

REINSTATEMENT OF THE BUSINESS VOTE IN B.C. (2017)

Until 1993 a corporate vote existed in British Columbia Municipal Elections.

In British Columbia businesses pay a significant portion of municipal property taxes however businesses do not have the right to vote in the municipal election process. Businesses have become the silent taxpayers - essentially taxation without representation.

The fact that businesses have become the silent taxpayers has led to many municipalities levying an unfair burden of property tax onto their business community. The Chamber is concerned because studies suggest that business uses fewer services than residential and yet, they are paying so much more. As municipalities face increased infrastructure costs, the current system will encourage municipalities to conceal the true costs from the voting residential taxpayers by further increasing the inequity by saddling businesses with ever greater levels of property tax irrespective of their usage and ability to pay.

Business owners invest significantly in our communities - acquiring or leasing real property, employing our residents, supporting social causes, and making significant contributions to their communities. It is critical they have the right to vote in the municipalities in which they make significant investments.

We elect a municipal government to manage our public services (police, fire, economic development, transportation, education, utilities) and perform the planning and development of the industrial, residential and commercial zones.

All communities need an appropriate balance of residential and commercial activity to be successful. The decisions local governments make have to consider the future impact to all parties. Therefore, it is important that businesses have the ability to provide input and influence the election of municipal representatives, who will then determine the strategic plans and policies.

Further to this, local governments are able to levy tax on business irrespective of the profitability of the business. At the provincial and federal level there is a focus on creating an environment conducive to economic growth. Without such an environment, businesses will not flourish and tax revenues will reflect this. Alternatively, municipal governments are able to levy property taxes irrespective of the businesses' success. At the federal and provincial level, where the ability to fund services is dependent on creating a positive environment for economic growth and prosperity, businesses are given the opportunity to play a central role in the decision making, this is not the case at the local level. A business vote ensures businesses are a central stakeholder in local government decision making.

There have been several projects that have proposed effective models, which would ensure fairness among businesses, equity for electors, and administrative workability. The key focus being a legitimate business, located in a municipality and paying business property tax.

In the past, this concept was debated and was not successful, specifically due to concerns over verifying voter eligibility and the 'one person, one-vote' concept. Residential property tax payers currently have the right to vote both in the municipality where they reside, as well as in another municipality where they own property as a non-resident owner. They may only vote as a property elector for one piece of property in any municipality, regional district or school district. We recommend that a business who is paying business class property taxes, where the owner of the business is not a resident of the municipality, be

permitted to have one vote on the same terms as residential property tax payers. In other words, if you have a business in one municipality and are a resident in another, you may vote in both jurisdictions.

The limited participation by business in the past has also been interpreted as insufficient public support to warrant the change. Business should have the right to vote, regardless of the preliminary number of businesses who choose to exercise that right.

Further to this concern, the Chamber also believes that the need for business to be represented in municipal elections has increased dramatically since 1998. Local governments are expected to provide an ever increasing range of services through downloading from senior levels of government. The expansion of services provided by local government has a direct impact on the ability to meet the needs of the business community. Local governments are responsible to provide the foundation for economic growth as this is a key factor in a business' ability to attract workers, service customers, and expand their businesses. While these services are also of significant importance to the residents of a community the significant difference is that residents of a community have the ability to hold their elected representatives to account through the exercise of their democratic right to vote— business has no such right.

THE CHAMBER RECOMMENDS

That the Provincial Government allow business a voice in municipal elections by working with the business community to introduce a business vote for business property tax payers where the business operator does not reside in the same municipality where the business property is located.

