

## BBOT POLICY BULLETIN

### 2016 BC Budget

#### **Burnaby Board of Trade Attends Provincial Budget Live; Supports 4<sup>th</sup> Balanced Budget and Applauds Signal for PST Reforms**

February 16, 2016—The Burnaby Board of Trade (BBOT) represented our members with the provincial government today by attending the provincial budget speech live in Victoria. Andrew Scott, the Chair of the BBOT Government Relations Committee, and Cory Redekop, BBOT Policy & Events Manager, were present in the Legislature for the unveiling of the new 2016-17 provincial budget by Finance Minister Michael de Jong.

Overall, the BBOT was pleased to see the provincial government continue its commitment to balanced budgets and prudent fiscal management with the release of this, its fourth consecutive balanced budget.

The BBOT was encouraged that Budget 2016 signals the potential for provincial sales tax (PST) reform through the establishment of a Commission on Tax Competitiveness which will be asked to consider ways to modernize the existing sales tax and taxation policy to keep pace with our changing and evolving economy. Both the BBOT and the BC Chamber of Commerce have been advocating strongly for PST reform over the past years, and the BBOT made a submission to the Select Standing Committee on Finance and Government Services as part of the 2016 Budget Consultation process late last year ([http://bbot.ca/wp-content/uploads/Submission\\_StandingCommittee\\_Finance.pdf](http://bbot.ca/wp-content/uploads/Submission_StandingCommittee_Finance.pdf)).

The budget also reaffirmed previously announced key supports for the BC tech sector with the creation of a \$100 million tech sector investment fund, a move also previously advocated for and applauded by the BBOT.

The 2016/17 budget contained a projected surplus of \$377 million for the end of fiscal year 2015/16 as well as a surplus of \$264 million forecast for the coming fiscal year of 2016/17. With this balanced budget and its projected surpluses, especially in light of plunging commodity prices, the BBOT believes British Columbia continues to distinguish itself positively from most other jurisdictions in Canada.

Other highlights of Budget 2016 included a new full exemption of the property transfer tax for newly built homes up to \$750,000 and amendment to the Medical Services Plan (MSP) by making all children exempt from premiums.

In addition, the budget contained several announcements of particular relevance to social and environmental concerns including an additional \$673 million over the next three years to the Ministry of Children and Family Development and the Ministry of Social Development and Social Innovation. A further \$13 million has been identified in 2015/16 within the Innovative Clean Energy Fund, in support of government's energy and environmental priorities. As a triple-bottom-line organization, the BBOT will ask our *Social Development Committee* and *Environmental Sustainability Committee* to review Budget 2016 and continue to guide BBOT advocacy in these areas.

#### **For more information on Budget 2016:**

[BC Government Budget 2016 website](#)

[BC Chamber of Commerce Budget Analysis](#)