

NEWS RELEASE

BC Chamber urges municipalities to support small businesses through spending control, lower business tax

FOR IMMEDIATE RELEASE

Vancouver, October 21, 2013 – As B.C. celebrates Small Business Week, the BC Chamber is challenging municipalities to support their local small businesses through spending discipline, low business tax multipliers, and business-friendly policies.

“It’s easy to pay lip service to supporting small businesses, but what this sector really needs is some tangible relief from its tax and administrative burden,” said John Winter, president and CEO of the BC Chamber of Commerce. “As B.C. celebrates Small Business Week, we’d urge municipalities to show their support for small businesses in ways that count: through spending restraint, low business tax multipliers and by adopting policies that encourage economic growth.”

Due to different tax rates, B.C.’s businesses pay multiple times the property tax bill that a resident would on an equivalent size of property. The amount by which a resident’s tax rate is multiplied to generate the business tax rate is called a business tax multiplier.

Winter said that while some B.C. municipalities have made strides in recent years on lowering these multipliers, B.C.’s worst-offending communities are still exacting four or five times more tax from small businesses than they would from residents on an equal-sized property.

“It’s well known that businesses don’t use anywhere near this proportion of municipal services,” Winter said. “These high tax burdens on small businesses aren’t just unfair – they’re untenable.”

Winter added that the BC Chamber’s call for property tax relief for small business and for business-friendly policies aligns with a recent UBCM report’s call for municipalities to partner with local businesses to foster economic development.

“Municipalities have a real opportunity to boost their local economies by creating a competitive tax environment where businesses can thrive,” Winter said. “Additionally, municipalities can support local businesses, and save them valuable time, by cleaning up messy policies and processes to create a straightforward, business-friendly regulatory environment.”

Winter commended municipalities for some new developments along these lines, including the introduction of mobile business licenses in a number of communities and many municipalities' use of BizPal as a digital one-stop-shop for business permitting.

“It’s encouraging to see some municipalities working hard to create an environment that supports and attracts businesses,” Winter said. “Given how much municipalities stand to gain from economic growth, we hope to see more local governments stepping up and taking action to help local businesses thrive.”

The BC Chamber is the largest and most broadly-based business organization in the province. Representing more than 125 Chambers of Commerce and 36,000 businesses of every size, sector and region of the province, the BC Chamber of Commerce is “The Voice of Business in BC.”

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