

News Release

Budget 2013 takes a prudent approach to returning to balance

February 19, 2013 - Victoria, BC – Chambers of Commerce congratulated the government for fulfilling their commitment to return to a balanced budget.

“Business has been clear, governments priority was to get its fiscal house in order, Budget 2013 does that in a balanced way that controls spending while making modest increases to taxes,” states John Winter President and CEO of the BC Chamber of Commerce. “Small businesses are the economic engine of the province, as such they will be happy to see no change to the small business tax rates but an increase to the corporate tax rates combined with the return to the PST will present challenges to BC’s global competitiveness.”

Budget 2013 forecasts a modest \$197 million surplus in 2013/14. The return to Budget is achieved through a combination of spending restraint and additional revenue measures including an increase to the corporate tax rate effective April 1, 2013, a phase out of the school property tax credit for light industry and an increase in personal income tax for those earning over \$150,000.

“As all parties prepare for the coming provincial election it is important that we remain committed to not only the fiscal prudence underpinning Budget 2013 but also the need to remain competitive on the global stage,” continued Winter. “As we look out over the full fiscal plan we see that government will begin to have additional flexibility to invest in economic growth as the economy continues to recover. What business will be looking for in the election campaign will be a focus on addressing the competitiveness of BC’s economy, particularly our critical export sectors.”

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