



## Legislative Review Committee Minutes

April 27, 2010  
8:00 a.m. – 10:45 a.m.  
Chambers

### Attendance

Members Present:	Honourable George Abbott	Chair
	Honourable Barry Penner	(ENV)
	Honourable Bill Bennett	(CD)
	Honourable Michael de Jong	(AG)
	Honourable Moira Stilwell	(ALMD)
	MLA Jane Thornthwaite	
	MLA Norm Letnick	
Guest Ministers:	Honourable Mary Polak	(CFD)
	Honourable Pat Bell	(FOR)
	Honourable Colin Hansen	(FIN)
	Honourable Shirley Bond	(TRAN)
Officials Present:	Allan Seckel	Premier's Office
	Martyn Brown	Premier's Office
	Mark Sieben	(CFD)
	Tyler Nyvall	(AG)
	David Morhart	(PSSG)
	Mark Tatchell	(PSSG)
	Kjerstene Holmes	(PSSG)
	Anne Preyde	(PSSG)
	Dana Hayden	(FOR)
	Bob Friesen	(FOR)
	Richard Grieve	(FOR)
	Paul Flanagan	(FIN)
	Jeffrey Krasnic	(FIN)
	Jordan Goss	(FIN)
	Anne Foy	(FIN)
	Glen Armstrong	(FIN)
	Peter Milburn	(TRAN)
	Sandra Carroll	(TRAN)
	Frank Blassetti	(TRAN)
	Kirk Handrahan	(TRAN)
	Kirsten Pedersen	(TRAN)
	Nisha Bathe	(AG)

CONFIDENTIAL

Brian Greer  
Ken Downing  
Kevin Kohan  
Dawn Leroy  
Rod Fehr  
Sandra Borthwick  
Jennifer Furry  
Sandra Sajko  
Penelope Chandler

Legislative Counsel  
Legislative Counsel  
Legislative Counsel  
Legislative Counsel  
Legislative Counsel  
Legislative Counsel  
Cabinet Operations  
Cabinet Operations  
(AG)

  
Honourable George Abbott  
Chair

  
Date

### Draft Legislation

1. Attorney General

s.12; s.14

2. Minister of Public Safety and Solicitor General

s.12; s.14

3. Minister of Forests and Range

s.12; s.14

CONFIDENTIAL

s.12; s.14

4. Minister of Finance

s.12; s.14

5. Minister of Transportation and Infrastructure

s.12; s.14

6. Minister of Transportation and Infrastructure

CONFIDENTIAL

s.12; s.14

7. Minister of Transportation and Infrastructure

s.12; s.14

CONFIDENTIAL

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Withheld pursuant to/removed as

s.12; s.14



April 29, 2010

Honourable Colin Hansen  
Minister of Finance

**Re: 2010 Legislative Program**

At its meeting on April 27<sup>th</sup>, 2010, the Legislative Review Committee reviewed the following draft legislation:

s.12; s.14

Jennifer Furry, Secretary  
Legislative Review Committee

pc: Graham Whitmarsh, Deputy Minister  
Ministry of Finance

Brian Greer, Chief Legislative Counsel  
Ministry of Attorney General

## ORDERS IN COUNCIL

### Summary Addendum

Prepared for Cabinet Review

**June 23, 2010**

11:00 a.m. – 5:00 p.m.

Premier's Vancouver Office

		APPOINTMENTS	
	MIN	PURPOSE OF ORDER	STATUTE
1.	ALMD BRDO	s.12; s.14	
2.	AG BRDO	s.12; s.14; s.22	

3. and 4.	AG	s.12; s.14; s.22
5.	AG	s.12; s.14



		FOR ATTENTION	
	MIN	PURPOSE OF ORDER	STATUTE
6.	AG +0 Reg. Count	s.12; s.14	
7.	EMPR +0 Reg. Count		

8.	HLS +4 Reg. Count	s.12; s.14	
		ROUTINE	
	MIN	PURPOSE OF ORDER	STATUTE
9.	ALMD	s.12; s.14	
10.	AL -1 Reg. Count		

11.	AL  <b>+142 Reg. Count</b>	s.12; s.14
12.	EMPR  <b>+0 Reg. Count</b>	
13.	FIN  <b>+0 Reg. Count</b>	

14.	FIN +0 Reg. Count	s.12; s.14
15.	FIN +0 Reg. Count	
16.	FIN +0 Reg. Count	

17.	FIN +0 Reg. Count	s.12; s.14
18.	FIN +0 Reg. Count	
19.	FIN +0 Reg. Count	

20.	FOR +1 Reg. Count	s.12; s.14
21.	HLS +0 Reg. Count	

		CORRIDOR ORDERS	
	MIN	PURPOSE OF ORDER	STATUTE
22.	PREM	s.12	
23.	PREM		



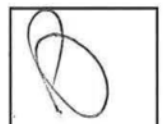
## ORDERS IN COUNCIL

### Summary

Prepared for Cabinet Review

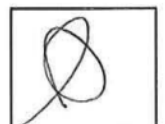
**June 18, 2014**

		APPOINTMENTS	
	MIN	PURPOSE OF ORDER	STATUTE
		Non-BRDO Appointments	
1.	HLTH	s.12; s.14	
2.	JAG		

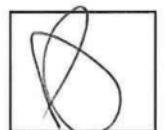




		FOR ATTENTION	
	MIN	PURPOSE OF ORDER	STATUTE
3.	CSCD +0 Reg. Count	s.12; s.14	
4.	EDUC +0 Reg. Count		
5.	EDUC +8 Reg. Count		

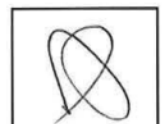


6.	<b>ENV</b> <b>+58</b> <b>Reg.</b> <b>Count</b>	s.12; s.14
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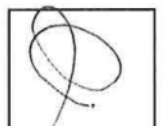


7.	JAG -7 Reg. Count	s.12; s.14
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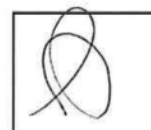
8.	JAG +6 Reg. Count	s.12; s.14



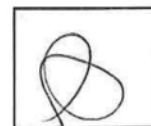
11.	CSCD	s.12; s.14
12.	ENV +0 Reg. Count	
13.	FIN/ PSEC +0 Reg. Count	



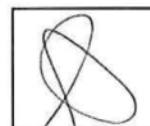
14.	FIN -6 Reg. Count	s.12; s.14
15.	FIN +10 Reg. Count	



16.	FLNR +0 Reg. Count	s.12; s.14
17.	FLNR	
18.	JAG +0 Reg. Count	

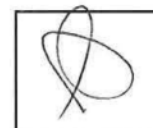


19.	JAG	s.12; s.14
20.	JAG	

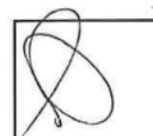




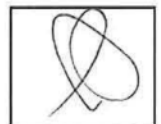
21.	JAG +0 Reg. Count	s.12; s.14
22.	JAG +0 Reg. Count	



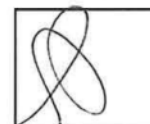
23.	JAG +0 Reg. Count	s.12; s.14
24.	JAG +0 Reg. Count	
25.	JAG +0 Reg. Count	
26.	JAG +0 Reg. Count	



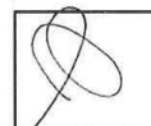
27.	MEM +1 Reg. Count	s.12; s.14
28.	MTICS +0 Reg. Count	



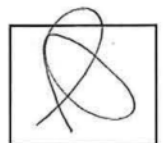
29.	TRAN -1 Reg. Count	s.12; s.14	
30.	TRAN -65 Reg. Count		
		CORRIDOR ORDERS	
	MIN	PURPOSE OF ORDER	STATUTE
31.	GCPE	s.12	



32.	PREM	s.12
33.	PREM	
34.	PREM	
35.	PREM	
36.	PREM	
37.	PREM	
38.	PREM	
39.	PREM	



40.	PREM	s.12		
41.	GCPE			
42.	PREM			
43.	FIN			
			PROCLAMATIONS	
	MIN		PURPOSE OF ORDER	STATUTE
44.	AG	s.12		
45.	AG			
46.	AG			
47.	AG			



48.	AG	s.12
49.	AG	
50.	AG	
51.	AG	
52.	AG	
53.	AG	
54.	AG	
55.	AG	
56.	AG	
57.	AG	

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Withheld pursuant to/removed as

s.12; s.14



# COMPETITIVENESS ISSUES – TAXATION OF BUSINESS

As confirmed by the report by the Commission on Tax Competitiveness, currently, the most significant tax competitiveness issue for BC businesses arises from the re-implementation of the Provincial Sales Tax (PST), its impact on the marginal effective tax rate and its potential impact on investment.

## Marginal Effective Tax Rate

- Taxes imposed on business affect the rate of return and can, therefore, affect the amount of investment undertaken. While the statutory corporate income tax rate is a key indicator of how the tax system affects investment, it does not paint a complete picture.
- The marginal effective tax rate (METR) is a more comprehensive indicator of tax competitiveness than the statutory rate. It combines into a single measure the key elements of the overall corporate tax structure, including the statutory income tax rate, factors that affect the tax base such as capital cost allowances, and profit-insensitive taxes such as sales taxes and capital taxes.
- According to the Commission on Tax Competitiveness, BC's economy-wide METR is 27.9 per cent, compared with 18.9 per cent for the rest of Canada. BC has the second-highest METR in Canada (only Manitoba is higher). BC's high METR is largely due to the re-implementation of the PST and the elimination of input tax credits for business.

## Provincial Sales Tax

- Most provinces in Canada have harmonized their sales taxes with the federal goods and services tax (GST). Only Saskatchewan and Manitoba have retail sales taxes. Alberta has no broad sales tax.
- The BC provincial sales tax (PST) is a retail sales tax that taxes most goods and select number of services. Under the PST most businesses are required to pay tax on most goods and taxable services acquired for business use.
- *Budget 2017*, adopted the recommendation of the Commission on Tax Competitiveness with respect to electricity and announced a phase-out of PST on electricity for business use (residential and farm use electricity is already exempt from PST). The PST rate on electricity would be reduced to 3.5 per cent from 7 per cent October 1, 2017 and electricity would be fully exempt effective April 1, 2019; however, the legislation to implement the phase-out has not passed.
- Also in *Budget 2017*, the government acknowledged that further improvements to the PST are a priority of the business community and committed that the Commission's other recommendations would be considered in the context of the province's fiscal situation and competing funding priorities. The government also endorsed the Commission's recommendation for broad public consultation and engagement with British Columbians prior to considering any substantive changes to the PST.

## Corporate Income Tax

### General Corporate Income Tax Rate

- At 11 per cent, BC has the lowest general corporate income tax rate in the country. Saskatchewan announced in its 2017 Budget that the province's plan is to reduce its general corporate income tax rate to 11 per cent on July 1, 2019. At that point, BC will be tied for the lowest general corporate income tax rate in the country.
- An interprovincial comparison of tax rates can be seen in the attached Table A2 (updated since Budget 2017).

### Small Business Corporate Income Tax Rate

- BC's small business rate of 2.5 per cent applies to active business income of Canadian-controlled private corporations up to a \$500,000 income threshold.
- At 2.5 per cent BC has the third lowest small business corporate income tax rate in the country (after Manitoba at 0 per cent and Alberta and Saskatchewan at 2 per cent) and has the same \$500,000 threshold limit as 7 other provinces.
- BC's Budget 2017 announced a decrease to the small business corporate income tax rate to 2 per cent from 2.5 per cent effective April 1, 2017, however, the legislation to implement the decrease was not passed.
- Under the Tax Collection Agreement, BC must notify the federal government by August 1, 2017 to confirm the rate decrease. The legislation to implement the decrease must be passed by October 1, 2017.
- Small businesses must be incorporated to benefit from the rate reduction. The majority of small businesses in BC are unincorporated and pay income tax at the applicable personal income tax rates.
- A large portion (~30%) of income taxed at the small business rate is earned by incorporated high income individuals (e.g., doctors, dentists, consultants, lawyers, real estate agents and accountants) who do not usually grow, hire or significantly expand their businesses over time.

### Liquefied Natural Gas Income Tax Act

- In 2014, the government introduced the *Liquefied Natural Gas Income Tax Act* to tax any income derived from liquefaction activities at an LNG plant in BC.
- The liquefied natural gas income tax is comprised of a minimum tax of 1.5 per cent of net operating income (no deduction for capital expenses), and a 3.5 per cent tax on net income (after all capital expenses have been fully deducted). In 2037, the 3.5 per cent tax on net income will increase to 5 percent.
- As part of the liquefied natural gas income tax, a natural gas tax credit will be introduced into the *Income Tax Act* allowing LNG income taxpayers to deduct 3 per cent of the cost of natural gas acquired or delivered through an LNG facility inlet meter from their corporate income tax. With the credit, LNG taxpayers can effectively reduce their corporate income tax rate to as low as 8 per cent.

- As of April 1, 2017, the *Liquefied Natural Gas Income Tax Act* has not been brought into force; s.13; s.14

## **Carbon Tax**

- When the carbon tax was introduced, a key principle was that the tax would be revenue neutral meaning that all carbon tax revenue would be returned to individuals and businesses through reductions in other taxes.
- The BC low Income Climate Action Tax Credit helps to offset the carbon tax paid by lower income individuals and families. The credit is set at \$115.50 per adult and 34.50 per child. Even with the carbon tax at \$30 per tonne, the credit continues to over-compensate many low income recipients for the carbon tax they pay.

## **Business Tax Incentives**

The following measures are BC's primary business tax expenditures. In total, their estimated cost was \$733 million in 2016/17. This represents a significant transfer to these sectors. By comparison, each percentage point decrease in the general corporate income tax rate costs approximately \$295 million (i.e., moving from the current 11 per cent rate to 10 per cent), while each percentage point decrease for the small business rate costs approximately \$136 million.

### **Film and Television Industry Tax Credits – 2016/17 estimated cost: \$452 million**

- BC offers two types of film and television tax credits:
  - the film and television tax credit is limited to domestic productions with qualifying levels of Canadian content, and
  - the production services tax credit is for domestic and foreign productions and there is no Canadian content requirement.
- The low Canadian dollar has significantly decreased the cost for foreign productions to film in Canada.
- On October 1, 2016, the BC government lowered the production services tax credit from 33 per cent to 28 per cent as well as the additional digital animation, visual effects and post-production (DAVE) tax credit from 17.5 per cent to 16 per cent.

#### **Interactive Digital Media Tax Credit – 2016/17 estimated cost: \$56 million**

- *Budget 2017* announced the following changes to the interactive digital media tax credit, however, the legislation to implement the changes was not passed:
  - the requirement to be principally in the business of interactive digital media development will be removed for corporations with eligible annual salaries of at least \$2 million,
  - the restriction preventing eligible business corporations from claiming the interactive digital media tax credit if they participated in the small business venture capital program will be removed,
  - the interactive digital media tax credit will be expanded to augmented reality and virtual reality products designed to entertain.
- On March 14, 2017, the BC government announced the expansion of the program for augmented reality and virtual reality products will be extended to all products.

#### **Scientific Research and Experimental Development Tax Credit – 2016/17 estimated cost: \$150 million**

- *Budget 2017* extended the scientific research and experimental development tax credit through August 31, 2022, however, the legislation to implement the extension was not passed.

#### **Mining Exploration Tax Credit – 2016/17 estimated cost: \$42 million**

- *Budget 2017* expanded the mining exploration tax credit to include costs incurred for environmental studies and community consultations; however, the legislation to implement the expansion was not passed.

#### **International Business Activity Program – 2016/17 estimated cost: \$20 million**

- This program provides a refund of BC corporate income tax paid on income arising from a corporation's international business activities.
- The original rationale for the IBA Program was to attract certain international activities to BC by providing internationally competitive tax rates.

s.13

#### **Book Publishing Tax Credit – 2016/17 estimated cost: \$3 million**

- BC's Budget 2017 extended the book publishing tax credit through April 1, 2019; however, the legislation to implement the extension was not passed.

#### **Training Tax Credit – 2016/17 estimated cost: \$10 million**

- BC's Budget 2017 extended the training tax credit through 2020; however, the legislation to implement the extension was not passed.

#### **Capital Tax and Payroll Tax**

- BC has no capital tax and no payroll tax.

**Table A2 Interprovincial Comparisons of Tax Rates – 2017**  
(Rates known and in effect as of April 1, 2017)

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland and Labrador
Corporate income tax (per cent of taxable income)										
General rate .....	11	12	12 <sup>1</sup>	12	11.5	11.8	14	16	16	15
Manufacturing rate <sup>2</sup> .....	11	12	10 <sup>3</sup>	12	10	11.8	14	16	16	15
Small business rate <sup>4</sup> .....	2.5	2	2	0	4.5	8	3	3	4.5	3
Small business threshold (\$000s) .....	500	500	500	450	500	500	500	350	500	500
Corporation capital tax (per cent)										
Financial <sup>5</sup> .....	Nil	Nil	0.7/4	6	Nil	Nil	4/5	4	5	6
Health care premiums/month (\$)										
Individual/family <sup>6</sup> .....	75/150	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Payroll tax (per cent) <sup>7</sup> .....	Nil	Nil	Nil	2.15	1.95	4.26	Nil	Nil	Nil	2
Insurance premium tax (per cent) <sup>8</sup> .....										
	2-4.4	3-4	3-4	2-3	2-3.5	3.48	2-3	3-4	3.75-4	5
Fuel tax (cents per litre) <sup>9</sup>										
Gasoline .....	21.17	17.49	15.0	14.0	22.6	29.2	25.3	25.4	22.9	45.1
Diesel .....	22.67	18.35	15.0	14.0	21.9	30.4	31.9	25.1	30.5	32.6
Sales tax (per cent) <sup>10</sup>										
General rate .....	7	Nil	6	8	8	9.975	10	10	10	10
Tobacco tax (dollars per carton of 200 cigarettes) <sup>11</sup> .....										
	47.80	50.00	60.48	68.04	37.75	29.80	54.38	65.95	60.40	59.30

<sup>1</sup> On July 1, 2017, the general corporate income tax rate in Saskatchewan will decrease to 11.5 per cent.

<sup>2</sup> In British Columbia (and some other provinces), the general rate applies to income from manufacturing and processing. In Quebec, the rate for manufacturing corporations eligible for the small business rate is 4 per cent; the rate for other manufacturing corporations is the general rate.

<sup>3</sup> On July 1, 2017, the manufacturing and processing corporate income tax rate in Saskatchewan will decrease to 9.5 per cent.

<sup>4</sup> BC Budget 2017 announced a decrease to the small business rate to 2 per cent effective April 1, 2017, however, legislation was not passed prior to the May 9, 2017 provincial election.

<sup>5</sup> In Saskatchewan, small financial corporations (defined as having \$1.5 billion or less of taxable capital) pay the rate of 0.7 per cent. Large financial corporations are subject to the 4 per cent rate. In New Brunswick, trust and loan companies are subject to the rate of 4 per cent, while banks are subject to the rate of 5 per cent.

<sup>6</sup> Effective January 1, 2018, British Columbia Medical Services Plan premiums will be reduced by 50 per cent for individuals and families with family net income up to \$120,000. Ontario levies a health premium, as part of its provincial personal income tax system, of up to \$900 per year.

<sup>7</sup> Provinces with payroll taxes provide payroll tax relief for small businesses. Quebec also levies a compensation tax of up to 4.48 per cent on salaries and wages paid by financial institutions.

<sup>8</sup> Lower rates apply to premiums for life, sickness and accident insurance; higher rates apply to premiums for property insurance including automobile insurance. In Manitoba, Ontario, Quebec, and Newfoundland and Labrador, specific sales taxes also apply to certain insurance premiums except, generally, those related to individual life and health.

<sup>9</sup> Tax rates are for regular fuel used on highways and include all provincial taxes payable by consumers at the pump. The British Columbia rates include 6.75 cents per litre dedicated to the BC Transportation Financing Authority and the carbon tax rates of 6.67 cents per litre for gasoline and 7.67 cents per litre for diesel. The British Columbia rates do not include regional taxes that increase the gasoline and diesel tax rates by 11 cents per litre in the South Coast British Columbia transportation service region and by 3.5 cents per litre in the Capital Regional District. The Alberta rates include carbon levy rates of 4.49 cents per litre for gasoline and 5.35 cents per litre for diesel. The tax rates for Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador include provincial sales tax based on average pump prices as of January 2017. Quebec's tax rates do not include increased or reduced regional tax rates, such as an additional tax of 3 cents per litre on gasoline in the Montreal area.

<sup>10</sup> Tax rates shown are statutory rates. Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador have harmonized their sales taxes with the federal GST. Alberta imposes a 4 per cent tax on short-term rental accommodation.

<sup>11</sup> Includes estimated provincial sales tax in all provinces except British Columbia, Alberta and Quebec. British Columbia intends to increase its tobacco tax rate to \$49.40 per carton effective October 1, 2017.

Table A3 Comparison of Provincial and Federal Taxes by Province – 2017

Tax	British Columbia	Alberta	Saskat- chewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	New- foundland and Labrador
<b>Two Income Family of Four - \$90,000</b>										
	(\$)									
1. Provincial Income Tax.....	3,072	3,994	3,568	5,670	3,455	7,121	5,834	6,767	6,767	5,815
Net Child Benefits.....	-660	0	0	--	0	-2,257	0	0	--	0
2. Property Tax - Gross.....	4,136	3,578	4,955	3,945	5,471	5,525	5,300	4,455	3,721	3,316
- Net.....	3,566	3,578	4,955	3,945	5,471	5,525	5,300	4,455	3,721	3,316
3. Sales Tax.....	1,564	0	1,480	1,907	2,224	2,835	2,747	2,697	2,409	2,653
4. Fuel Tax.....	218	195	225	210	339	438	380	381	344	677
5. Net Carbon Tax.....	236	-105	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	7,996	7,662	10,228	11,732	11,489	13,661	14,261	14,301	13,241	12,460
7. Health Care Premiums/Payroll Tax...	1,800	--	--	1,935	1,755	3,834	--	--	--	1,800
8. Total Provincial Tax.....	9,796	7,662	10,228	13,667	13,244	17,495	14,261	14,301	13,241	14,260
9. Federal Income Tax.....	7,770	7,770	7,770	7,770	7,770	7,745	7,770	7,770	7,770	7,770
10. Net Federal GST.....	1,474	1,568	1,510	1,379	1,427	1,354	1,384	1,359	1,398	1,337
11. Total Tax.....	19,041	17,000	19,509	22,816	22,441	26,594	23,415	23,430	22,410	23,367
<b>Two Income Family of Four - \$60,000</b>										
1. Provincial Income Tax.....	1,216	1,555	590	2,551	767	2,999	3,047	3,544	3,746	3,037
Net Child Benefits.....	-660	-448	0	--	0	-3,357	0	0	--	0
2. Property Tax - Gross.....	3,011	2,904	3,302	3,190	3,924	3,798	2,947	2,795	2,959	2,283
- Net.....	2,441	2,904	3,302	3,190	3,924	3,798	2,947	2,795	2,959	2,283
3. Sales Tax.....	1,303	0	1,269	1,637	1,842	2,539	2,321	2,293	1,941	2,254
4. Fuel Tax.....	218	195	225	210	339	438	380	381	344	677
5. Net Carbon Tax.....	208	-106	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	4,725	4,099	5,385	7,587	6,873	6,417	8,694	9,013	8,990	8,250
7. Health Care Premiums/Payroll Tax...	1,800	--	--	1,290	1,170	2,556	--	--	--	1,200
8. Total Provincial Tax.....	6,525	4,099	5,385	8,877	8,043	8,973	8,694	9,013	8,990	9,450
9. Federal Income Tax.....	4,001	4,001	4,001	4,001	4,001	3,984	4,001	4,001	4,001	4,001
10. Net Federal GST.....	1,228	1,339	1,295	1,183	1,225	1,220	1,169	1,155	1,186	1,136
11. Total Tax.....	11,754	9,439	10,681	14,061	13,269	14,177	13,864	14,169	14,177	14,587
<b>Two Income Family of Four - \$30,000</b>										
1. Provincial Income Tax.....	0	0	-824	-460	-667	-3,302	0	305	409	0
Net Child Benefits.....	-660	-1,393	0	--	-2,087	-3,613	-52	0	--	0
2. Property Tax.....	--	--	--	--	--	--	--	--	--	--
3. Sales Tax.....	1,060	0	996	1,347	510	2,298	1,886	1,866	1,505	991
4. Fuel Tax.....	145	130	150	140	226	292	253	254	229	451
5. Net Carbon Tax.....	-126	-106	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	420	-1,369	322	1,027	-2,017	-4,325	2,087	2,425	2,143	1,442
7. Health Care Premiums/Payroll Tax...	0	--	--	645	585	1,278	--	--	--	600
8. Total Provincial Tax.....	420	-1,369	322	1,672	-1,432	-3,047	2,087	2,425	2,143	2,042
9. Federal Income Tax.....	256	256	256	256	256	248	256	256	256	256
10. Net Federal GST.....	151	233	168	125	214	262	103	92	121	110
11. Total Tax.....	827	-880	746	2,053	-962	-2,538	2,446	2,773	2,520	2,408
<b>Unattached Individual - \$25,000</b>										
1. Provincial Income Tax.....	301	349	361	694	240	-242	649	949	1,372	1,015
2. Property Tax.....	--	--	--	--	--	--	--	--	--	--
3. Sales Tax.....	477	0	457	600	484	943	903	886	656	429
4. Fuel Tax.....	145	130	150	140	226	292	253	254	229	451
5. Net Carbon Tax.....	-49	-59	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	873	420	968	1,434	950	993	1,805	2,089	2,257	1,895
7. Health Care Premiums/Payroll Tax...	0	--	--	538	488	1,065	--	--	--	500
8. Total Provincial Tax.....	873	420	968	1,971	1,437	2,058	1,805	2,089	2,257	2,395
9. Federal Income Tax.....	1,405	1,405	1,405	1,405	1,405	1,398	1,405	1,405	1,405	1,405
10. Net Federal GST.....	58	85	63	30	46	37	33	24	26	20
11. Total Tax.....	2,336	1,909	2,436	3,406	2,888	3,493	3,242	3,517	3,688	3,820



**Table A3 Comparison of Provincial and Federal Taxes by Province – 2017**

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland and Labrador
<b>Unattached Individual – \$80,000</b>										
	(\$)									
1. Provincial Income Tax.....	3,959	5,161	6,400	6,979	5,078	8,921	7,525	8,401	8,056	7,556
2. Property Tax – Gross.....	2,060	2,873	3,582	4,711	3,803	5,041	2,396	3,672	2,727	2,342
– Net.....	1,490	2,873	3,582	4,711	3,803	5,041	2,396	3,672	2,727	2,342
3. Sales Tax.....	1,119	0	1,036	1,350	1,664	1,962	2,021	1,973	1,758	1,931
4. Fuel Tax.....	218	195	225	210	339	438	380	381	344	677
5. Net Carbon Tax.....	186	196	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	6,971	8,425	11,242	13,250	10,884	16,362	12,322	14,427	12,885	12,506
7. Health Care Premiums/Payroll Tax.....	900	--	--	1,720	1,560	3,408	--	--	--	1,600
8. Total Provincial Tax.....	7,871	8,425	11,242	14,970	12,444	19,770	12,322	14,427	12,885	14,106
9. Federal Income Tax.....	10,151	10,151	10,151	10,151	10,151	10,119	10,151	10,151	10,151	10,151
10. Net Federal GST.....	1,132	1,188	1,102	1,022	1,065	943	1,022	997	1,034	976
11. Total Tax.....	19,155	19,765	22,496	26,143	23,661	30,833	23,495	25,575	24,070	25,234
<b>Senior Couple with Equal Pension Incomes – \$30,000</b>										
1. Provincial Income Tax.....	0	0	-592	-1,109	-1,604	-1,236	0	-237	0	-1,200
2. Property Tax – Gross.....	3,011	2,904	3,302	3,190	3,924	3,798	2,947	2,795	2,959	2,283
– Net.....	2,166	2,904	3,302	3,190	3,924	3,798	2,947	2,795	2,959	2,283
3. Sales Tax.....	867	0	804	1,151	864	1,693	1,634	1,657	1,271	1,263
4. Fuel Tax.....	145	130	150	140	226	292	253	254	229	451
5. Net Carbon Tax.....	-57	-111	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	3,121	2,923	3,664	3,372	3,410	4,547	4,834	4,470	4,453	2,796
7. Health Care Premiums/Payroll Tax.....	0	--	--	--	--	--	--	--	--	--
8. Total Provincial Tax.....	3,121	2,923	3,664	3,372	3,410	4,547	4,834	4,470	4,453	2,796
9. Federal Income Tax.....	0	0	0	0	0	0	0	0	0	0
10. Net Federal GST.....	322	348	317	325	320	281	271	282	296	341
11. Total Tax.....	3,443	3,271	3,981	3,696	3,730	4,828	5,105	4,752	4,756	3,137

**Personal Income Tax**

- Income tax is based on basic personal credits, applicable credits and typical major deductions at each income level. Quebec residents pay federal income tax less an abatement of 16.5 per cent of basic federal tax. This abatement has been used to reduce Quebec provincial tax rather than federal tax, for comparative purposes. The two income family of four with \$60,000 annual income is assumed to have one spouse earning \$40,000 and the other \$20,000, the family with \$30,000 income is assumed to have one spouse earning \$50,000 and the other \$40,000, the family with \$30,000 is assumed to have each spouse earning \$15,000 and each senior is assumed to receive \$15,000. All representative families are assumed to have employment income except the senior couple.

**Net Child Benefits**

- Net child benefits are provincial measures affecting payments to families with children. Provincial child benefit measures are available in British Columbia (BC Early Childhood Tax Benefit), Alberta (Alberta Child Benefit, Family Employment Credit), Ontario (Child Benefit), Quebec (Child Assistance Payments), New Brunswick (Child Tax Benefit), Nova Scotia (Child Benefit) and Newfoundland and Labrador (Child Benefit).

**Property Tax**

- It is assumed that the family at \$30,000 and the individual at \$25,000 rent accommodation, the family at \$60,000 and the senior couple own bungalows, the family at \$90,000 owns a two-storey executive-style home, and the individual at \$80,000 owns a luxury condominium in a major city for each province. Net local and provincial property taxes are estimated as taxes owing, after credits provided through the property tax system are subtracted.

**Sales, Fuel and Carbon Tax Estimates**

- Includes sales tax on meals, liquor and accommodation. Estimates are based on expenditure patterns from the Survey of Household Spending. In estimating individual and family taxable consumption, disposable income is reduced by 20 per cent to reflect housing (mortgage and property taxes or rent) costs. The senior couple is assumed to own their home and have no mortgage costs. For each province, disposable income is further reduced by estimated federal income taxes, estimated provincial income taxes and health care premiums/payroll taxes if applicable. In addition, the single individual with \$80,000 annual income and the family with \$90,000 annual income are assumed to have savings equal to 5 per cent of their disposable income. For each family, disposable income is distributed among expenditures using the consumption pattern of a typical family with the relevant characteristics as estimated using family expenditure data, and the relevant sales tax component is extracted. Sales tax includes: provincial retail sales taxes in British Columbia, Saskatchewan, and Manitoba; Quebec's value added tax; the provincial component of the HST in Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador; and Alberta's Tourism Levy. Sales tax estimates have been reduced by sales tax credits where applicable.
- Fuel tax is based on annual consumption: 1,000 litres of unleaded fuel for the individual at \$25,000, the family at \$30,000 and the senior couple; others are assumed to consume 1,500 litres.
- Carbon tax applies in British Columbia to household consumption of gasoline, natural gas and home heating fuel. Estimated carbon tax liabilities are based on natural gas and home heating fuel consumption amounts from the Survey of Household Spending and the assumed fuel consumption noted above. Net carbon tax is estimated as carbon tax liabilities less the low income climate action tax credit where applicable. Alberta implemented a carbon levy in 2017. The price is currently set at \$20 per tonne of carbon dioxide but will increase to \$30 per tonne in 2018. Assumptions regarding natural gas and fuel consumption in Alberta are taken from Alberta Treasury Board and Finance.

**Health Care Premiums/Payroll Tax**

- A health care premium is levied in British Columbia only. Payroll taxes, in the four provinces that levy them, are paid by the employer. Employer-paid payroll taxes and employer-paid health care premiums are generally reflected in reduced wages.

**Effective Tax Rates**

- British Columbia taxes have been calculated using rates in effect for 2017. Taxes for other provinces were calculated using rates that were announced prior to April 1, 2017, and that come into effect during 2017.

**ORDERS IN COUNCIL**  
Cabinet Summary  
**February 14, 2018**

		FOR DECISION	
	MIN	PURPOSE OF ORDER	STATUTE
1.	CFD s.12; s.14	s.12; s.14	
2.	FIN s.12; s.14		
3.	FIN s.12; s.14		



		FOR DECISION	
	MIN	PURPOSE OF ORDER	STATUTE
4.	FIN s.12; s.14	s.12; s.14	
5.	LBR s.12; s.14		

		FOR DECISION	
	MIN	PURPOSE OF ORDER	STATUTE
6.	PSSG  +2 Reg Count  s.12; s.14	s.12; s.14	

		FOR INFORMATION ONLY - CORRIDOR ORDERS	
	MIN	PURPOSE OF ORDER	STATUTE
7.	PREM s.12	s.12	
8.	PREM s.12		

## CABINET MINUTES

September 8, 2004  
9:00 a.m. - 2:15 p.m.

Members Present:	Honourable Gordon Campbell	(PREM)
	Honourable George Abbott	(SRM)
	Honourable Bill Barisoff	(WLAP)
	Honourable Pat Bell	(MoS-M)
	Honourable Shirley Bond	(AE)
	Honourable Susan Brice	(MoS-MH&AS)
	Honourable Graham Bruce	(SD&L)
	Honourable Ida Chong	(MoS-W&SS)
	Honourable Tom Christensen	(MoE)
	Honourable Christy Clark	(CFD)
	Honourable Murray Coell	(CAWS)
	Honourable Rich Coleman	(PS&SG)
	Honourable Gary Collins	(FCR)
	Honourable Mike de Jong	(MOF)
	Honourable Kevin Falcon	(MoT)
	Honourable Colin Hansen	(HS)
	Honourable Roger Harris	(MoS-FO)
	Honourable Sindi Hawkins	(MoS-IGR)
	Honourable John Les	(SB&ED)
	Honourable Joyce Murray	(MS)
	Honourable Geoff Plant	(AG)
	Honourable Linda Reid	(MoSECD)
	Honourable Sandy Santori	(MoS-RD)
	Honourable John van Dongen	(AFF)
Members Absent:	Honourable Stan Hagen	(HR)
	Honourable Richard Neufeld	(EM)
	Honourable Rick Thorpe	(PR)

**A. CABINET MINUTES:****1. Minutes of Meeting: July 21**

Approved. An OIC under the *Private Managed Forest Land Act* may have had some unintended consequences for local bylaws under the Island Trust and Cabinet was notified that these are being resolved.

**B. COMMITTEE REPORTS:****2. Government Caucus Committee: Economy/Government Operations - July 12**

The Chair reported on the Committee's support for amendments to fee schedules under the BC Securities Commission, and the Environmental Assessment Process. On the latter, the Minister responsible may consider the issues involved with charging actual costs for assessing proposals.

s.14

**Cabinet Committee on Environment and Resource Development - July 26**

The Chair reported support of a revised proposal for the Working Forest Initiative which maintains the Provincial Forest designation and develops net timber area objectives in all areas with approved land use plans. s.14

s.14

The Committee extended timelines for the mandate for land use planning, a cedar management plan and a fiscal mandate for the Queen Charlotte Island LRMP process.

The Committee approved updated policy to address potential provincial park boundary adjustments.

The Committee approved the policy framework for Management of Contaminated Sites on Provincial Land.

The Committee approved Environmental Review Guidelines for applications received under the Extensive Agriculture Program in unplanned areas.

C. **ORDERS IN COUNCIL:**

3. **Appointments/Regulations**

Cabinet reviewed and approved the attached list of Orders in Council and Proclamations with the following amendments:

- s.14

- 

- 

- 

- 

D. **ITEMS FOR DISCUSSION/DECISION**

4. **Government Caucus Committee: Education - July 21**

The Vice-Chair reported support of the Aboriginal Education Centre as a specialty school concept but noted issues raised by school closings in Prince George.

**For Information: Centre of Excellence in Aboriginal Education in Prince George**

Cabinet reviewed a submission for a Provincial Resource Program offering educational programs and services from an Aboriginal perspective for students from Grade 8-12.

Cabinet endorsed the concept of a specialty school to support Aboriginal children to learn and graduate with better rates of success. Cabinet suggested that there should be two Aboriginal Resource Centres, that are cost-shared on an 50/50 basis with the federal government, over a five year pilot plan basis.

School Districts should be asked to apply to partner with the province to open up the opportunities to School Districts who want to take advantage of offering this choice. The proposals to partner between the province and School Districts should clearly indicate that performance and results will be measured, as the intention is to offer new options for Aboriginal students.

5. For Direction: Provincial Drinking Driving Initiative

The Minister responsible stated that the level of impairment to be enforced will be the current .08 level. Further work will be done on educating the public on penalties for impaired driving. Any program involving vehicle impoundment will take into account the fairness concerns where there has been a driver who is someone other than the owner of the vehicle.

6. For Information: First Quarterly Report

Cabinet was briefed by the Minister of Finance. Ministers were reminded that if they had modest initiatives that could improve service or remove irritants, they were encouraged to speak to the Chair of Treasury Board.

6a). For Decision: Treasury Board Minutes - August 31

Cabinet reviewed and approved the decisions of Treasury Board's meeting of August 31, 2004 for the following:

**Item 2 (Priority Proposal)**

1. Addressing Wait Times in Orthopedics and Diagnostics;
2. Literacy Strategy;
3. Provincial Homelessness Initiative: this will return to the next Treasury Board meeting; and
4. Child Care (Priority Proposal).

7. For Decision: Open Cabinet Agenda - September 29

Cabinet reviewed and amended the agenda.

Cabinet expressly waived confidentiality for the specific topics to be discussed at the September 29th meeting only.

Cabinet authorized the release of documents to the public that will be utilized at the Open Cabinet meeting, subject to any legal requirements. This waiver of confidentiality is specific to this meeting and to those supporting documents utilized at the Open Cabinet meeting only.

8. For Information: UBCM - September 21-24

Cabinet was briefed on the events and priorities.

9. For Information: Health Issues Update

Cabinet did not deal with this issue.

10. For Information: Aboriginal/Legal Decisions Update

Cabinet did not deal with this issue.

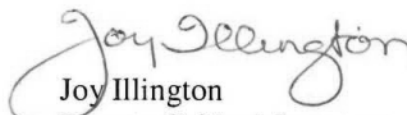
E. **REPORTS:**

11. Intergovernmental Relations Status Report

The Intergovernmental Relations Status Report was received.

12. Other

Cabinet did not deal with this issue.

  
Joy Illington  
Deputy Cabinet Secretary



# ORDERS IN COUNCIL

Cabinet

September 8, 2004

## APPOINTMENTS

MIN		PURPOSE OF ORDER	STATUTE
AG/ Premier BRDO	s.14		
ED BRDO			
	s.14; s.22		
	s.14		
	s.14; s.22		
	s.14		
FIN BRDO	s.14		
FIN			
HS			
HS BRDO	s.14; s.22		
SDL	s.14		

**NON-EXPRESS OICs**

CAWS s.14

PR

**ROUTINE**

MIN  
AG s.14

**PURPOSE OF ORDER**

**STATUTE**

EM

FOR

PR s.14; s.21

PR s.14; s.21; s.22

TR s.14

**REGULATIONS**

MIN  
AE s.14

PURPOSE OF ORDER

STATUTE

AG

FIN

FIN s.14

DEREG

FIN

HS

HS

TR

TR

## **PROCLAMATIONS**

<b>MIN</b>	<b>PURPOSE OF ORDER</b>	<b>STATUTE</b>
AG s.14		
AG		
AG		
AG		
AG		
AG		
AG		
AG		
AG		

## **CORRIDOR ORDERS**

<b>MIN</b>	<b>PURPOSE OF ORDER</b>	<b>STATUTE</b>
Premier	Appoints Lisa Currie as a Public Affairs Officer, Public Affairs Bureau. - signed by the LG, July 22, 2004	<u>Public Service Act</u> s. 15
Premier	Appoints Lisa Brewster as a Public Affairs Officer, Public Affairs Bureau. - signed by the LG, July 22, 2004	<u>Public Service Act</u> s. 15
Premier	Appoints Jeff Hanman as Ministerial Assistant to the Minister of Energy and Mines. - signed by the LG, July 22, 2004	<u>Public Service Act</u>
Premier	Appoints Lorraine Macdonald as Executive Assistant to the Minister of State for Mental Health and Addiction Services. - signed by the LG, July 22, 2004	<u>Public Service Act</u>

Premier	Appoints Jerry Muir as Acting Ministerial Assistant to the Minister of State for Mining. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Jacqui Cunliffe as Ministerial Assistant to the Minister of Skills Development and Labour. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Frank Costa as Executive Assistant to the Minister of Energy and Mines. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Bryan Cox as Executive Assistant to the Minister of Education. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Jake McEwan as Executive Assistant to the Minister of State for Resort Development. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Pavan Nirwan as Executive Assistant to the Minister of State for Women's and Seniors' Services. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Daphne Armstrong as Executive Assistant to the Minister of Forests. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Jennifer Burnett as Executive Assistant to the Minister of State for Intergovernmental Relations. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Carissa Morton as Administrative Coordinator to the Minister of Water, Land and Air Protection. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Janis Robertson as Public Affairs Officer, Public Affairs Bureau. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Andrea McKenzie as Public Affairs Officer Trainee, Public Affairs Bureau. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Lara Perzoff as Media Relations Officer, Public Affairs Bureau. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15

Premier	Appoints Lori Byrne as Financial Services Clerk, Public Affairs Bureau. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Laurie Cusinato as Events Coordinator, Public Affairs Bureau. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Effective August 30, 2004, appoints Debora Shera as Executive Lead, Social Policy Integration Team, reporting to the Deputy Ministers Committee on Health, Communities and Safety. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Alexandra Bata as Travel Coordinator, Public Affairs Bureau. <b>- signed by the LG, July 22, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Elan Symes as Acting Assistant Deputy Minister, Ministry of Provincial Revenue. <b>- signed by the LG, July 26, 2004</b>	<u>Public Service Act</u> s. 12
Premier	Appoints Tamara Vrooman as Deputy Minister, Treasury Board, Ministry of Finance and Secretary to Treasury Board, and rescinds the appointment of Paul Taylor as Secretary to Treasury Board, and the appointment of Paul Taylor as Deputy Minister, Ministry of Finance continues. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u> s. 12 <u>Financial Administration Act</u> s. 3
Premier	Effective August 4, 2004, appoints Amanda Morris as Acting Clerk 4 in the Office of the Minister of State for Mental Health and Addiction Services. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Effective August 9, 2004, appoints Jennifer Blattler as Clerk 3 in the Office of the Minister of Human Resources. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Jeffrey Reynolds as Executive Reception and Greetings Coordinator, Office of the Premier. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Debbie Smollett as Administrative Coordinator to the Minister of Small Business and Economic Development. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>



Premier	Appoints Steven Puhallo Acting Executive Assistant to the Minister of Sustainable Resource Management. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Caitlyn Sassaman as Communications Manager, Public Affairs Bureau. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Sarah Obee as Facilities Assistant, Public Affairs Bureau. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Janine Stremming as Office Assistant, Public Affairs Bureau. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Theresa Lumsdon as Communications Director, Public Affairs Bureau. <b>- signed by the LG, July 29, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Effective July 31, 2004, rescinds the appointment of Sukhvinder Bains, Public Affairs Bureau. <b>- signed by the LG, July 30, 2004</b>	<u>Public Service Act</u> s. 15
PSSG	Amends the Liquor Control and Licensing Regulations correcting a technical legal problem with the issuance of licences for licensee retail stores (Cold Beer and Wine Stores). <b>- signed by the LG, August 4, 2004</b>	<u>Liquor Control and Licensing Act</u> s. 84(2)(i)
PSSG	Amends the definition of "commercial motor vehicle" in section 37.01 of the <i>Motor Vehicle Act</i> Regulations to include a reference to the <i>Passenger Transportation Act</i> . <b>- signed by the LG, August 4, 2004</b>	<u>Motor Vehicle Act</u> s. 212.2
Premier	Appoints Albert Phipps as Assistant Deputy Minister, Ministry of Public Safety and Solicitor General and rescinds his previous appointment. <b>- signed by the LG, August 4, 2004</b>	<u>Public Service Act</u> s. 12
Premier	Rescinds the appointment of Betty Notar as Assistant Deputy Minister, Ministry of Skills Development and Labour. <b>- signed by the LG, August 4, 2004</b>	<u>Public Service Act</u> s. 12
AG	Appoints Ronald James Webb as Judge of the Provincial Court of British Columbia, effective August 27, 2004. <b>- signed by the LG, August 6, 2004</b>	<u>Provincial Court Act</u> s. 6
FOR	Amends the BC Timber Sales Regulation. <b>- signed by the LG, August 6, 2004</b>	<u>Forest Act</u> ss. 78, 151

Premier	Appoints Sarah Harrison as Manager, Media Relations, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Colleen Sparks as Communications Manager, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Tiffany Akins as Public Affairs Officer, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Holly Unwin as Media Monitoring Officer, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Gloria Mendez as Human Resources Coordinator, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Heather Walker as Public Affairs Officer, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Cheryl Maitland as Events Coordinator Officer, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Nicole Barnett as Public Affairs Officer, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Nevin Thompson as Public Affairs Officer, Public Affairs Bureau. <b>- signed by the LG, August 10, 2004</b>	<u>Public Service Act</u> s. 15
AG	Amends the <i>Offence Act</i> Regulation (Violation Ticket Administration and Fines Regulation) to make the new offences under the <i>Passenger Transportation Act</i> ticketable. <b>- signed by the LG, August 11, 2004</b>	<u>Offence Act</u> s. 132
CFD	Effective September 1, 2004, amends the Child Care Subsidy Regulation to restore eligibility when the amount of a child care subsidy is calculated at \$50 or less. <b>- signed by the LG, August 11, 2004</b>	<u>Child Care Subsidy Act</u> s. 13

CFD	Effective September 1, 2004, amends the Child Care Subsidy Regulation to restore eligibility for preschool subsidy to parents who are neither working nor in training. <b>- signed by the LG, August 11, 2004</b>	<u>Child Care Subsidy Act</u> s. 13
Premier	Appoints Lisa Leslie as Public Affairs Officer, Public Affairs Bureau. <b>- signed by the LG, August 13, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Sandra Lodoen as Communications Director, Public Affairs Bureau. <b>- signed by the LG, August 13, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Kenneth M. Yamamoto as a Justice of the Peace and designates as a judicial justice, and rescinds OIC 765/04 to correct an error. <b>- signed by the LG, August 20, 2004</b>	<u>Provincial Court Act</u> ss. 30 and 30.1

## CABINET MINUTES

December 1, 2004

10:00 a.m. to 2:30 p.m.

Members Present:	Honourable Gordon Campbell	(PREM) arrived at 11:50
	Honourable George Abbott	(SRM)
	Honourable Bill Barisoff	(WLAP)
	Honourable Pat Bell	(MoS-M)
	Honourable Bond	(AEd)
	Honourable Susan Brice	(MHR)
	Honourable Graham Bruce	(SD&L)
	Honourable Tom Christensen	(MoE)
	Honourable Murray Coell	(CAWS)
	Honourable Rich Coleman	(PS&SG)
	Honourable Gary Collins	(FCR)
	Honourable Mike de Jong	(MOF)
	Honourable Kevin Falcon	(MoT)
	Honourable Colin Hansen	(HS)
	Honourable Roger Harris	(MoS-FO)
	Honourable John Les	(SB&ED)
	Honourable Joyce Murray	(MS)
	Honourable Richard Neufeld	(EM)
	Honourable Geoff Plant	(AG)
	Honourable Linda Reid	(MoSECD)
	Honourable Rick Thorpe	(PR)
	Honourable John van Dongen	(AFF)
	Honourable Patrick Wong	(MoS-I/MS)
Members Absent:	Honourable Ida Chong	(MoS-W&SS)
	Honourable Stan Hagen	(CFD)
	Honourable Sindi Hawkins	(MoS-IGR)
	Honourable Brenda Locke	(MoS-MH&AS)
	Honourable Sandy Santori	(MoS-RD)

### A. CABINET MINUTES:

#### 1. Minutes of Meetings: November 17, 2004

Approved.

**B. ORDERS IN COUNCIL:****2. Appointments/Regulations**

Cabinet reviewed and approved the attached list of Orders in Council and Proclamations with the following amendments:

- s.14

- 
- 

s.14

**C. ITEMS FOR DISCUSSION/DECISION****3. Cabinet Committee on Environment and Resource Development Minutes: November 24**

Cabinet deferred this item to the December 10, 2004 Cabinet meeting.

**4. For Decision: Child Care: A Vision for the Future**

Cabinet received a presentation entitled "Child Care: A Vision for the Future" and approved the following principles to guide long-term planning and investment in child care:

- Quality
- Universally Inclusive
- Accessible
- Developmental
- Choice/Flexibility
- Targeted Investment
- Integrated Services.

**5. For Decision: Concluding Final Agreements**

Cabinet reviewed and approved the recommendation to provide the financial mandate increases to the Lheidli Teneh, Sliammon and Maa-nulth tables, as laid out in the document titled "Concluding Final Agreements".

**6. Item Deleted**

7. For Decision: Treasury Board Minutes:

Cabinet reviewed and approved the decisions of Treasury Board's meeting of November 18, 2004 for the following:

**Item 2:** Olympic/Paralympic Live Sites Program; and

**Item 4:** Contaminated Sites.

Cabinet reviewed and approved the decisions of Treasury Board's meeting of November 24, 2004 for the following:

**Item 1:** Treaty Mandate;

**Item 5:** ASD Workstations; and

**Walk-in:** Yekooche First Nation Specific Mandate.

Cabinet reviewed and approved the decisions of Treasury Board's meeting of November 30, 2004 for the following:

**Item 10:** Richmond-Airport-Vancouver (RAV) Rapid Transit Initiative.

7. For Decision: Open Cabinet Agenda

Cabinet reviewed and amended the agenda.

Cabinet expressly waived confidentiality for the specific topics to be discussed at the December 10<sup>th</sup> meeting only.

Cabinet authorized the release of documents to the public that will be utilized at the Open Cabinet meeting, subject to any legal requirements. This waiver of confidentiality is specific to this meeting and to those supporting documents utilized at the Open Cabinet meeting only.

8. For Information: Legislative Update

The Government House Leader provided a brief update.

9. For Information: Health Issues Update

The Minister of Health Services provided a brief update.

10. For Information: Aboriginal/Legal Decisions Update

This item was not dealt with.

**D. REPORTS:**

11. Intergovernmental Relations Status Report

The Intergovernmental Relations Status Report was received.

12. Other:

Kathryn Dawson  
Assistant Deputy Minister  
Cabinet and Committee Support

## ORDERS IN COUNCIL

Approved at Cabinet

December 1, 2004

### APPOINTMENTS

MIN		PURPOSE OF ORDER	STATUTE
AE	s.14		
BRDO			

AE  
BRDO

AG  
BRDO

AG

AG



AG s.14

AG  
BRDO

AG  
BRDO

EM  
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s.14

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**NON-EXPRESS OICs**

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s.14

PURPOSE OF ORDER

STATUTE

SRM

**ROUTINE**

MIN  
AG s.14

**PURPOSE OF ORDER**

**STATUTE**

CAWS

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**REGULATIONS**

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**PURPOSE OF ORDER**

**STATUTE**

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PSSG s.14

PSSG

SRM

SRM s.14

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**PROCLAMATIONS**

MIN  
AG s.14

**PURPOSE OF ORDER**

**STATUTE**

AG

AG

## **CORRIDOR ORDERS**

<b>MIN</b>	<b>PURPOSE OF ORDER</b>	<b>STATUTE</b>
Premier	Approves delegation of authority to the Ministry of Provincial Revenue to allow it to act on behalf of other ministries regarding collection services. This OIC will give legal authority for the ministry to enter into a contractual arrangement to delegate the outsourcing of payment processing and collection functions with EDS Advanced Solutions, the outside service provider approved by Treasury Board. <b>- signed by the LG, November 18, 2004</b>	<u>Constitution Act</u> ss. 9 to 14
AG	Proclaims November 14 to 20, 2004 as "Archives Week". <b>- signed by the LG, November 13, 2004</b>	<u>Prerogative</u>
Premier	Appoints Anne McKinnon as Communications Manager, Public Affairs Bureau. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Regan Hansen as Communications Manager, Public Affairs Bureau. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u> s. 15
Premier	Appoints Lisa Dominato as Executive Assistant to the Minister of Management Services. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Jerry Muir as Ministerial Assistant to the Minister of State for Mining. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Alison Leontaridis as Executive Assistant to the Minister of Community, Aboriginal and Women's Services. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u>
Premier	Appoints Brenda Eaton as Deputy Minister to the Premier, Priority Programs, Office of the Premier. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u> s. 12
Premier	Appoints Jessica McDonald as Deputy Minister to the Premier, Strategic Planning, Office of the Premier. <b>- signed by the LG, November 18, 2004</b>	<u>Public Service Act</u> s. 12

## **CABINET MINUTES**

**March 8, 2006**

**8:00 a.m. – 1:00 p.m.**

**Cabinet Chambers**

### **Members Present:**

Honourable Gordon Campbell	(PREM)
Honourable George Abbott	(HEA)
Honourable Pat Bell	(AL)
Honourable Shirley Bond	(EDUC)
Honourable Ida Chong	(CSERV)
Honourable Tom Christensen	(ARR)
Honourable Rich Coleman	(FOR)
Honourable Mike de Jong	(LCS)
Honourable Kevin Falcon	(TRAN)
Honourable Colin Hansen	(ECDEV)
Honourable Olga Ilich	(TSA)
Honourable John Les	(PSSG)
Honourable Richard Neufeld	(EMPR)
Honourable Barry Penner	(ENV)
Honourable Wally Oppal	(AG)
Honourable Linda Reid	(MoSC)
Honourable Claude Richmond	(EIA)
Honourable Carole Taylor	(FIN)
Honourable Rick Thorpe	(SBR)
Honourable John van Dongen	(MoSIR)

### **Members Absent:**

Honourable Bill Bennett	(MoSM)
Honourable Murray Coell	(AVED)
Honourable Stan Hagen	(CFD)

**A. MINUTES:**

1. Minutes of Cabinet Meeting: February 17, 2006  
Approved. s.12  
s.12

**B. ORDERS IN COUNCIL:**

2. Appointments/Regulations  
Cabinet reviewed and approved the attached list of orders-in-council with the exception of s.12; s.14  
s.14

**C. ITEMS for DECISION:**

3. s.12

4.

5.

**D. REPORTS:**

6. Health Status Report  
The Minister of Health provided a brief update.



7. First Nations Update  
The Minister of Aboriginal Relations and Reconciliation provided a brief update including s.12  
s.12
8. Legislative Update  
Cabinet received a brief update.
9. Intergovernmental Relations Status Report  
This item was not addressed.
10. Other  
s.12



Elizabeth MacMillan  
Deputy Cabinet Secretary

**ORDERS IN COUNCIL**

**Cabinet**

**March 8, 2006**

**APPOINTMENTS**

**MIN**

**AE**

s.12; s.14

**BRDO**

**PURPOSE OF ORDER**

**STATUTE**

**AE**

**BRDO**

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**BRDO**

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**BRDO**

AG  
BRDO

s.12; s.14

AL  
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BRDO

**ROUTINE**

MIN  
AE

s.12; s.14

**PURPOSE OF ORDER**

**STATUTE**

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s.12; s.14

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s.12; s.14

FOR

HLTH

SBR

s.12; s.14; s.21

SBR

s.12; s.14; s.21; s.22

**REGULATIONS**

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s.12; s.14

**PURPOSE OF ORDER**

**STATUTE**

FIN

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SBR s.12; s.14

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**CORRIDOR ORDERS**

MIN	PURPOSE OF ORDER	STATUTE
AG s.12		

AG

Premier

FIN

FIN

s.12

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Premier

Premier s.12

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EM

Premier s.12

Premier

Premier

SBR  
BRDO

Premier

Premier

**ORDERS IN COUNCIL**  
Summary  
Prepared for Cabinet Review  
**July 12, 2006**

**APPOINTMENTS**

MIN	PURPOSE OF ORDER	STATUTE
AG BRDO	s.12; s.14	

AG  
BRDO

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AVED  
BRDO

s.12; s.14

AVED  
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AVED  
BRDO

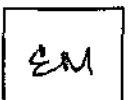
AVED  
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s.12; s.14; s.22



Prepared: July 6, 2006



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s.12; s.14

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**ROUTINE**

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PURPOSE OF ORDER

STATUTE

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s.12; s.14



Prepared: July 6, 2006

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EMPR s.12; s.14

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FOR



Prepared: July 6, 2006

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FOR

s.12; s.14

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**REGULATIONS**

**MIN**

**PURPOSE OF ORDER**

**STATUTE**

**AL**

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s.12; s.14

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Prepared: July 6, 2006

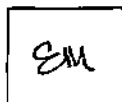
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s.12; s.14



Prepared: July 6, 2006



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Prepared: July 6, 2006

EM

## CORRIDOR ORDERS

MIN	PURPOSE OF ORDER	STATUTE
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FIN	s.12	
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Premier

Premier

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Prepared: July 6, 2006

A handwritten signature, possibly "Dk", enclosed in a rectangular box.

12



Premier s.12

## PROCLAMATIONS

AG s.12

AG

AG

**ORDERS IN COUNCIL**  
Supplemental Summary  
Prepared for Cabinet Review

**March 4, 2009**

8:00 a.m. to 1:00 p.m.  
Chambers

**FOR ATTENTION**

MIN	PURPOSE OF ORDER	STATUTE
ENV	s.12; s.14	
+1 Reg. Count		
AG		
+0 Reg. Count		

**HOLD?** If yes, hold until when? \_\_\_\_\_  
Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:  
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ENV

s.12; s.14

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Count

**HOLD?** If yes, hold until when? \_\_\_\_\_  
Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:  
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Prepared: July 14, 2020



2

FIN

s.12; s.14

+0  
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**HOLD?**

If yes, hold until when? \_\_\_\_\_

Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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3

**ROUTINE****MIN****PURPOSE OF ORDER****STATUTE**

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If yes, hold until when? \_\_\_\_\_

Date returned to  
Cabinet/OIC Office:  
\_\_\_\_\_Yes ☐ No ☐

ENV

s.12; s.14

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If yes, hold until when? \_\_\_\_\_

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Cabinet/OIC Office:  
\_\_\_\_\_Yes ☐ No ☐

Prepared: July 14, 2020



4

ENV s.12; s.14

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**HOLD?** If yes, hold until when? \_\_\_\_\_

Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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Count

**HOLD?** If yes, hold until when? \_\_\_\_\_

Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:



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ENV / s.12; s.14  
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**HOLD?** If yes, hold until when? \_\_\_\_\_  
Yes ☐ No ☐

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Cabinet/OIC Office:  
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ENV s.12; s.14

**HOLD?** If yes, hold until when? \_\_\_\_\_  
Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:  
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ENV s.12; s.14

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**HOLD?** If yes, hold until when? \_\_\_\_\_

Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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Yes ☐ No ☐

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Cabinet/OIC Office:  
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Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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ENV

s.12; s.14

**HOLD?**

If yes, hold until when? \_\_\_\_\_

Date returned to  
Cabinet/OIC Office:

Yes ☐ No ☐

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If yes, hold until when? \_\_\_\_\_

Date returned to  
Cabinet/OIC Office:

Yes ☐ No ☐



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**HOLD?**

If yes, hold until when? \_\_\_\_\_

Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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If yes, hold until when? \_\_\_\_\_

Yes ☐ No ☐

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Cabinet/OIC Office:

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If yes, hold until when? \_\_\_\_\_

Date returned to  
Cabinet/OIC Office:

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Cabinet/OIC Office:

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Yes ☐ No ☐

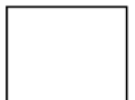
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If yes, hold until when? \_\_\_\_\_

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Cabinet/OIC Office:

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Date returned to  
Cabinet/OIC Office:

Yes ☐ No ☐



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15



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Yes ☐ No ☐

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Yes ☐ No ☐

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Yes ☐ No ☐

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Yes ☐ No ☐

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Yes ☐ No ☐

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Cabinet/OIC Office:



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**HOLD?** If yes, hold until when? \_\_\_\_\_  
Yes ☐ No ☐

Date returned to  
Cabinet/OIC Office:

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Page 81 of 93 to/à Page 82 of 93

Withheld pursuant to/removed as

s.12; s.14

Page 83 of 93 to/à Page 84 of 93

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s.14; s.12

Page 85 of 93 to/à Page 86 of 93

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s.12; s.14

# COMPETITIVENESS ISSUES – TAXATION OF BUSINESS

Currently, the most significant tax competitiveness issue for BC businesses arises from the re-implementation of the Provincial Sales Tax (PST), its impact on the Marginal Effective Tax Rate and its potential impact on investment.

## Marginal Effective Tax Rate (METR)

- Taxes imposed on business affect the rate of return and can, therefore, affect the amount of investment undertaken. While the statutory corporate income tax rate is a key indicator of how the tax system affects investment, it does not paint a complete picture.
- The Marginal Effective Tax Rate (METR) is a more comprehensive indicator of tax competitiveness than the statutory rate. It combines into a single measure the key elements of the overall corporate tax structure, including the statutory income tax rate, factors that affect the tax base such as capital cost allowances, and profit-insensitive taxes such as sales taxes and capital taxes.
- Canada's overall projected METR for 2014 is 17. Largely due to the re-implementation of the PST and the elimination of input tax credits for business, British Columbia's 2014 METR is estimated at 27, the highest in the country (up from 16.7 under the 2011 tax system when the province levied the HST). Alberta and Ontario's 2014 METRs are 15.3 and 16.6, respectively.

## Provincial Sales Tax

- With re-implementation of the provincial sales tax (PST) most businesses will again be required to pay PST on most goods and taxable services acquired for business use, including energy inputs, and will have additional costs and complexity associated with complying with 2 very different sales tax systems (federal GST and PST).

s.13

## Corporate Income Tax

### General Corporate Income Tax Rate

- BC's Budget 2013 announced an increase to the general corporate income tax rate to 11 per cent from 10 per cent effective April 1, 2013, however, the legislation to implement the increase was not passed.
- Under the Tax Collection Agreement, BC must notify the federal government by August 1, 2013 to confirm the rate increase. The legislation to implement the increase must be passed by October 1, 2013.
- At 11 per cent BC will have the second lowest general corporate income tax rate in the country,

after Alberta at 10 per cent (New Brunswick is increasing its general corporate income tax rate to 12 per cent effective July 1, 2013).

- An interprovincial comparison of tax rates can be seen in the attached Table A2 (updated since Budget 2013).

### **Small Business Corporate Income Tax Rate**

- BC's small business rate of 2.5 per cent applies to active business income of Canadian-controlled private corporations up to a \$500,000 income threshold.
- At 2.5 per cent BC has the third lowest small business corporate income tax rate in the country (after Manitoba at 0 per cent and Saskatchewan at 2 per cent) and has the same \$500,000 threshold limit as 7 other provinces.
- Small businesses must be incorporated to benefit from the 2.5 per cent rate. The majority of small businesses in BC are unincorporated and pay income tax at the applicable personal income tax rates.
- A large portion (≈30%) of income taxed at the small business rate is earned by incorporated high income individuals (e.g., doctors, dentists, consultants) who do not usually grow, hire or significantly expand their businesses over time.

### **Carbon Tax**

- When the carbon tax was introduced, a key principle was that the tax would be revenue neutral – that all carbon tax revenue would be returned to individuals and businesses through reductions in other taxes.
- The BC low Income Climate Action Tax Credit helps to offset the carbon tax paid by lower income individuals and families. The credit is set at \$115.50 per adult and 34.50 per child. Even with the carbon tax at \$30 per tonne, the credit continues to over-compensate many low income recipients for the carbon tax they pay.
- The carbon tax review presented in Budget 2013 found the following:
  - BC's carbon tax at \$30 per tonne has had, and will continue to have, a small negative impact on gross domestic product (GDP) in the province.
  - However, the economic and competitiveness impact of the carbon tax varies by industry and some industries are more impacted than others. Trade exposed industries with high emissions intensities, such as cement production, petroleum refining, oil and gas extraction and some other manufacturing subsectors, are most impacted. Other sectors are less impacted.

### **Business Tax Incentives**

The following measures are BC's primary business tax expenditures. In total, their estimated cost was \$584 million in 2012/13. This represents a significant transfer to these sectors and recipients from other taxpayers. By comparison, each point increase in the general corporate income tax rate raises approximately \$200 million (i.e., moving from the current 10 per cent rate to 11 per cent).



**Film and Television Industry Tax Credits** – 2012/13 estimated cost: \$331 million

- At existing rates, the BC government only receives between 20 - 25 cents in all types of tax revenue from the film industry (including its employees, suppliers and spin-off effects) for every dollar the province spends on tax credits. This means that between 75 - 80 cents of every dollar in film tax credits provided to the film industry is being paid for by other taxpayers with no connection to the film industry.
- These findings have been duplicated in studies in many US states. The Tax Foundation (an American non-partisan, non-profit organization) states that every independent study in the US has found that film tax credits generate less than 30 cents for every \$1 of spending (even accounting even for movie-induced tourism, increased business to non-film business, and other indirect effects).
- The cost of BC government support provided to the industry has increased more than a 400 per cent over the last decade.

**Interactive Digital Media Tax Credit** – 2012/13 estimated cost: \$23 million

**Scientific Research and Experimental Development Tax Credit – 2012/13 estimated cost: \$161 million**

**Mining Exploration Tax Credit** – 2012/13 estimated cost: \$49 million

**International Business Activity Program – 2012/13 estimated cost: \$20 million**

- The original rationale for the IBA Program was to attract certain international activities to BC by providing internationally competitive tax rates.

s.13

s.13                      expansions have increased the cost of the Program from less than \$5 million in 2004 to \$23 million in 2010.

## Capital Taxes

- BC phased out its general corporate capital tax by 2002 and the remaining capital tax on financial institutions in 2010.
- The federal government instituted a moratorium on the deductibility of capital taxes against income taxes. As a result, any new provincial capital taxes will not be deductible for income tax purposes and will represent a larger cost for impacted taxpayers.



**Table A2 Interprovincial Comparisons of Tax Rates – 2013****(Rates known and in effect as of April 4, 2013)<sup>1</sup> - Updated since Budget 2013**

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland
Corporation income tax <sup>2</sup> (per cent of taxable income)										
General rate.....	10	10	12	12	11.5	11.9	10	16	16	14
Manufacturing rate.....	10	10	10	12	10	11.9	10	16	16	5
Small business rate.....	2.5	3	2	0	4.5	8	4.5	3.5	4.5	4
Small business threshold (\$000s).....	500	500	500	400	500	500	500	400	500	500
Corporation capital tax										
Non-financial.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Financial.....	Nil	Nil	7/3.25	4.0	Nil	Nil	4.0	4.0	5.0	4.0
Health care premiums/month <sup>3</sup>										
Individual/family.....	66.5/133	Nil	Nil	Nil	Nil	up to 83/167	Nil	Nil	Nil	Nil
Payroll tax (per cent) <sup>4</sup> .....	Nil	Nil	Nil	2.15	1.95	4.26	Nil	Nil	Nil	2.0
Insurance premium tax (per cent) <sup>5</sup> .....	2-4.4	2-3	3-4	2-3	2-3.5	2-3	2-3	3-4	3.5	4
Fuel tax (cents per litre) <sup>6</sup>										
Gasoline .....	21.17	9.0	15.0	14.0	23.3	30	22.2	26.6	22.6	25.6
Diesel.....	22.67	9.0	15.0	14.0	23.3	30.8	28.9	27.1	30.5	26.4
Sales tax (per cent) <sup>7</sup>										
General rate.....	7	Nil	5	7	8	9.975	8	10	9	8
Tobacco tax (dollars per carton of 200 cigarettes) <sup>8</sup> .....	42.60	40.00	54.80	56.72	30.36	25.80	44.72	56.34	53.19	44.72

<sup>1</sup> Rates shown are those known and in effect as of April 4, 2013.<sup>2</sup> BC's Budget 2013 announced an increase in the general corporate income tax rate to 11 per cent effective April 1, 2013, however, legislation was not passed prior to the May 14, 2013 provincial election. New Brunswick intends to increase its general corporate income tax rate to 12 per cent effective July 1, 2013. Nova Scotia intends to reduce its small business rate to 3 per cent and reduce its small business threshold to \$350,000, both effective January 1, 2014. Ontario plans to reduce its general corporate income tax rate to 10 per cent when it returns to a balanced budget.<sup>3</sup> British Columbia has a two-person rate of \$120.50; rates will increase effective January 1, 2014 to \$69.25 per month for single persons, \$125.50 for two-person families, and \$138.50 for families of three or more persons. British Columbia provides premium assistance in the form of lower rates or an exemption from premiums for lower income individuals and families. Quebec levies a health contribution that varies with income. Quebec's health contribution is capped at \$150 annually per adult for modest income earners and increases to a maximum of \$1,000 annually per adult for high income earners. Ontario levies a health premium as part of its provincial personal income tax system.<sup>4</sup> Provinces with payroll taxes provide payroll tax relief for small businesses. Quebec also levies a compensation tax of up to 2.8 per cent on salaries and wages paid by financial institutions.<sup>5</sup> The lower rate applies to premiums for life, sickness and accident insurance; the higher rate applies to premiums for property insurance including automobile insurance. In Ontario, Quebec and Newfoundland and Labrador specific sales taxes also apply to insurance premiums, except those related to individual life and health.<sup>6</sup> Tax rate is for regular fuel used on highways and includes all provincial taxes payable by consumers at the pump. The British Columbia rate includes 6.75 cents per litre dedicated to the BC Transportation Financing Authority and the carbon tax rates of 6.67 cents per litre for gasoline and 7.67 cents per litre for diesel. The British Columbia rates do not include regional taxes that effectively increase the gasoline and diesel tax rates by 11 cents per litre in the South Coast British Columbia transportation service region and by 3.5 cents per litre in the Capital Regional District. The tax rates for Ontario, Quebec, Prince Edward Island, New Brunswick, Nova Scotia and Newfoundland and Labrador include provincial sales tax based on average pump prices as of April 2013. The Prince Edward Island rate consists of an ad valorem tax rate capped at 8.7 cents per litre and a volume-based motor fuel tax rate set at 4.4 cents per litre for gasoline and 11.5 cents per litre for diesel fuel.<sup>7</sup> The rates shown are statutory rates. As part of its GST harmonization, Quebec's tax rate increased from 9.5 to 9.975% but will no longer apply on top of GST. Ontario, Prince Edward Island, Nova Scotia, New Brunswick and Newfoundland and Labrador also have harmonized their sales taxes with the federal GST. Alberta imposes a 4 per cent tax on short-term rental accommodation.<sup>8</sup> Includes estimated provincial sales tax in all provinces except British Columbia, Alberta and Quebec. BC's Budget 2013 announced an increase to the tobacco tax rate to \$44.60 effective October 1, 2013, however, legislation was not passed prior to the May 14, 2013 provincial election.

**Table A3 Comparison of Provincial and Federal Taxes by Province – 2013**

Tax	British Columbi a	Alberta	Saskat- chewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	New- foundland
<b>Two Income Family of Four - \$90,000</b> ( \$ )										
1. Provincial Income Tax.....	3,161	4,316	4,059	6,605	3,995	7,701	5,638	6,825	6,855	5,528
Net Child Benefits.....	0	139	0	--	0	-2,054	0	0	--	0
2. Property Tax - Gross.....	3,673	2,903	4,411	3,366	4,977	4,964	4,870	4,099	3,467	2,730
- Net.....	3,103	2,903	4,411	2,666	4,977	4,964	4,870	4,099	3,467	2,730
3. Sales Tax.....	1,378	13	1,014	1,482	1,976	2,500	2,011	2,355	2,093	1,940
4. Fuel Tax.....	218	135	225	210	350	450	333	399	237	384
5. Net Carbon Tax .....	236	--	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	8,096	7,506	9,709	10,963	11,297	13,561	12,852	13,679	12,652	10,583
7. Health Care Premiums/Payroll Tax...	1,596	--	--	1,935	1,755	4,134	--	--	--	1,800
8. Total Provincial Tax.....	9,692	7,506	9,709	12,898	13,052	17,695	12,852	13,679	12,652	12,383
9. Federal Income Tax.....	7,620	7,620	7,620	7,620	7,620	7,592	7,620	7,620	7,620	7,620
10. Net Federal GST.....	1,315	1,400	1,364	1,220	1,270	1,186	1,272	1,222	1,247	1,227
11. Total Tax.....	18,627	16,526	18,693	21,738	21,942	26,474	21,744	22,521	21,519	21,230
<b>Two Income Family of Four - \$60,000</b>										
1. Provincial Income Tax.....	1,322	1,816	1,095	3,468	1,214	3,687	3,146	3,531	3,788	2,948
Net Child Benefits.....	0	-411	0	--	0	-3,154	0	0	--	0
2. Property Tax - Gross.....	2,674	2,356	2,939	2,721	3,570	3,413	2,708	2,572	2,758	1,879
- Net.....	2,104	2,356	2,939	2,021	3,570	3,413	2,708	2,572	2,758	1,879
3. Sales Tax.....	1,091	10	830	1,208	1,619	2,143	1,611	1,914	1,631	1,567
4. Fuel Tax.....	218	135	225	210	350	450	333	399	237	384
5. Net Carbon Tax .....	208	--	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	4,942	3,907	5,090	6,907	6,752	6,538	7,798	8,416	8,414	6,778
7. Health Care Premiums/Payroll Tax...	1,596	--	--	1,290	1,170	2,759	--	--	--	1,200
8. Total Provincial Tax.....	6,538	3,907	5,090	8,197	7,922	9,297	7,798	8,416	8,414	7,978
9. Federal Income Tax.....	3,686	3,686	3,686	3,686	3,686	3,668	3,686	3,686	3,686	3,686
10. Net Federal GST.....	1,041	1,147	1,117	994	1,041	1,022	1,019	993	1,009	991
11. Total Tax.....	11,264	8,739	9,892	12,877	12,649	13,987	12,502	13,094	13,109	12,655
<b>Two Income Family of Four - \$30,000</b>										
1. Provincial Income Tax.....	0	0	-651	278	-581	-2,714	172	358	1,018	181
Net Child Benefits.....	0	-1,239	0	--	-1,593	-3,478	-52	0	--	0
2. Property Tax - Gross.....	2,674	2,356	2,939	2,721	3,570	3,413	2,708	2,572	2,758	1,879
- Net.....	2,104	2,356	2,939	2,021	3,570	3,413	2,708	2,572	2,758	1,879
3. Sales Tax.....	674	8	637	969	327	1,931	1,271	1,513	1,207	1,242
4. Fuel Tax.....	145	90	150	140	233	300	222	266	158	256
5. Net Carbon Tax .....	-126	--	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	2,797	1,216	3,075	3,408	1,956	-548	4,320	4,709	5,142	3,558
7. Health Care Premiums/Payroll Tax...	0	--	--	645	585	1,289	--	--	--	600
8. Total Provincial Tax.....	2,797	1,216	3,075	4,053	2,541	741	4,320	4,709	5,142	4,158
9. Federal Income Tax.....	119	119	119	119	119	111	119	119	119	119
10. Net Federal GST.....	24	103	56	-4	80	128	3	-16	-15	-16
11. Total Tax.....	2,940	1,439	3,250	4,169	2,740	980	4,443	4,813	5,247	4,262
<b>Unattached Individual - \$25,000</b>										
1. Provincial Income Tax.....	365	452	522	729	357	-57	712	943	1,412	1,052
2. Property Tax.....	--	--	--	--	--	--	--	--	--	--
3. Sales Tax.....	436	4	343	523	510	916	713	835	648	674
4. Fuel Tax.....	145	90	150	140	233	300	222	266	158	256
5. Net Carbon Tax .....	-49	--	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	898	546	1,014	1,392	1,100	1,159	1,648	2,045	2,218	1,982
7. Health Care Premiums/Payroll Tax...	154	--	--	538	488	1,163	--	--	--	500
8. Total Provincial Tax.....	1,052	546	1,014	1,930	1,587	2,321	1,648	2,045	2,218	2,482
9. Federal Income Tax.....	1,494	1,494	1,494	1,494	1,494	1,487	1,494	1,494	1,494	1,494
10. Net Federal GST.....	67	96	78	47	57	44	54	41	37	29
11. Total Tax.....	2,613	2,136	2,586	3,471	3,138	3,852	3,196	3,580	3,749	4,006



**Table A3 Comparison of Provincial and Federal Taxes by Province – 2013**

Tax	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	New- foundland
<b>Unattached Individual - \$80,000</b> ( \$ )										
1. Provincial Income Tax.....	3,999	5,286	6,689	7,794	5,253	9,018	6,599	8,414	8,100	6,741
2. Property Tax - Gross.....	1,829	2,332	3,189	4,019	3,460	4,530	2,202	3,378	2,542	1,928
- Net.....	1,259	2,332	3,189	3,319	3,460	4,530	2,202	3,378	2,542	1,928
3. Sales Tax.....	1,087	9	775	1,148	1,610	1,905	1,638	1,852	1,660	1,561
4. Fuel Tax.....	218	135	225	210	350	450	333	399	237	384
5. Net Carbon Tax .....	186	--	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	6,748	7,762	10,878	12,471	10,672	15,903	10,772	14,044	12,539	10,615
7. Health Care Premiums/Payroll Tax...	798	--	--	1,720	1,560	3,819	--	--	--	1,600
8. Total Provincial Tax.....	7,546	7,762	10,878	14,191	12,232	19,722	10,772	14,044	12,539	12,215
9. Federal Income Tax.....	10,854	10,854	10,854	10,854	10,854	10,823	10,854	10,854	10,854	10,854
10. Net Federal GST.....	1,111	1,161	1,082	982	1,039	910	1,044	979	1,004	995
11. Total Tax.....	19,512	19,777	22,815	26,027	24,125	31,455	22,670	25,877	24,397	24,064
<b>Senior Couple with Equal Pension Incomes - \$30,000</b>										
1. Provincial Income Tax.....	0	0	-469	-316	-1,526	-1,185	0	-255	0	0
2. Property Tax - Gross.....	2,674	2,356	2,939	2,721	3,570	3,413	2,708	2,572	2,758	1,879
- Net.....	1,829	2,356	2,939	2,021	3,570	3,413	2,708	2,572	2,758	1,879
3. Sales Tax.....	750	7	581	962	844	1,628	1,253	1,529	1,180	1,291
4. Fuel Tax.....	145	90	150	140	233	300	222	266	158	256
5. Net Carbon Tax .....	-57	--	--	--	--	--	--	--	--	--
6. Provincial Direct Taxes.....	2,668	2,454	3,201	2,807	3,121	4,156	4,183	4,112	4,095	3,426
7. Health Care Premiums/Payroll Tax...	0	--	--	-	-	20	--	--	--	-
8. Total Provincial Tax.....	2,668	2,454	3,201	2,807	3,121	4,176	4,183	4,112	4,095	3,426
9. Federal Income Tax.....	0	0	0	0	0	0	0	0	0	0
10. Net Federal GST.....	313	342	311	321	305	270	272	272	280	296
11. Total Tax.....	2,981	2,795	3,512	3,127	3,426	4,446	4,456	4,384	4,376	3,722

**Personal Income Tax**

- Income tax is based on basic personal credits, applicable credits and typical major deductions at each income level. Quebec residents pay federal income tax less an abatement of 16.5 per cent of basic federal tax. This abatement has been used to reduce Quebec provincial tax rather than federal tax, for comparative purposes. The two income family of four with \$60,000 annual income is assumed to have one spouse earning \$40,000 and the other \$20,000, the family with \$90,000 income is assumed to have one spouse earning \$50,000 and the other \$40,000, the family with \$30,000 is assumed to have each spouse earning \$15,000 and each senior is assumed to receive \$15,000. All representative families are assumed to have employment income except the senior couple.

**Net Child Benefits**

- Net child benefits are provincial measures affecting payments to families with children. Provincial child benefit measures are available in British Columbia (BC Family Bonus), Alberta (Family Employment Credit), Saskatchewan (Child Benefit), Ontario (Child Benefit), Quebec (Child Assistance Payments), New Brunswick (Child Tax Benefit), Nova Scotia (Child Benefit) and Newfoundland (Child Benefit). In addition, the Alberta government has chosen to vary the amount of the basic federal child tax benefit that its residents receive (shown as a net amount).

**Property Tax**

- It is assumed that the individual at \$25,000 rents accommodation; the family at \$30,000 and at \$60,000 and the senior couple own bungalows; the family at \$90,000 owns a two-story executive style home; and the single at \$80,000 owns a luxury condominium, in a major city for each province. Net local and provincial property taxes are estimated as taxes owing after credits provided through the property tax system are subtracted.

**Sales, Fuel and Carbon Tax Estimates**

- Includes applicable sales tax on meals, liquor and accommodation. Estimates are based on expenditure patterns from the Survey of Household Spending. In estimating individual and family taxable consumption, disposable income is reduced by 20 per cent to reflect housing (mortgage and property taxes or rent) costs. The senior couple is assumed to own their home and have no mortgage costs. For each province, disposable income is further reduced by estimated federal income taxes, estimated provincial income taxes and health care premiums if applicable. In addition, the single individual with \$80,000 annual income and the family with \$90,000 annual income are assumed to have savings equal to 5 per cent of their disposable income. For each family, disposable income is distributed among expenditures using the consumption pattern of a typical family with the relevant characteristics as estimated by the family expenditure survey and the relevant sales tax component is extracted. Sales tax includes provincial retail sales taxes in Saskatchewan, Manitoba and Prince Edward Island, Quebec's value added tax, the provincial component of the HST in BC, Ontario, New Brunswick, Nova Scotia and Newfoundland, Alberta's Tourism Levy and the federal GST. Sales tax estimates have been reduced by sales tax credits where applicable. Sales tax calculations have been pro-rated to account for British Columbia's transition to the PST and Prince Edward Island's transition to the HST on April 1, 2013.

Fuel tax is based on annual consumption: 1,000 litres of unleaded fuel for the single at \$25,000, the family at \$30,000 and the senior couple; others are assumed to consume 1,500 litres.

- Carbon tax applies in British Columbia to consumption of gasoline, natural gas and home heating fuel. Estimated carbon tax liabilities are based on natural gas and home heating fuel consumption amounts from the Survey of Household Spending and the assumed fuel consumption noted above. Net carbon tax is estimated as carbon tax liabilities less the BC Low Income Climate Action Tax Credit where applicable. In previous years, the five per cent personal income tax cut in the first two tax bracket rates was shown as a reduction in carbon tax.

**Health Care Premiums/Payroll Tax**

- A health care premium is levied in British Columbia and Quebec only. Approximately 50 per cent of British Columbia premiums are paid by employers on behalf of their employees with the remainder paid by individuals, either by employees or by residents who are not employed. Payroll taxes, in the four provinces that levy them, are paid by the employer. Employer-paid payroll taxes and health care premiums are generally reflected in reduced wages.

**Effective Tax Rates**

- British Columbia taxes have been calculated using rates in effect for 2013. Taxes for other provinces were calculated using rates that were announced prior to February 1, 2013, and that come into effect during 2013.