**Greater Vancouver Board of Trade**

**2018-19 Provincial Budget Priorities**

On February 20, 2018 the Government of British Columbia will be releasing the 2018-19 Provincial Budget. As this is the new government’s first full budget, the Greater Vancouver Board of Trade (the “GVBOT”) is keenly anticipating its content, and the implications it will have on our provincial and regional business community.

# **GVBOT Priorities:**

# **Fiscal Prudence**

One of the top priorities of the Greater Vancouver Board of Trade is the long-term financial health of our province. Our organisation recognises that B.C.’s taxpayer-supported debt–to-GDP ratio and AAA credit rating compare very well to those of the other Canadian provinces. The Province must actively safeguard this enviable position. B.C.’s debt-to-GDP ratio is expected to remain just around 16 per cent, amongst the lowest in Canada. Given the healthy economic situation of our province, the GVBOT expects the provincial government to pursue prudent fiscal management, discipline, and a commitment to managing spending growth in the delivery of core services.

A fiscally prudent budget manages spending while ensuring taxation stays at a responsible level that does not undermine our economic competitiveness.

# **Cumulative Impacts on Business**

One aspect of the Budget to which we will be paying particular attention will be its cumulative impacts on the cost and ease of doing business in the province.

Individually, small changes to the tax system, minimum wage, carbon tax and other regulations may not be a significant detriment to our economy. However, many small changes over a concentrated period of time can have a compound effect on business. While the provincial government's recent commitment to reduce the small business tax rate will help alleviate some of these pressures on smaller businesses, on balance we note a worrying trend.

We hope that the provincial government shares our view in not assessing these policies in a vacuum. The layering on of costs and regulations at the local, regional, provincial, and national levels could hamper the growth of our economy and limit the ability of businesses to attract the talent and capital necessary to build a more prosperous economy.

We will be taking a holistic view of the 2018-19 Budget to assess how the provincial government’s plans help or hinder the ability of businesses around the Greater Vancouver region to maintain a strong foundation in an expensive jurisdiction, to have opportunities to grow, and to create sustainable jobs that provide a high quality of life.

# **Transit, Transportation, and the Gateway**

While we have been encouraged by the recent progress on public transit and transportation projects in our region, we remain concerned that the competitiveness of our overall economy will be adversely affected should the provincial government’s commitment to the continuing improvements to the Gateway waver.

An insufficient transit network compounds Greater Vancouver’s affordability crisis by limiting housing choices and transportation options. Furthermore, constrained goods movement capacity and our shrinking stock of industrial land continue to erode our natural, competitive advantage as Canada’s Gateway to the Asia Pacific.

We hope this Budget will build on the recent momentum and continue to invest in road and transit expansion and improvements, without subjecting such critical investments to a public referendum.

The GVBOT and our region’s business community are especially interested in the continued support for the Mayors’ 10-year vision, progress on both the George Massey Tunnel Replacement Project and the Pattullo bridge replacement, as well as a clear roadmap for replacing toll revenues from the Golden Ears and Port Mann bridges.

# **Housing Affordability**

It is no secret that the housing situation in parts of our province is reaching a state of crisis. Greater Vancouver continues in its unenviable position as one of the least affordable housing markets in the entire world, with median home prices significantly outstripping median household income. In a recent survey of our membership, 60 per cent of respondents agreed that affordability issues had affected their company’s ability to recruit or retain employees.

The lack of affordable housing options robs our businesses and communities of their ability to attract and retain the best and brightest and build a highly productive and prosperous economy.

We hope that this Budget will signal strong provincial leadership in working with local governments to establish conditions to facilitate a larger, more diverse, housing stock, especially for middle-class workers.