

Plamen Petkov  
Vice President, Ontario  
Canadian Federation of Independent Business (CFIB)

Dear Mr. Petkov:

Thank you for giving us an opportunity to speak about the importance of independent businesses in Ontario. I am happy to respond on behalf of the Green Party of Ontario.

**Ontario Party Leaders' Commitments to Small Business  
(Election Survey, 2018)**

1. **Vision:** Seventy percent of small business owners are concerned that their small business priorities will not receive attention during the provincial election campaign, and competitiveness in an evolving global market remains a key concern.

**If elected, what is your government's plan to ensure Ontario's small business owners are competitive?**

The Green Party has a plan for supporting small businesses and Ontario's workers through fair tax reform. This plan will result in an additional \$1 billion remaining in communities each year to help businesses pay a living wage.

Small businesses are the engine of our economy and account for over 87 per cent of new private-sector jobs in the past decade.

The Green Party of Ontario believes that to sustain vibrant communities we must open up more opportunities for small business to thrive.

We will do this by making it easier for small businesses to pay a living wage and create jobs by increasing the exemption level for the Employer Health Tax from \$450,000 to \$1 million in payroll for businesses and organizations with payrolls under \$5 million.

Our plan will provide immediate cash flow relief that will help local, independent businesses to continue thriving in this transition to better wages.

We will also support local food and farmers and expanding local markets for products such as the craft beer industry, which right now faces restrictions on where they can bring their products - which are in high demand - to market.

And we will create smart regulations that understand the needs of small businesses are different from those of big business.

2. **Government Finances:** As you can see from the attached survey results, the **provincial deficit and debt are the top two small business priorities** going into the election. Small business owners know that today's deficits are tomorrow's taxes. Currently, the government projects consecutive years of deficits that will lead to increases in the province's substantial debt level and interest payments.

**If elected, what is your government's plan to balance the budget and pay down the debt?**

We believe in strong public services, and also believe that we need to be honest about how we are going to pay for these programs. We have costed our platform priorities and have a plan to reduce the deficit gradually over a 4-year period.

Even with a better range of public services, our projected deficit will be almost one third of the deficit projected by the Financial Accountability Office for the 2018 Ontario Provincial Budget. No other party has accounted for these higher budget deficits.

Read more at [www.gpo.ca/platform](http://www.gpo.ca/platform)

3. **Tax Relief:** Ontario employers have taken on a significant payroll burden under Bill 148 (Fair Workplaces, Better Jobs Act). In addition to the increased minimum wage, Bill 148 also includes paid personal emergency leave days, extended vacation timelines, and the new statutory holiday pay formula. Small business owners support reducing the provincial small business tax rate (68%), personal income tax (58%) and the Employer Health Tax (34%) as examples of tax relief measures that would most benefit their business.

**If elected, what measures will your government put in place to help reduce the tax burden on small businesses?**

The Green Party supports lowering taxes on small local businesses and implementing other tools to help businesses adapt to increased wages.

We will:

- Increase the exemption level for the Employer Health Tax, providing small businesses and nonprofits with immediate cash flow savings.
- Support the current small business income tax reduction
- Implement smart regulations that create a level playing field for all businesses, ensuring safety while taking into account the size and scale of operations, allowing local businesses to compete fairly.
- Reform business development support programs to create more dedicated funding opportunities for small businesses and to streamline the application process for small businesses.
- Work with the federal government to lower payroll taxes for small businesses.

- Offer discounted surplus electricity to local Ontario businesses first, before exporting to other jurisdictions at a loss.

4. **Red Tape:** The regulatory burden continues to be one of the top constraints to doing business in Ontario. The smallest business owners (those with fewer than five employees) pay roughly \$6,700 per employee to comply with regulations at all levels of government.

**If elected, how will your government address the regulatory burden on small businesses?**

The Green Party of Ontario will reduce red tape for small and medium size businesses. We will introduce Smart Regulations that take into account the size and scale of operations instead of a one-size-fits-all model that makes it hard for small and medium size businesses to succeed.

5. **Energy:** Electricity prices have increased significantly over the past five years for small- and medium-sized businesses. Time-of-use pricing has continued to penalize many businesses for operating during regular business hours. While recent government measures have provided some welcome temporary relief, prices are expected to spike again when the Fair Hydro Plan Act expires.

**If elected, how will your government reduce energy costs across the province?**

Ontario's current electricity system is unsustainable. Yet instead of real change, the only solution offered by the status quo parties is to borrow billions of dollars – billions that we and our children will have to pay back – to maintain the crumbling system we have.

A better plan is to purchase low cost water power instead of high cost nuclear power. We can reduce demand for new power sources by helping people save energy and money. And we can tap into the clean energy technology to modernize and economize our system.

Ontario can win big by becoming a leader in the clean energy economy. We can create jobs and make our energy system work for people, not big energy.

By being energy efficient, we can keep Ontario businesses competitive. Lower costs = higher profits.

Our plan calls for a \$4.18 billion 4-year Green Building and Business Program to provide grants and interest free loans to help homeowners, renters and businesses invest in energy efficiency and conservation.

This includes incentives to help businesses convert natural gas, electric, oil, and propane heating systems to more efficient, affordable and low carbon sources such as heat pumps and geothermal.

6. **Training/Apprenticeship:** The province's stringent journey person-to-apprentice ratios in several high demand trades have become a significant barrier to small employers looking to offer apprenticeship training. Smaller businesses often invest the most in training on a per employee basis, spending roughly \$2,000 per employee.

**If elected, what will your government do to reduce apprenticeship ratios and the costs associated with on-the-job training?**

The Green Party of Ontario will seek to expand and invest in apprenticeship and training programs, including incentives for businesses to participate in apprenticeship, mentoring and co-op programs. We plan to reduce the ratio of journey people to apprentices to one to one in order to open more jobs and training opportunities for our youth and workers seeking new career options.

We want to encourage more young people to join skilled trades. We will modernize the apprenticeship application process by leveraging the Ontario College Application Service to provide candidates with an electronic, single-entry access to the apprenticeship application and registration process.

7. **Cannabis:** Recreational cannabis legalization will come early in the next government's mandate. Many small business owners are concerned about the effect of legalization on their day-to-day workplace. Furthermore, the government's current plan does not allow for any private sector involvement in cannabis retail.

**If elected, how will your government ensure that employers are educated and prepared for recreational cannabis legalization, and will your government develop a plan to include the private sector in the recreational cannabis market?**

The current government missed a big opportunity to help build local businesses and create jobs. We should be following the craft brewery model in Ontario – regulating small businesses and dispensaries to sell cannabis in a safe and controlled way.

The Green Party supports licensing local businesses to open their own retail cannabis stores, creating local jobs and contributing tax dollars to their communities. These independent cannabis retailers would be highly regulated and would have similar safeguards in place as there are currently for the sale of alcohol and cigarettes.

Overall, we support the legalization of recreational cannabis, and support efforts to work closely with the federal government to ensure the legalization process be implemented as smoothly as possible.

We understand that small businesses are concerned about the effect of legalization on their day-to-day workplaces. Plans to work with local and provincial police, advocacy groups and other stakeholders to combat impaired driving and other illegality stemming from cannabis legalization is important.

8. **Financial Literacy:** In a recent survey, 88 per cent of small business owners supported the introduction of a mandatory, full-course financial literacy class in Ontario high schools to better educate young Ontarians on financial issues.

**If elected, what will your government do to enhance the financial literacy education of young Ontarians?**

The Green Party of Ontario understands the importance in teaching our young people hands-on skills to succeed in life. Financial literacy is the key to making sound purchasing and investment choices and should be a key part of our young people's education. We support the introduction of a mandatory, full-course financial literacy class in Ontario high schools to educate young Ontarians on how to manage their finances.

You can read the rest of our Vision for Ontario at [www.gpo.ca/vision](http://www.gpo.ca/vision) and read our platform at [www.gpo.ca/platform](http://www.gpo.ca/platform). Please do not hesitate to reach out to us with any further questions.

Sincerely,

Samantha Bird  
Director of Operations  
Green Party of Ontario