BUDGET 2024 BRINGS LITTLE MEANINGFUL RELIEF TO CRITICAL ISSUES OF STREET CRIME & THE COST OF DOING BUSINESS

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Vancouver, BC – Business Improvement Areas of BC (BIABC) says doubling the Employer Health Tax exemption threshold to $1 million is a welcome move by the provincial government. However, Budget 2024 fails to deliver much more to meaningfully address small business affordability or the impact of public safety and rampant property crime issues.

BIABC, the organization that represents 70 business districts and more than 55,000 businesses on main streets and downtowns across our province, believes restoring the health and vitality of our communities is essential and inextricably linked to a robust, thriving economy.

The Association applauds the increase in the Health Employer Tax exemption threshold, which will have an anticipated $100 million annual impact on BC's small business community, and research suggests cost savings will flow directly to workers through higher wages.

Unfortunately, there is little else in the Budget to meaningfully address small and medium business affordability, or the impacts of public safety and street disorder – and it's these issues that are choking businesses and leaving them with little option but absorb those costs or partially pass them on to consumers.

"The provincial government has announced initiatives to address the issue of affordability for many British Columbians and that should be acknowledged," says BIABC President Jeff Bray. *"And while we acknowledge the positive change to the Health Employer Tax exemption threshold, what is absent is any additional investment or policy to support businesses that are being crippled by increasing costs. Budget 2024 instead delivers more of the same – and Business Improvement Areas of BC says more of the same is not working."*

Bray cites, increasing costs that have come in many forms in recent years, including increased corporate income taxes, annual minimum wage hikes, and the reversion back to the PST which has impacted the business community by approximately $3.7 billion in 2022, as just a few examples. Likewise, five days of mandatory paid sick leave for all employers not only requires a business owner to pay the employee, but also the costs associated with backfilling that position. And while the recent adoption of a new statutory holiday is supported and valued by the business community, it also represents an estimated $200 million impact on BC business owners according to a BMO Capital Market study.

BIABC continues to advocate for policies that will contribute to the long-term economic sustainability and resiliency of the small business sector. The organization is urging government to explore additional opportunities to mitigate the public safety and property crime issues and layers of taxation that are crippling small businesses.

About BIABC:

The Business Improvement Areas of BC (BIABC) is the provincial champion of strong, vibrant, and successful downtowns, main streets, and commercial districts throughout our province. Members represent more than 70 business districts that employ hundreds of thousands of retail, service, and office employees within defined business districts.

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