

MAXIMIZING YOUR MEMBERSHIP

Breaking down the headlines:
Live Q&A with CFIB President Dan Kelly

February 2025



TODAY'S PRESENTERS



Dan Kelly
President & CEO

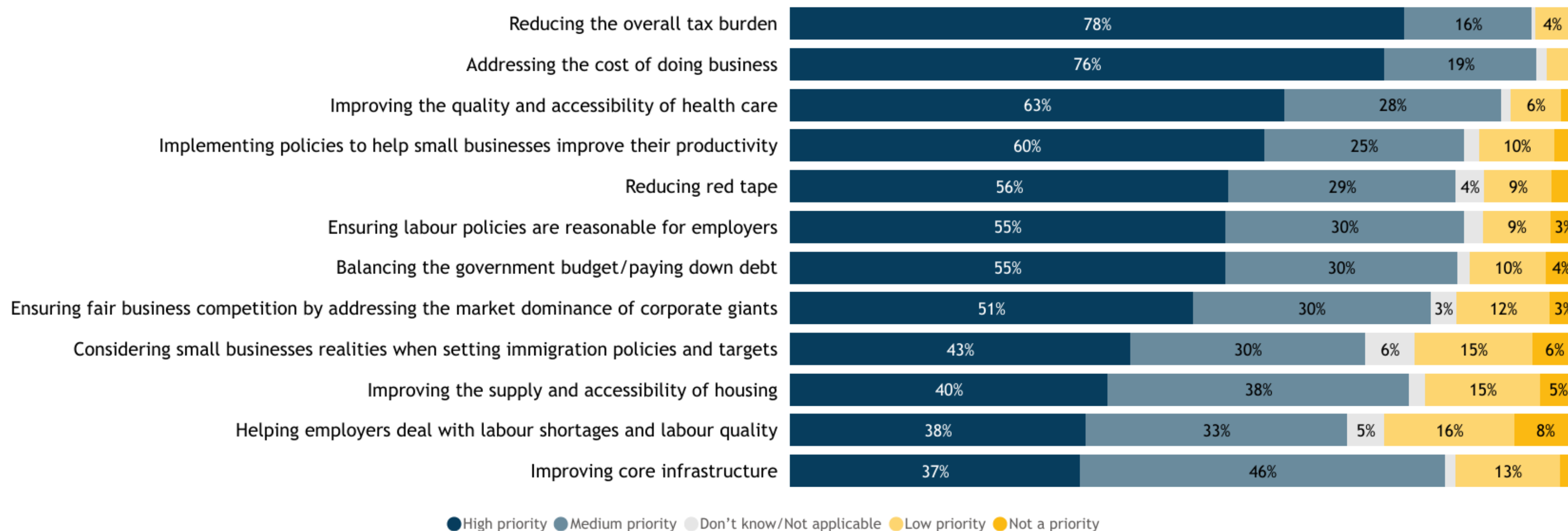


Corinne Pohlmann
Executive VP, Advocacy

Agenda

1. What we are hearing from you
2. Overview of what to expect from Ottawa in 2025
 - . Federal Election
 - . Capital Gains
 - . Carbon Tax
 - . U.S. Tariffs / Trump
3. Q&A with Dan Kelly on 2025 and what's to come next.

Member priorities for 2025



2,093 Responses

Question: Heading into 2025, please indicate the level of priority you would like governments to place on the following issues. (Select one for each line).

Source: CFIB, Your Voice Survey, January 2025, n = 2,093 responses.

Canada's Political Landscape

January 2025: Prime Minister Trudeau announces resignation.

March 9, 2025: New Liberal leader to be elected. Top contenders are Mark Carney and Chrystia Freeland.

Parliament prorogued until March 24, 2025: Government remains operational but without legislative progress.

Election Timeline: If no election occurs in March/April 2025, one will be required by October 2025.



Proposed capital gains changes in the 2024 budget

Positives

- LCGE was raised from \$1M to \$1.25M (legislation still to come).
- New Canadian Entrepreneurs' Incentive (CEI) (not implemented):
 - lowers inclusion rate (33% instead of 50% before or the new 67%)
 - starts in 2025 at \$400K, rising over 10 years to \$2M in 2029.

Negatives

- Higher inclusion rate of 67% for all capital gains within the corporation and for business sales above the LCGE and CEI.
- Higher inclusion rate of 67% for all capital gains for individuals above \$250K annually.

January 31st, 2025: The federal government has deferred the increase in the capital gains inclusion rate to 66.7% until 2026 - after the next federal election.

Carbon Tax - Pausing its increase and Tax Clarification

Government has returned \$ 2.5B to SMEs in all provinces that have the carbon tax.

CFIB is calling for:

- Parliament to be immediately reconvened to pass legislation to make the carbon tax rebate for small business tax free.
- Government to drop the proposed 19% increase in the carbon tax planned for April 1 pending the Liberal leadership vote and the upcoming election.
- As long as the carbon tax is in place, the small business rebate formula should be returned to 9% of total revenue with broader access to unincorporated businesses.
- 83% of SMEs want the federal carbon tax eliminated.

CAN-U.S. Tariffs - Key Dates

Target Country	Rate	Date
Canada and Mexico	25%	Delayed until March 4 (Maybe April 2)
China	20%	10% tariff took effect Feb. 4; additional 10% on March 4
Steel and aluminum	25%	March 12
Lumber and wood products	25%	April 2
Autos	25%	April 2
Semiconductor chips and pharmaceuticals	25% or higher	TBC
Europe	25%	TBC
Canada reciprocal tariffs	25%	Canada would implement dollar for dollar tariffs on various U.S. products , as announced on Feb. 4.
Trump's reciprocal tariffs (world)	TBC	Trump administration's plan to counter with reciprocal tariffs. (April 2)

CFIB's work and next steps

- **Advocacy:** We've been in regular contact with political leaders and other business groups, including our American association counterparts. We are focused on reducing costs, red tape and interprovincial trade barriers.
- **Business support programs:** If tariffs do return, we will advocate to ensure supports are available to affected small business.
- **Member webinar:** We hosted two webinars in [English](#) and [French](#), with special guests from KPMG who provided members with tips to proactively prepare for tariffs.
- **Surveys and research:** Already have some great survey data and we held a [special briefing](#) for government officials to share our recent survey findings. We will likely develop more surveys as the situation evolves.
- **Webpage:** Stay up to date on the latest tariff news at: www.cfib.ca/tariffs.
- **“Support local” posters:** [support local poster](#) available for download
- **Business Advisors:** Our team has the information and key government contacts needed to respond to tariff-related questions. Call us at: 1-833-568-2342.



Upcoming Webinar

Don't let a 25% tariff hike hurt your business—Unlock CFIB's exclusive savings with your membership!

March 20th : [Webinar Registration - Zoom](#)



A promotional banner for CFIB featuring two women in a business setting. One woman is standing and pointing at a laptop screen, while the other is sitting and looking at the screen with a smile. The background shows office shelves with boxes and a plant. A red CFIB logo is in the top left corner. A white text box in the center contains the referral message and a link. A red button at the bottom of the text box contains the same link.

CFIB
In business
for your business.™

Refer a Business

*and share the **CFIB**
advantage today!*

cfib.ca/refer-a-member

[Refer a member here](https://cfib.ca/refer-a-member)



General Inquiries

1-833-568-2342

cfib@cfib.ca



@CFIB



@CFIBNews



@CFIB



Canadian
Federation of
Independent
Business



@cfib_fcei



TikTok

@cfib_fcei