



## Canadian Taxpayers Federation

### British Columbia 2019 Pre-Budget Submission

## Taxpayers Top Five

- 1) Balance the B.C. budget
- 2) Cancel the B.C. carbon tax
- 3) Cancel the Employer Health Tax
- 4) Open ICBC to competition
- 5) Support Trans Mountain pipeline expansion

### **1) Balance the BC budget**

Our supporters want balanced budgets in British Columbia. They know that keeping a household or a small business budget balanced is important, and they expect the same of their government. As you build the budget for this year, finance department officials and politicians need to ask: Is this truly necessary? Does the province need this, and does it need it right now? Can we do this in another way?

Remember, also, that we must pay down the provincial debt, not just the operating debt. The provincial debt is projected to hit \$67.9 billion in 2019 and rise to \$82 billion in 2021. That's about \$4 million a month. We need to pay down the debt to shrink interest charges.

### **2) Cancel the B.C. carbon tax**

The Canadian Taxpayers Federation opposed the imposition of the carbon tax when it was first created, and we want it cancelled now.

Since we met last year, the tide has changed across Canada, and we see more and more people are rejecting the carbon tax at the voting booth, and in government. From Alberta all the way

to New Brunswick, Canadians have woken up and realised that this is just about government revenue generation, not about the environment. Emissions in B.C. have gone UP five of the last six years, DESPITE the highest carbon tax in Canada. It doesn't work, and it's costing everyday families a lot of money, punishing them for heating their homes, going to work and buying groceries.

When Finance Minister Carol James was the leader of the NDP in opposition, she called the then "revenue neutral" carbon tax just "lipstick on a pig" and Premier John Horgan, then also in opposition, urged the government to Axe the Tax. Now? It's not even called revenue neutral anymore, the government keeps jacking it up and it doesn't even try to account for it in the budget document.

We implore you to remember your principles from back then, when this idea was first hatched, and to CANCEL the B.C. carbon tax.

### **3) Eliminate the Employer Health Tax**

The CTF and our supporters agreed with the elimination of the Medical Services Premium and we were pleased to see it reduced by 50% with a promise to get rid of it altogether. What employers and municipalities didn't know, was that the Employer Health Tax would be imposed in its stead.

Businesses routinely get over the \$500,000 mark for payroll, and to punish them with a brand new health-care tax that they didn't otherwise pay is unfair and it penalizes them for *creating jobs and employing people*.

The CTF toured the southern part of the province, from Courtenay to Cranbrook last summer, and we are doing it again this summer. Municipal leaders are deeply upset that cities and towns are being hit with this Employer Health Tax. As you know, municipal governments cannot run deficits, and yet, they have a brand new health care responsibility being downloaded on to them by Victoria. Now, many property taxpayers will be facing a tax hike because of the provincial government's Employer Health Tax.

As with the MSP, the EHT will cost a lot to administer, to trace and to track. The experts in the finance department can find enough money they already take from us in taxes to pay for health care without imposing a new tax on British Columbians.

### **4) Open ICBC up to competition**

British Columbia drivers pay the highest auto insurance costs in all of Canada – and they have no choice, no chance to shop around.

The cost of living throughout B.C. is very high, not just in the Metro Vancouver area.

For people living outside of downtown Vancouver especially, having a vehicle is not a choice. It is a fixed cost, and it's extremely expensive.

A [recent study](#) by MNP did a side by side comparison of drivers in B.C. and drivers in Alberta with the same driving records, same vehicles and the same coverage. The B.C. drivers are paying hundreds of dollars more than their Alberta cousins because they are forced to deal with the ICBC government forced monopoly. This is fundamentally unfair and it's a financial risk to the people of B.C.

B.C. must end the ICBC monopoly.

## **5) Stop opposing pipelines**

Canada has been blessed with one of the largest deposits of natural resources, including oil, gas, in the world and we have some of the strongest labour standards and environmental protections in the world.

People working in the oil and gas sector are real people, who support their families. With those paycheques comes a huge amount of paid taxes. In fact, oil and gas are so bedrock to our economy, that MLAs' pensions are invested heavily in them.

We crunched the numbers of the [Parliamentary Budget Officer](#) and the federal tax revenue that is being left on the table is staggering. Between 2013 and 2023 Canadians will have lost out on nearly \$13 billion in revenue because we do not have enough pipeline capacity. To put that in perspective, that lost money is the cost of 27,000 new teachers salaries, paid for 10 years, or, 250 new elementary schools, or, a new hospital in every province and territory in Canada. That's just the federal losses. If we calculated the municipal and provincial tax losses, the number is even more.

We need pipelines, for our economy and for our budget bottom lines.

Thank you for your attention. I am happy to take your questions.