



2017 PROVINCIAL ELECTION PLATFORM

The Priorities of the Members of the Greater Vancouver Board of Trade

Message from the Board of Directors



Robin Silvester

2016-17 Chair,
Greater Vancouver Board of Trade

On May 9, 2017, British Columbians will elect their next Provincial Government.

The Greater Vancouver Board of Trade will be actively engaging in the provincial election, to advocate on behalf of our region's business community and ensure the priorities of our Members are part of the conversation on the campaign trail.

Our organization has a proud 130-year history of evidence-based, non-partisan advocacy on behalf of our region's business community. This Election Platform is a reflection of our Membership, which includes businesses of all sizes, from all industries, across the entire region.

This Election Platform is the foundation on which we will be providing commentary throughout the election. As the parties roll out their own policies and platforms in the weeks and months ahead, we will be assessing their ideas through this lens, to determine whether the priorities of Greater Vancouver's business community are adequately reflected in each party's vision for the province.

In order to accurately capture the priorities of our 5,000 Members, we conducted a comprehensive survey in Fall 2016 that polled the region's business community on a wide swath of issues, ranging from housing affordability and transit and transportation priorities, energy and natural resource development, PST reform, ridesharing, and more.

The results of that survey are the cornerstone in the creation of this document, along with the results of the **Greater Vancouver Economic Scorecard 2016**, an unprecedented research report that our organization undertook last year in partnership with the Conference Board of Canada.

Armed with that research, we have identified four key Priority Focus Areas for the 2017 Provincial Election. These include **Transit & Transportation, Human Capital, Business Competitiveness**, and **Gateway Resources**. Within those four broad categories, we also identify specific issues that require ongoing attention from the Province. We conclude each section with a set of recommendations for the Provincial Government post May 2017.

In short, our 2017 Provincial Election Platform provides a snapshot of what the business community wants to see from the parties running to form the next Provincial Government.

Now, it's over to the parties to tell us how they plan to deliver.



Lori Mathison

Chair, Policy Council,
Greater Vancouver Board of Trade



Iain Black, ICD.D.

President and CEO,
Greater Vancouver Board of Trade

Fiscal Responsibility

Throughout this document, the Greater Vancouver Board of Trade makes a number of policy recommendations for the parties running to form the next Provincial Government. Underpinning all of those recommendations is the expectation that all parties will strive to develop a fully costed and financially responsible election platform. Our organization recognizes that B.C.'s taxpayer-supported debt-to-GDP ratio and AAA credit rating compare very well to those of the other Canadian provinces. It is our view that this enviable position must be safeguarded. As noted in the Province's first quarterly report in September 2016, B.C.'s debt-to-GDP ratio is expected to improve to a little over 16 per cent in 2016-17, making it amongst the lowest in Canada. The Greater Vancouver Board of Trade urges all parties to pursue prudent fiscal management, discipline, and to commit to managing spending growth in the delivery of core services.

Greater Vancouver Board of Trade

2017 Provincial Election Platform

The issues and recommendations outlined in GVBOT's 2017 Provincial Election Platform draw on the concerns of our Members and on the research conducted by our organization. Two of the important elements used to formulate this document include the GVBOT B.C. Provincial Election Survey and the Greater Vancouver Economic Scorecard 2016.

GVBOT Provincial Election Member Survey Background: The GVBOT works to provide evidence-based, non-partisan commentary, guided by our Members' interests and priorities. In line with this commitment, we conducted a comprehensive survey to gauge where our Members stand on a variety of relevant issues. With a high degree of awareness of the election and intention to vote amongst our Members, the results of this survey will shape our 2017 Provincial Election Strategy in the months ahead.

Q = GVBOT Member Survey Question

Scorecard Background: This past year, the GVBOT released the Greater Vancouver Economic Scorecard 2016 (the "**Scorecard**"), which ranked our region in relation to 19 other international metropolitan regions on 32 key economic and social indicators. It provided A-B-C-D grades to jurisdictions relative to the performance of their competitors. The Scorecard measures Vancouver's strengths and weaknesses in attracting labour and business investment. This report, and its subsequent iterations, will guide the research and advocacy work of our organization for years to come.

S = Scorecard Data

Priority Focus Areas:

Transit & Transportation p.4

Human Capital p.7

Business Competitiveness p.10

Gateway Resources p.12

Top 10 Ranked Issues for GVBOT Members

1. **Transit/Transportation**
2. **Housing Affordability**
3. **Cost of Living and Affordability**
4. **Jobs and Employment**
5. **Energy**
6. **Tax Competitiveness**
7. **Environment and Climate Change**
8. **Health Care**
9. **Support for Business Creation/Growth**
10. **Education**



1. Investment in Roads and Transit

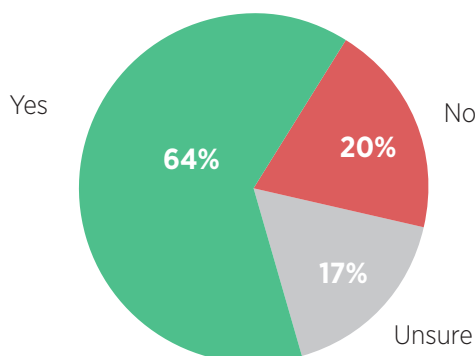
While we are encouraged by the recent progress on public transit expansion and improvement, we remain concerned that the competitiveness of local businesses and strength of our overall economy will be negatively impacted should the Provincial Government's dedication to meaningful, timely transit investments waiver. An insufficient transit network compounds Greater Vancouver's affordability crisis by limiting housing choices and transportation options. The next Provincial Government should build on the momentum created by recent Phase 1 transit funding with continued investment in road and transit expansion and improvements, without subjecting such critical investments to a public referendum.

Top Transit and Transportation Infrastructure Priorities

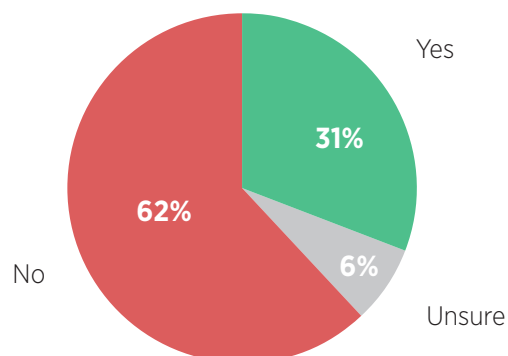
1. **Rapid Transit Expansion (Surrey & Langley)**
2. **Broadway Millennium Line Expansion**
3. **Replacement of the Massey Tunnel**
4. **Region-wide bus service expansion**
5. **Patullo Bridge 6-lane replacement**
6. **More frequent Seabus service**



Do you support the Provincial Government's plans to replace the Massey Tunnel with a 10-lane bridge?



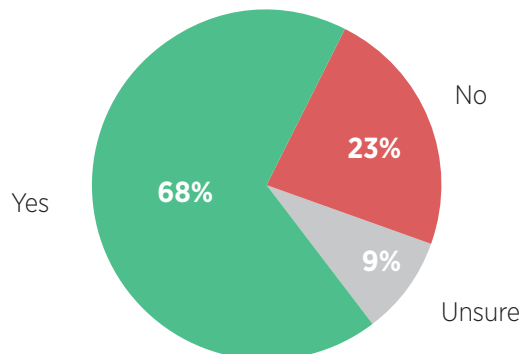
Should future new funding sources for TransLink and regional transportation investments be subject to a referendum?



2. Mobility Pricing

Securing stable, long-term funding for critical road and transit investments requires the investigation and implementation of innovative funding mechanisms for these capital-intensive projects. We urge the next Provincial Government to take a leadership role in working with local governments and communities to pursue mobility pricing (e.g. road tolling, distance pricing, etc.) where appropriate. This model will help fund the investments in public transit and roads that are needed to build a more integrated and efficient economy.

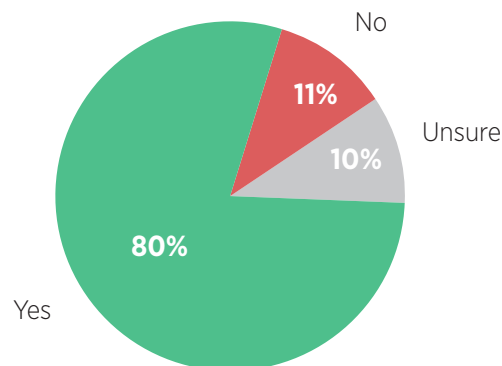
Q Should the Provincial Government work with local governments and communities to pursue mobility pricing (e.g. road tolling, distance pricing, etc.) to fund investments in public transit and roads?



3. Ridesharing

Greater Vancouver is in need of new, innovative passenger transportation choices. In February 2016, the GVBOT released a research report on innovative transportation options within our region, focused on ridesharing services such as Uber and Lyft. In the Greater Vancouver region alone, the direct cost of congestion has been estimated at approximately \$1.4 billion per year. We ask the next Provincial Government to work with municipalities to establish a regulatory framework to introduce ridesharing and provide residents with greater access to safe and reliable passenger transportation options. This should be coupled with a review and modernization of the taxi industry regulations and an update of the Passenger Transportation Action Act.

Q Should the Provincial Government work with municipal governments to allow ridesharing? (e.g. Uber, Lyft, etc.)



Recommendations — Transit & Transportation

To address transit and transportation issues, the Greater Vancouver Board of Trade recommends that the next Provincial Government:

1. Build on the momentum created by recent Phase 1 transit funding with continued investment in road and transit expansion and improvements, with projects such as:
 - I. Rapid transit expansion in Surrey and to Langley
 - II. Broadway Millennium Line extension
 - III. 10-lane bridge to replace the Massey Tunnel
 - IV. Region-wide bus service expansion
 - V. Pattullo Bridge 6-lane replacement
 - VI. More frequent Seabus service
2. Take a leadership role in working with local governments and communities to pursue mobility pricing (e.g. road tolling, distance pricing, etc.) to fund further investments in public transit and roads; and
3. Establish a new provincial regulatory framework which introduces ridesharing to the Province and provides residents with greater access to safe and reliable passenger transportation options:
 - I. Review and update taxi regulations to enable the industry to effectively compete against new services and provide consumers with the benefits of a more competitive ride-for-hire market;
 - II. Modernize provincial regulations and harmonize municipal regulations to remove unnecessary red tape and establish a regulatory regime which fosters innovation and competition.

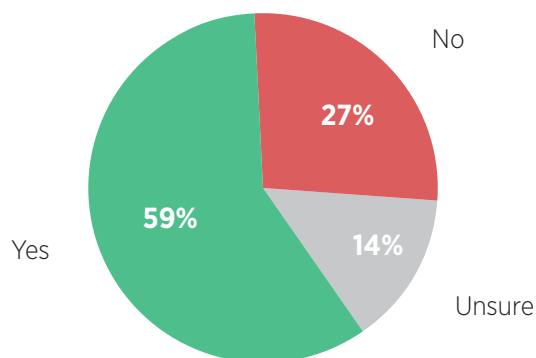


1. Housing Affordability

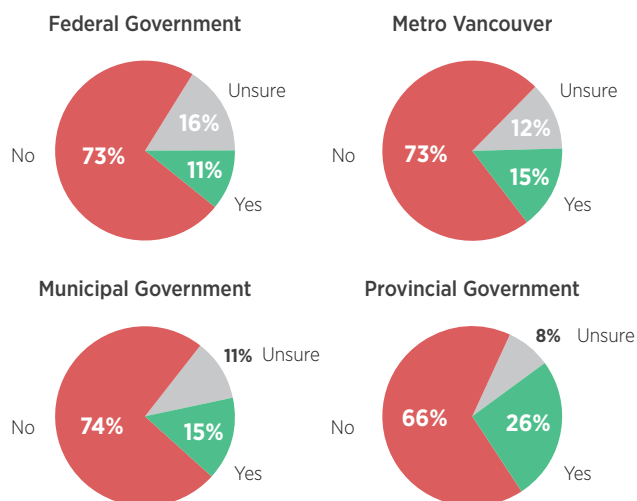
The GVBOT remains concerned about the state of housing affordability in the Greater Vancouver region. Residents currently face median home prices that are 10.6 times the median household income, earning the region a “D” grade in Housing Affordability in our 2016 Scorecard. Low housing affordability reduces the region’s ability to attract and retain talent, particularly when it comes to younger demographics. Decreased access to skilled human capital has the potential to deter businesses from locating or growing in the Greater Vancouver region. The next Provincial Government should explore the causes of low housing affordability in affected areas of B.C., with particular attention to its impact on human capital. Further, the Provincial Government should work with municipalities to remove barriers to development and find ways to incentivize growth, density, and diversity in the housing stock. Greater focus needs to be placed on housing supply, and ways by which the Provincial Government can support local governments to create a larger, more diverse, housing stock, especially for middle-class workers.

Low housing affordability is also inextricably linked to Greater Vancouver’s “D” grade in the Proportion of Population Aged 25-34 (see table on pg. 8). If we cannot make housing attainable for this highly productive demographic, they will look for work elsewhere, taking with them the talent and ideas that drive our economy. By addressing housing affordability, we might also be able to address the low ranking in this indicator.

Q Has your company’s ability to recruit or retain employees been affected by affordability issues?



Q Are governments doing enough to address housing affordability?



S Proportion of Population 25-34 years

Rank	City	Value	Grade
1	Sydney	33.2	A
2	Copenhagen	23.6	B
3	San Francisco	21.0	C
4	Seattle	20.7	C
5	Manchester	20.5	C
6	Portland	19.5	C
7	Greater Vancouver	18.7	D
8	Seoul	17.9	D
9	Houston	17.6	D
10	Los Angeles	17.0	D

Rank	City	Value	Grade
11	Montreal	17.0	D
12	Calgary	16.7	D
13	Rotterdam	16.5	D
14	Toronto	15.8	D
15	Miami	15.7	D
16	Barcelona	15.4	D
17	Hong Kong	15.1	D
18	Singapore	14.4	D
19	Halifax	13.9	D

2. Affordable Child Care

The GVBOT encourages the Provincial Government to work with the Federal Government to find ways to increase supply and access to affordable child care. A number of micro-econometric studies across multiple countries have led to the accepted conclusion that there is a negative relationship between workforce participation and child care costs. The high cost of child care hampers our province's affordability, makes it difficult for businesses to attract labour, and prevents many from entering the work force, including those between the ages of 25-34 years. When productive adults are not able to participate in the workforce businesses and the economy suffer. In fact, the five OECD nations with the highest proportion of working women with children all guarantee access to affordable child care to their citizens. Canada's participation rate shows a significant opportunity to draw more women with children into the labour force: Based on 2013 data, we place only 9th among OECD countries. This represents a significant weakness in our country's economy and human capital stock. Child care is also an opportunity to increase investment in early-childhood education, an area with a significant return on investment, and in which Canada only ranks slightly over the OECD average. By increasing access to affordable child care, the province in partnership with the federal government, can ensure that our economy has access to the best and brightest workers the market has to offer.

3. Mental Health and Addiction

Access to mental health care and addiction treatments are an important way to increase workforce participation and build a stronger, more inclusive economy. Mental health problems make up 30% of short-term and long-term disability claims, and cost the Canadian economy \$51 billion per year. Investment in effective programs can reduce both the economic and the health impacts of these illnesses. We encourage the next Provincial Government to collaborate with the business community and mental health NGOs to ensure that the public health-care system provides timely, quality, and accessible mental health care and addiction services.

Recommendations — Human Capital

To ensure that businesses in our region are able to attract, develop, and retain talented workers, the Greater Vancouver Board of Trade recommends that the next Provincial Government:

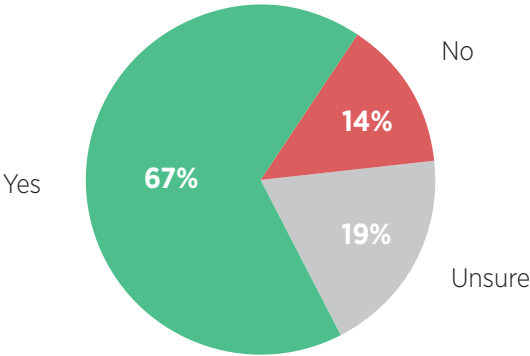
1. Work with municipalities to remove barriers to development and find ways to incentivize growth, density, and diversity in the housing stock;
2. Ensure that funds collected under the new foreign buyer tax are appropriately and transparently allocated to affordability initiatives;
3. Explore the causes of low housing affordability in affected areas of our Province, with particular attention to its impact on human capital;
4. Develop a robust plan to explore and address the challenges of attracting and retaining human capital within the Greater Vancouver region;
5. Work with the Federal Government to explore the human capital benefits of increasing access to affordable child care; and
6. Collaborate with the business community and mental health care NGOs to ensure that the public health-care system provides timely, quality, and accessible mental health care and addiction services.

BUSINESS COMPETITIVENESS

1. PST Reform

With the reintroduction of the PST, B.C.'s taxes on new capital investment (METR) have become the highest among the Canadian provinces. Businesses in the province incur a significant additional cost on investments necessary to build competitive businesses, discouraging growth and the accompanying creation of jobs. We echo the recommendation of the 2016 Expert Panel on B.C. Business Tax Competitiveness that the Provincial Government implement a full PST exemption for business capital expenditures. This proposed improvement would help mitigate the negative effects of the PST on employment and encourage companies to invest and reinvest in their businesses without punitive tax consequences. The tax exemption will increase the clarity and certainty of current PST rules, whereby some equipment investments are exempt from PST and some are not, depending on how the equipment is used in the manufacturing process.

Q Do you believe the Provincial Government should reform the Provincial Sales Tax (PST)?



S Marginal Effective Tax Rate on Capital Investment (METR)

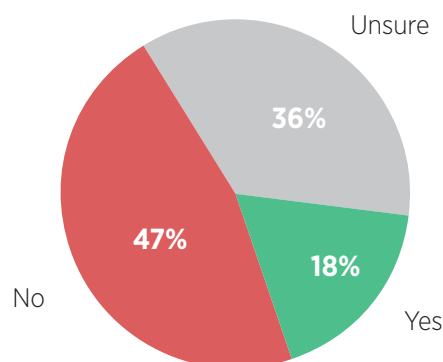
Rank	City	Value	Grade
1	Halifax	13.4	A
2	Montreal	15.9	A
3	Calgary	17.0	A
4	Rotterdam	17.1	A
5	Toronto	18.2	A
6	Copenhagen	18.6	A
7	Manchester	23.7	B
8	Sydney	25.9	C
9	Barcelona	26.0	C
10	Greater Vancouver	27.5	C
11	Seoul	30.1	D
12	San Francisco	35.3	D
13	Seattle	35.3	D
14	Portland	35.3	D
15	Houston	35.3	D
16	Los Angeles	35.3	D
17	Miami	35.3	D

2. Greater Vancouver Economic Strategy

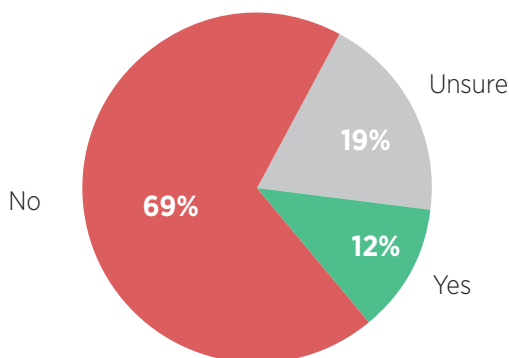
Our region continues to be one of the important drivers of the B.C. economy. As the Scorecard 2016 demonstrated, the region has become one of the most important units of economic organization and Greater Vancouver should be viewed through this lens. However, the business community is clear in desiring a coordinated and region-specific strategy for our region. The Provincial Government is uniquely positioned to leverage the synergies of the economic clusters and unique economic clusters of our region identified in Scorecard 2016; namely, transportation, transportation, tourism, information and culture, technology and communications, and the financial sector. The next Provincial Government should look at our region through the lens of our strategic advantages and take every opportunity to strengthen them. Such a strategy should be driven by how best to leverage the Lower Mainland's geographic, demographic, and economic advantages.



Does the Provincial Government have a sufficient economic strategy for the Lower Mainland?



Do you believe different levels of government (e.g. provincial, regional, municipal) are collaborating effectively to support economic growth in Greater Vancouver?



Recommendations — Business Competitiveness

To ensure the business community is able to attract, develop, and retain talented workers, the Greater Vancouver Board of Trade recommends that the next Provincial Government:

1. Create an investment tax exemption, or similar mechanism, to encourage machinery and other equipment acquisitions;
2. Investigate improvements to the PST that will lower the Marginal Effective Tax Rate; and
3. Work with local governments and the business community to develop a coordinated and region-specific strategy for the Lower Mainland that leverages our unique clusters and advantages.

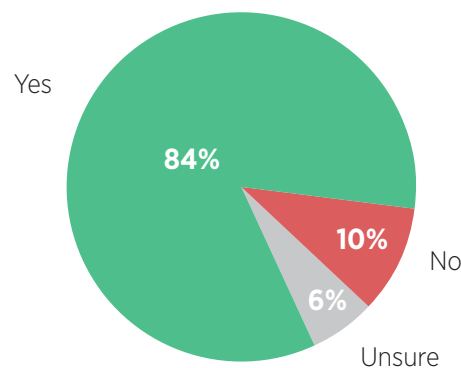
GATEWAY RESOURCES

1. Barriers to Trade

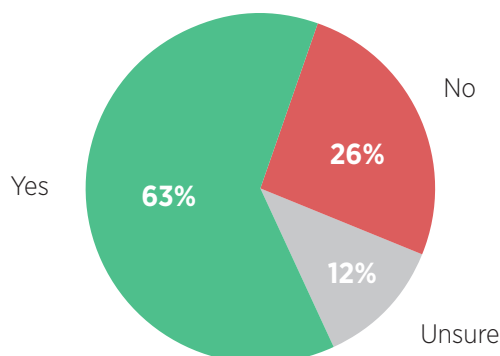
As Canada's Pacific Gateway, B.C. should take a leading role in reducing inter-provincial trade barriers, and enabling local businesses to accelerate their access into global markets. Increased inter-provincial trade benefits consumers by creating a more competitive market which drives down costs, and benefits industry by connecting them with more consumers and allowing for greater economies of scale. Tapping into international markets helps businesses diversify their base, and navigate rapid economic fluctuations. In addition, there remains significant opportunity for export-led growth, SMEs particularly face significant barriers to penetrating international markets and B.C. lacks an industry-led export implementation plan, putting us at a competitive disadvantage. Therefore, the new Provincial Government should support a program to capitalize on this economic opportunity.

The new Provincial Government should focus on strengthening the New West Partnership, ensuring that any new Agreement on Internal Trade (AIT) guarantees greater interprovincial recognition of qualifications. Streamlining foreign qualification recognition for new Canadians could help recognize the potential of international contributions to our economy. By encouraging stronger inter-provincial and international competition and trade, and greater recognition of qualifications from other provinces and countries our province will continue to build a robust, diverse, and productive economy.

Q Should the Provincial Government pursue ways to champion the responsible development of B.C.'s energy, natural resources?



Q Do you support Kinder Morgan's proposed Trans-Mountain Expansion Project to increase the capacity of their existing pipeline and Burnaby terminal facilities?



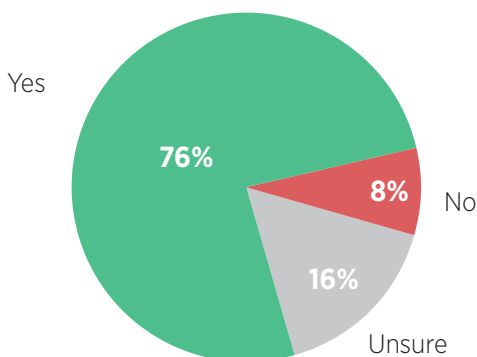
2. Energy and Natural Resources Development

We urge the next Provincial Government to embrace its leadership role in the responsible development of our energy and natural resources. Construction of the recently approved Kinder Morgan Trans Mountain Pipeline cannot be delayed. As long as the project proponent meets or exceeds all 157 of the NEB's stringent conditions, the next Provincial Government should act as a partner in ensuring the project gets underway quickly and responsibly. Also, with recent progress being made on the Pacific Northwest LNG project, and the recent Final Investment Decision (FID) regarding Woodfibre LNG, we note the heightened importance of ongoing leadership on LNG, as the window of opportunity for project advancement may be short. Further, we urge the Provincial Government to continue implementing a practical, realistic, and timely action plan aimed at bringing new projects online and signalling B.C.'s readiness to serve global markets for LNG, oil and gas, and other natural resources which drive our economy forward.

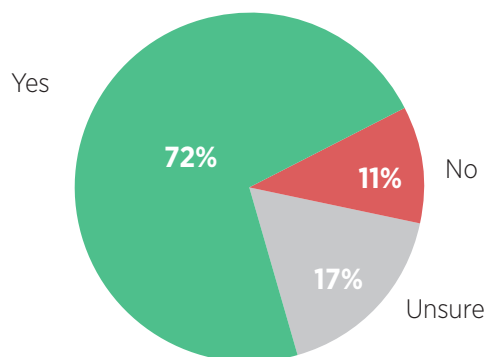
3. Trade-Enabling Infrastructure and Land

B.C. remains a crucial point of access to increasingly significant overseas markets. To capitalize on this key strength, the GVBOT would like to see the continued expansion of our role as Canada's Pacific Gateway through significant capacity and capability enhancements and protection of vital industrial lands. Adequately and sustainably developing the necessary infrastructure will be critical to our country's economic competitiveness in the coming years. Growing pressures on the availability of industrial land will conflict with Greater Vancouver's burgeoning role as gateway and the jobs and wealth this trade creates. If denied proximate storage space, companies will be forced to seek other ports to move their goods. To protect our position as a highly efficient and environmentally responsible gateway, protection of these lands must be coupled with projects such as port expansion at Roberts Bank, the Massey Tunnel Replacement, and increased rail capacity accessing the Vancouver Gateway.

Q Should the Provincial Government prioritize the development of trade-enabling infrastructure?



Q Do you support the Vancouver Fraser Port Authority's proposed port expansion at Roberts Bank in Delta?



Recommendations — Gateway Resources

To ensure the business community is able to attract, develop, and retain talented workers, the Greater Vancouver Board of Trade recommends that the next Provincial Government:

1. Strengthen inter-provincial trade relations, ensuring that any new Agreement on Internal Trade (AIT) guarantees greater inter-provincial recognition of qualifications, and find ways to better enable small and medium-sized businesses to export to new markets;
2. Support an industry-led program to permanently improve B.C.'s SME exporting performance in a coordinated, aligned and strategic way, collaborating with government, industry stakeholders, First Nations and entrepreneurs;
3. Continue implementing a practical, realistic, and timely action plan aimed at bringing new projects online and signalling B.C.'s readiness to serve global markets for LNG, oil and gas, and other natural resources which drive our economy forward;
4. Making strategic and appropriate investments in trade-enabling infrastructure, including:
 - a. Port expansion at Roberts Bank Terminal 2; and
 - b. Increased rail capacity in the Lower Mainland;
5. Take immediate inventory of industrial land in the Province, and continue to develop a comprehensive provincial land use strategy which includes protection of industrial land within an overall economic strategy; and
6. Explore new ways to enable small and medium size businesses to tap into foreign markets.

Supporting Reports

The Greater Vancouver Board of Trade strives to develop insightful and actionable public policy positions that serve the needs of our Members and the broader business community. We work with all levels of government to bring our voice to key policy decisions that affect economic prosperity in our region and across our country. The below reports are just some of the pieces of thought leadership we have developed to help inform our elected officials and policy makers of the most pressing issues facing our Members, and provide them with guidance how to move forward.

[Innovative Transportation Options for Metro Vancouver](#)

[Greater Vancouver Economic Scorecard 2016](#)

[GVBOT Provincial Election Member Survey](#)

[BC Chamber of Commerce Resolution \(2016\):
Addressing the Housing Crunch through Increasing Supply](#)

[2016-17 Provincial Pre-Budget Letter](#)

[2017-18 Provincial Pre-Budget Letter](#)

[2016-17 Federal Pre-Budget Letter](#)

[2017-18 Federal Pre-Budget Letter](#)

About the Greater Vancouver Board of Trade

Since its inception in 1887, the Greater Vancouver Board of Trade has been recognized as Pacific Canada's leading business association, engaging members to positively impact public policy at all levels of government and to succeed and prosper in the global economy. With a Membership whose employees comprise one third of B.C.'s workforce, we are the largest business association between Victoria and Toronto. We leverage this collective strength, facilitating networking opportunities, and providing professional development through four unique Signature Programs. In addition, we operate one of the largest events businesses in the country, providing a platform for national and international business and thought leaders to further enlighten B.C.'s business leaders.