economy and 46% said they want the next government to focus on paying down provincial debt.**

**If elected:**

**1) What is your government's specific plan to reduce the debt burden, and**

**2) Does your government have a timeline in place to reach a balanced budget (please include specific timeline if available)?**

The debt burden will be eliminated by combining measured and responsible spending with economic growth. The budget will be balanced by 2025, and we have proven that we can do it- in fact prior to Covid emergency spending we had introduced a balanced budget. The best way to pay for expanded services is by growing the tax base, not by increasing the tax rate.

**4. Red Tape: In our pre-election survey, 46% of Manitoba small businesses highlighted red tape reduction should be a priority for the next provincial government. According to our research, smaller businesses (those with fewer than 5 employees) pay roughly \$7,000 per employee annually to comply with regulations from all levels of government. If elected, do you have a specific plan to reduce red tape for small businesses?**

The reduction of Red Tape has been a priority over our time in government, a Red Tape Reduction Task Force was established. We will continue the measures that we have undertaken. Progress on this will be achieved by working with business, and consultation will continue.

**5. Energy costs: In our pre-election survey, 87% of Manitoba small businesses have expressed concern about the planned Manitoba Hydro electricity rate increase, and 77% have agreed that energy and/or utility costs place significant financial strain on their business. If elected, what is your government's specific plan to address the financial burden of energy and/or utility costs on small businesses?**

Alongside the strain that energy costs place, there is the uncertainty that comes with each rate increase application that Manitoba Hydro makes. We understand that businesses need to be able to forecast long term when making plans and that is why we are proud to have worked with Manitoba Hydro to give them the space they needed. By dramatically reducing the dollars that the government extracts from Hydro, we were able to create an environment where Hydro has predicted almost 20 years of modest 2% increases. That stability is essential to appropriate planning.

**6. Fuel costs: 82% of Manitoba small businesses have indicated that fuel costs place significant financial stain on their business, and 73% have agreed the province should consider reducing or suspending the collection of the fuel tax. If elected, what is your government's specific plan to lessen the burden of fuel costs?**

We have opposed Justin Trudeau and his carbon tax, unlike the NDP who have supported it while promising to eliminate the stable gas tax that directly funds

needed infrastructure and roadway improvements, such as rebuilding Highway 75 to ensure our goods can always get to American markets. We will fight for Manitoba business and we will fight for affordability alongside them.

**7. Labour Shortages: In our pre-election survey, 82% of Manitoba small businesses indicated labour shortages are making it hard for their business to attract and/or retain employees. According to CFIB research, 75% of Manitoba business owners have had to work more hours due to labour shortages and, on average work 54 hours per week – the equivalent of an eight-day work week for most salaried workers.**

**If elected, what is your government's specific plan to address labour shortages in the Province?**

Over the last few years we have worked with colleges and universities to expand training for in demand fields and skillsets, and we have worked hard to make Manitoba a tax competitive destination for workers. Where a worker can leverage a hard days work against an affordable cost of living. To supplement that we have broken records with applicants to the Manitoba Provincial Nominee Program, bringing in more individuals every year who want to work to help build this province.

**8. Minimum Wage: According to CFIB's Monthly Business Barometer, Manitoba small businesses have consistently cited wage costs as their number one input cost constraint. Despite 80% of Manitoba small businesses already paying their employees more than the general minimum wage, mandated minimum wage increases still place incredible pressure on employers to up their wages, even for employees already earning above the minimum. If elected, what is your government's specific plan regarding the minimum wage moving forward?**

At every step while increasing minimum wage we have been actively consulting with the business community and offering supports to offset the burden that such increases can have. Our plan is for stable inflationary increases, matched with supports as needed.

**9. Paid Sick Days: In our pre-election survey, 89% of Manitoba small businesses have said that their business cannot afford to take on new costs to pay for a mandatory paid sick leave program (if it were to be implemented). Another 55% indicated they would support the program if the associated costs were fully taken on by the Manitoba government and reimbursed on time (38% disagreed).**

**If elected, what is your government's specific plan, if any, to introduce either mandatory employer-paid, or government-funded paid sick days?**

There is no plan to add mandatory employer-paid sick days to any regulations, and in fact we have a solid record of working with business. When we led the nation in adding sick time during the pandemic, it was government funded to ensure no financial burden was placed on already struggling industries.

**10. Statutory Holiday: In our pre-election survey, when asked about introducing a new statutory holiday (such as the Truth and Reconciliation Day) in Manitoba, 72% of small businesses indicated that they cannot afford the additional cost of a new statutory holiday (closing for the day, paying employees time and a half, etc.).**

**If elected, what is your government's specific plan on potentially introducing a new statutory holiday?**

Our PC team has no plan to introduce a new statutory holiday.

**11. Public Safety: Nearly half (45%) of Manitoba small businesses indicated that crime and community safety issues are a serious concern to their business – this was the highest share of businesses concerned across Canada. Further, 41% have been directly impacted by community safety issues (e.g., damaged property, theft), 13% have been indirectly impacted (e.g., increased concerns about customer/staff safety). Another 49% of small businesses indicated they would like the political parties to focus on addressing social concerns.**

**If elected, what is your government's specific plan to address concerns surrounding crime and community safety for small businesses?**

Right now Manitoba businesses are the ones that are on the forefront of theft and property damage. We have lobbied Ottawa and will continue to call for bail reform as well as changes to classify bear spray as a weapon for sentencing. To address growing crime rates we have partnered with police to expand available officers and their training and equipment, as well as supplementing with community organizations such as the Downtown Community Safety Patrol. We have also established the Retail Crime Task Force and will continue working with businesses to innovate.

**12. Alcohol/Cannabis Distribution: CFIB recently surveyed our members impacted by the MGEU liquor/cannabis worker strike. When asked about the potential options that could be taken by the Manitoba Government to address the impacts of the strike, 83% of Manitoba small businesses supported providing wholesale prices on alcohol to restaurants and other licensed food service ventures. Another 73% supported Manitoba Liquor & Lotteries (MBLL) exploring options to increase competition in product distribution (i.e., allowing private distributors to enter the market).**

**If elected, what is your government's specific plan to increase competition in product**

**distribution and/or provide wholesale pricing on alcohol?**

Competition and customer choice are central to our plans for alcohol sales in Manitoba. There was legislation to this effect that the NDP held up that we will introduce. A large percentage of liquor and beer in Manitoba is already sold privately, and expanding those options would only improve businesses ability to cater to customer needs, as well as better serve Manitobans.

**13. Your Message**

**If there's one thing you want small business owners to know, what would it be?**

We can attribute much of our success in recent years to the entrepreneurial spirit and the drive of Manitobans. We have outperformed expectations for Covid recovery, because Manitobans want to build this province, and they want to do it with a government that stands alongside them, instead of in their way. We have a robust plan to help business and employees succeed and will fund new programs based off of an expanded tax base – that is the only sustainable way to grow.