

MEETING NOTE

Cliff #: 144405

Date: March 1, 2019

PREPARED FOR: Honourable Bruce Ralston, Minister of Jobs, Trade and Technology

DATE AND TIME OF MEETING: Monday, March 4, 2019 at 9:30am

ATTENDEES: Corinne Pohlmann, Senior Vice-President, National Affairs; Samantha Howard, Director for BC; Aaron Aerts, Western Economist; Muriel Protzer, Policy Analyst for BC

ISSUE(S): Discuss the Canadian Federation of Independent Business (CFIB) post-Budget survey results and proposed areas of improvement for small business, such as PST, property taxes and support with the Federal government.

BACKGROUND:

The CFIB is the country's champion of small business. The CFIB is a non-partisan, non-profit, political advocacy organization with a membership comprised of over 110,000 small and medium-sized businesses across Canada. CFIB's members are located in every region of the province and are regularly surveyed and meet with the CFIB in order to determine positions and priorities.

The CFIB not only provides services and advocacy for its small business members, it has also proven to be an effective partner for government in seeking feedback from small businesses on government policies and services. CFIB also has a seat on the Small Business Roundtable.

Following the 2019 Budget announcement the CFIB requested to meet with Minister Ralston to discuss a presentation they are making to Minister James, outlining their post-Budget survey results and proposed areas for improvement to support small business.

DISCUSSION:

The CFIB is unable to share with staff the post-budget survey results at this time as they have not yet been circulated to their membership. However, a summary of their pre-budget priorities is outlined below.

In October 2018, the CFIB released their pre-budget priorities and the CFIB 2019 Budget Submission (Appendix 2). CFIB reports that 88% of their BC members do not believe the current provincial government understand the realities facing their business.

That statistic set the tone for the submission: the need for a better small business lens on any new policies that could impact our economy. The submission included:

- Context on BC's economic status, including BC small businesses owners' confidence about the performance of their business and the economic climate.
- Small business' views on priorities for the BC government in the 2019 Budget.
- Recommendations to government to improve the climate for small businesses.

The CFIB's Top 3 identified priorities were:

- **Fix the Employer Health Tax** - The threshold for exemption (\$500,000 in annual payroll) is far too low and will unfairly target small businesses while discouraging them from growth.
- **Hit pause on the Speculation Tax** - Two out of every three of CFIB's members across BC oppose the provincial government's Speculation Tax.
- **Reduce red tape** - The BC government's commitment to the Net Zero Increase (NZI) in the overall number of provincial regulatory requirements below 2004 levels. In fall 2018, the Province extended the NZI commitment until 2022.

Along with these priorities, there were other asks, such as to:

- Slow down the minimum wage hikes to \$15/hour.
- Introduce a PST tax credit.
- Introduce a maximum cap on what businesses pay compared to residents in property taxes.

SUGGESTED RESPONSE/KEY MESSAGING:

- Thank you for your leadership and dedication to working with all governments to eliminate red tape for small business.
- This government is committed to building a strong, sustainable economy and creating good jobs for people in every corner of the province.
- We are making historic investments in childcare, a bold 30-point plan to make housing more affordable and investing more than \$4 billion in transportation infrastructure over the next three years.
- As you are aware we have cut the small business tax rate by 20%, making it the second lowest among provinces, and on April 1st we will eliminate the provincial sales tax on non-residential electricity.
- The 2019 BC Budget also announced that the Province is moving forward with more than \$800 million in business tax reductions over the course of the fiscal plan to support investment in new plants, machinery and equipment, joining with the federal government to boost competitiveness. This announcement is broadly applied to machinery, equipment and other capital and will benefit businesses (note that this is not a "new measure" as such – it is the provincial portion of the November, 2018 federal announcement).

- The Government of British Columbia is moving forward with its plan to eliminate Medical Service Plan (MSP) premiums and introduce the Employer Health Tax (EHT). Together, these measures will reduce taxes on people and businesses by approximately \$800 million each year.
- To address the housing crisis, the B.C. government is taking action to help stabilize B.C.'s overheated real estate market by introducing the new speculation and vacancy tax to target foreign and domestic speculators who own homes in B.C. but do not pay tax here.
- We will also continue to make regulatory improvement a priority. Government extended the Net Zero Increase Commitment from 2019 to 2022 in fall 2018, and we are working hard to implement many of the recommendations of the Small Business Task Force.
- I look forward to our continued work together on the Small Business Roundtable.
- We look forward to future opportunities to collaborate with CFIB's members in helping government reduce the burden on small businesses.

ATTACHMENTS:

Appendix 1 – Attendee Biographies

Appendix 2 – CFIB 2019 Budget Submission

ADM Contact: Christine Little, Small Business, Jobs and Workforce

Phone # 778-698-1708

Prepared by: Lara Burton, Senior Policy Analyst, Small Business, Jobs & Workforce Division

Reviewed by			
Dir: JB	ED: JH	ADM: CL	DM: CL for FM

Appendix 1: Attendee Biographies



Corinne Pohlmann, Senior Vice President,
National Affairs and Partnerships,
CFIB

Corinne Pohlmann is Senior Vice President, National Affairs and Partnerships for the CFIB, a not-for-profit organization representing more than 109,000 small and medium-sized business members across Canada. Corinne is based in Ottawa and is responsible for managing CFIB's strategic direction on national affairs, and sensitizing governments to the needs of Canada's independent businesses. In addition to her federal legislative responsibilities, Corinne also oversees CFIB's Economics function, Products and Partnerships division, including Strategic Relationships, CFIB's Atlantic Canada

legislative team and a number of major marketing initiatives.

Since joining the Federation in 1998, Corinne first worked in research, where she authored several research reports on a variety of public policy and economic issues. In 2000, Corinne became CFIB's Director of Provincial Affairs for Alberta/NWT based in Edmonton and spent almost six years representing the interests of Alberta and NWT members to all levels of government. Corinne moved to Ottawa in 2006 to pursue her current position.

Since 2006, Corinne has participated in numerous consultations and committees on a wide variety of small business issues, including the SME Advisory Committee to the Minister of International Trade, the Advisory Committee on Small Business and Entrepreneurship, as well as the Deputy Minister Advisory Committee on Citizenship and Immigration.

Corinne was born and raised in Montreal where she attended McGill University - graduating with both a Bachelor and a Master's Degree in Geography. Prior to joining CFIB, Corinne spent a few years in Ottawa with a national travel trade association, and as a college instructor, before moving to Toronto to start her career with CFIB.



Samantha Howard, Director,
CFIB

Samantha Howard is the Director for the Canadian Federation of Independent Business in BC. In this role, she represents the interests of CFIB's 10,000 members in British Columbia by leading the legislative, research, and communication activities on issues affecting small- and medium-sized business.

Samantha has more than 15 years of experience in public relations, communications management, and public policy. Prior to joining CFIB, she worked at BC Hydro as a Stakeholder Engagement Analyst for their Major Capital Projects division.

She worked previously for the Province of British Columbia for eleven years in numerous roles, including as Chief of Staff to the Minister of Finance and Deputy Premier, the Ministry of Small Business and Revenue, and the Ministry of Small Business, Technology and Economic Development. While in government, Samantha was instrumental in the creation of the permanent small business roundtable and was a catalyst for the Regulatory Reform Criteria Checklist and Small Business Lens.

Prior to joining the BC government, Samantha managed small businesses in the retail and restaurant sectors. She has a Diploma in Hotel and Restaurant Administration and is certified by the International Association for Public Participation.



Muriel Protzer, Policy Analyst
CFIB British Columbia and Alberta

Muriel Protzer currently works as a Policy Analyst for British Columbia and Alberta for the Canadian Federation of Independent Business in BC. Muriel holds a Bachelors of Arts in Economics with a specialization in Business at the University of Victoria. She located in Vancouver, BC.



Aaron Aertsis, Western Economist,
CFIB

Aaron Aertsis is the Western Economist for the Canadian Federation of Independent Business in BC. Aaron is an experienced researcher with a demonstrated history of working on a diverse set of issues, from municipal, federal and provincial policies, regulatory compliance and risk management. Aaron is highly motivated by data and policy.

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MEETING NOTE

Cliff #: 144186

Date: February 25, 2019

PREPARED FOR: Honourable Bruce Ralston, Minister of Jobs, Trade and Technology

DATE AND TIME OF MEETING: March 6, 2019 at 4:00PM (Phone Call)

ATTENDEES: Mike Harcourt, Former Premier of British Columbia – Biography in Attachment A

ISSUE: Discuss the Vancouver Maritime Centre (VIMC) and the AGE-WELL Digital Health Circle.

BACKGROUND:

This meeting was requested by Mike Harcourt to discuss “job training, economic development, and training the leaders of tomorrow.”

The two conversation topics of focus are the Vancouver International Maritime Centre (VIMC) and the Digital Health Circle.

The Vancouver International Maritime Centre (VIMC)

The VIMC was originally established in 1991 as a non-profit organization representing shipping and shipping-related industries. B.C. co-funded the start-up of the original VIMC with a supporting contribution from the federal government. Its activities were wound down in 1998 (sunset clause on funding) and they were re-established in 2015.

The VIMC provides advice, information and assistance to international shipping companies interested in establishing, expanding or retaining shipping operations on Canada's West Coast. Their mandate includes promoting BC to the international shipping community as a place to locate operations, and providing advice to federal and provincial government regarding legislative and regulatory frameworks required to enhance the international shipping sector in BC.

The Digital Health Circle and AGE-WELL

The Digital Health Circle, Inc. is the name of the BC-based AGE-WELL National Innovation Hub located on the Surrey campus of Simon Fraser University (SFU). The DGH was launched on January 17, 2019 as a non-profit society funded by AGE-WELL, the Western Economic Diversification and SFU. It is a translational hub that focusses on developing digital technology solutions for seniors' health. It will work to translate

knowledge into technologies and business opportunities, support adoption of solutions, and develop talent to meet the needs of technology businesses.

AGE-WELL is a pan-Canadian Network of Centres of Excellence (NCE) headquartered in Toronto that was launched in 2015 through the federally funded NCE program. AGE-WELL funds the research projects of its members and its three innovation hubs across Canada. It brings together researchers, older adults, caregivers, and organizations to accelerate the delivery of technology-based solutions for aging Canadians.

DISCUSSION:

The Vancouver International Maritime Centre (VIMC)

The VIMC was re-established in 2015 as a three-year pilot project for them to bolster B.C.'s position as a maritime hub in Western Canada. The Province contributed \$2.89 million for VIMC to attract international shipping companies to Vancouver.

The VIMC file was managed by JTT's International Trade Division and the \$2.89 million funding came through the Ministry of Transportation and Infrastructure (request for contingency funds).

In March 2018, at the end of the third pilot year, a letter from Minister Ralston indicated no further funding would be made available for the VIMC, as JTT was undertaking a comprehensive assessment of its international investment attraction activities (see Attachment B – Issue Note dated Apr 20, 2018).

The VIMC wish to renew a second mandate with the Province for 5 years at \$2M/year. (see Attachment C – VIMC-submitted brief).

The Digital Health Circle (DHC) and AGE-WELL

Both the Ministry of Health (HLTH) and JTT are supportive of the work that will be performed through DGC because it has potential for supporting B.C.'s aging population through innovative technologies that can be commercialized to contribute towards B.C.'s economic development.

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In January 2019, JTT signed a letter in support of AGE-WELL's \$50 million proposal to the Canada Strategic Investment Fund (through Innovation, Science and Economic Development Canada). If AGEWELL is awarded SIF funding, the DHC is expected to be transferred approximately \$5 to \$10 million for various projects.

The DHG was recently awarded with \$3.5 million from Western Economic Development Canada (January 17, 2019).

MINISTRIES AND STAKEHOLDERS CONSULTED:

Ministry of Health (for the AGE-WELL file), JTT's International Trade Division (responsible for managing the VIMC file).

SUGGESTED RESPONSE/KEY MESSAGING:

Government is aware that a number of VIMC supporters have been lobbying for an extension of funding. Government is not in a position to provide any further funding to VIMC at this time.

The Ministry of Jobs, Trade and Technology and Ministry of Health both support the mission of the Digital Health Circle and its projects.

ATTACHMENTS: Attachment A – Biography – Mike Harcourt

Attachment B – Issue Note dated April 2018 re: VIMC wind-down

Attachment C – Vancouver International Maritime Centre Brief

Attachment D & E – AGE-WELL Innovation Hub (Digital Health Circle) request

ADM Contact: Silas Brownsey, Investment, Innovation and Technology, 778-974-6148

Prepared by: Radha Patel, Senior Policy Analyst, Technology & Innovation

Reviewed by			
Dir: Cecile Lacombe	ED: Christine Fast	ADM: Silas Brownsey	DM: FM

Attachment A – Biography

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ⁱ <https://www.sfu.ca/sfunews/stories/2019/01/new-national-innovation-hub-to-address-aging-challenges.html>

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The Request

Provide a subsequent mandate
of 5 years to the VIMC

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Aging Gracefully across Environments using Technology
to Support Wellness, Engagement, and Long Life

AGE-WELL National Innovation Hub

A translational hub focusing on impact

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MINISTRY OF JOBS, TRADE AND TECHNOLOGY
INFORMATION NOTE

Cliff #: 144468
Date: March 7, 2019

PREPARED FOR: Honourable Bruce Ralston, Minister of Jobs, Trade and Technology

ISSUE: Recent Developments with the Regional Prosperity Initiative

BACKGROUND:

- Since mid-2015 the Regional Prosperity Initiative (RPI), a project of Metro Vancouver Regional District (MVRD), has engaged stakeholders in the development of a new entity with a mandate to advance prosperity in the region. In July 2018, the MVRD Board approved the Business Plan for the development of this new entity “Vancouver Global” and instructed MVRD staff to work with partners to elaborate a detailed implementation plan. In October 2018 the MVRD Board approved \$6.5 million in funding for the Vancouver Global initiative over five years (2019-2023).

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DISCUSSION:

- s.13; s.16

- MVRD staff have now been instructed to explore alternate models for a regional economic entity, including an option to situate an entity and its functions within the

organizational structure of Metro Vancouver itself, as is currently done with the National Zero-Waste Council (NZWC).

- The NZWC was spearheaded by MVRD in 2013 to bring together governments, associations, businesses and non-profit organizations, including the Federation of Canadian Municipalities, to provide leadership on national waste prevention. In addition to the six largest metro regions in Canada, the Province of B.C. is a member of the NZWC and participates in the Management Board through the Ministry of Environment and Climate Change Strategy.

s.13; s.16; s.17

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- Municipalities participate through the annual MVRD Board approvals process as well as an Advisory Committee that includes municipal solid waste engineers who provide substantive advice. The Management Board is elected annually and sets the strategic direction and activities of the NZWC.

OUTSTANDING ISSUES:

- MVDR Chair Sav Dhaliwal submitted an RPI update letter to Minister Ralston on March 4, 2019 (attached). s.13; s.16

s.13; s.16

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ATTACHMENTS:

- 1) Letter from Metro Vancouver Board Chair; March 4, 2019
- 2) Summary: National Zero Waste Council

Contact: Siobian Smith, Strategy Lead, International Trade Division

Telephone: s.22

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