



**Restore Confidence.
Rebuild BC.**

Canadian Federation of Independent Business - 2020 Election Questions

1. During better economic times back in 2018, a Small Business Task Force Report was sent to government for action. The recommendations at that time were important to the survival of small business; now, they are critical. Several themes from the Task Force include minimizing the impact of the Employer Health Tax on small businesses, revising the Provincial Sales Tax, and expanding the Province's Regulatory Impact checklist. Will you commit to implementing the short-term recommendations within a year?

Small businesses represent the best of BC and need our support now more than ever. The provincial government should support and help our small businesses to succeed, not penalize them or get in their way. A BC Liberal government will eliminate the PST for a year, and then set it at 3% as the economy grows. In addition, we will eliminate Small Business Income Tax entirely.

Within our first 60 days of taking office, a BC Liberal Government will act to:

- Implement a new Economic Response Plan to create new jobs and investment and launch a comprehensive review of regulatory processes to ensure more timely approvals.
- Appoint an independent Fair Tax Commission, comprised of non-partisan economic experts, to immediately review all provincial taxes, and to recommend which should be adjusted, reduced or eliminated to most effectively fuel economic recovery.

2. Some provinces are returning to tighter business restrictions due an increase in COVID-19 positive cases. What support, programs, or grants will you offer to small businesses if they are forced to close again?

Within our first 60 days of taking office, we will establish an emergency Pandemic Response Committee to work with all parties and the Provincial Health Officer on a collaborative approach to managing the current and future pandemics, including accelerating provincial aid and supports for small businesses and individuals impacted by COVID-19.

This is a critical time to make our communities safer, stimulate economic recovery, and grow our economy. That is why a BC Liberal government take measures such as assisting small businesses in adopting COVID-19 protections by providing support for personal protective equipment from WorkSafeBC surpluses.

In addition, a BC Liberal government will:

- Eliminate the PST for a year, and then set it at 3% as the economy grows.
- Eliminate the Small Business Income Tax entirely.
- Help small businesses prepare for online business and commerce, to be able to market their products and services to the world.
- Deliver emergency financing for BC businesses hardest hit by the pandemic, through a loan guarantee program for BC's more than 19,000 tourism and hospitality businesses.
- Implement a short-term commercial-rent relief plan that flows relief directly to tenants, and supports small businesses unable to access current relief programs.

3. Property tax unfairness has been an issue for small business owners for over a decade. For example, in 2018 commercial properties made up just 12.2% of total assessment in BC's 20 largest municipalities but accounted for 29.3% of property tax revenues. See CFIB Property Tax Report here for more detail. Will you pass legislation which allows Municipal governments to apply a lower, separate tax rate for small businesses hardest hit by large increases to property value derived from speculative development potential (a policy known as Split Assessment)? In addition, will you commit to lower the school tax portion of property taxes for commercial property?

We need take real action to address sky-high property tax assessments on small businesses by implementing split assessments. A BC Liberal government will implement split assessments for the commercially-rented portion of buildings through a new commercial property sub-class.

In addition, a BC Liberal government will conduct a full review of property taxes to ensure small businesses can survive.

4. The latest budget projections are forecasting a \$12.8 billion deficit in the province for 2020-21 fiscal year. Will you commit to developing a plan to lower the deficit, and in what year will your government plan to reach a balanced budget?

Our plan to Restore Confidence and Rebuild BC will take bold steps to rescue struggling small businesses, protect and create jobs, and protect the public services that people count on. The pandemic will not last forever, and as British Columbia moves past this challenging chapter, a BC Liberal government will be committed to restoring balanced budgets.

We are committed to tabling a comprehensive fiscal plan in fall 2021, to be passed as part of Budget 2022 – getting BC on track to balance the budget within five years of a vaccine being developed.

Our plan is built on fundamental optimism in British Columbia's future. By ensuring more British Columbians have a well-paying job, we will restore the economic dynamism that enables balanced budgets, consistent debt reduction, and strong long-term fiscal management that guarantees a bright future for future generations.

5. Reducing red tape is a top priority for small business owners. While the regulatory requirements count has allowed BC to continue reducing the overall burden, bold leadership is needed to continue identifying areas for improvement. Will your government commit to extending the Net Zero Increase commitment beyond 2022? In addition, how will your government commit to reducing red tape for small businesses?

A BC Liberal government will extend the Net Zero commitment and appoint a non-partisan panel to help dramatically reduce the red tape burden on small businesses, by reviewing regulatory requirements and costs, and providing recommendations on the best steps to fuel economic recovery.