

The Calgary business holiday wishlist

After consulting with small & medium-sized businesses in Calgary one thing has become all too clear – government policies are making it harder for businesses to succeed.

The layered cost impact

All levels of government have been layering costs on the business community. On their own, each policy's merits can be weighted. However, taken together these policies are causing real harm to businesses and the community.

- 1) Layoffs
- 2) Fewer services offered to customers
- 3) Fewer funds to reinvest and scale up business
- 4) Potential investment flowing to other jurisdictions
- 5) Double impact to low-income earners – fewer job opportunities and higher prices on goods and services



Conduct a layered cost assessment as part of policy development

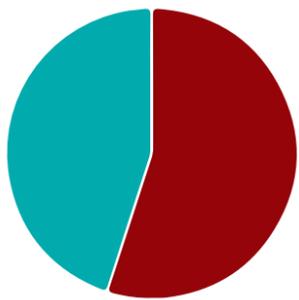
Wish 1

Alberta's minimum wage increases

The **47%** increase in minimum wage over three years, has had a significant impact on small and medium-sized businesses, costing them thousands of dollars, reducing jobs, and not targeting those most in need.

Business impact

Compared to 2016, minimum wage hikes could cost impacted businesses 22% more in 2018.



55% of businesses surveyed with minimum wage staff have reported layoffs due to minimum wage increases

x2

impact to low-income earners – less job opportunity and higher prices on goods and services

70%

are under 30 years of age

Those that do earn the minimum wage, are more likely to be young and live with parents, and or other family members. Those who are most in need of support – low-income households, single parents – are not effectively targeted by the minimum wage.

Calgary's non-residential property tax bill

Downtown office vacancy rate is nearly **30%** resulting in a redistribution of taxes from downtown to outlying areas.

Business impact

This past year businesses saw potential tax increases, without city tax relief 6,000 businesses could have faced an increase as much as **200%**



Results in

We applaud the city for continuing property tax relief measures in 2018, however this is a long term problem that needs a long term solution.

The City can do their part to ensure future property taxes do not significantly rise by containing annual spending increases to consumer inflation plus population growth



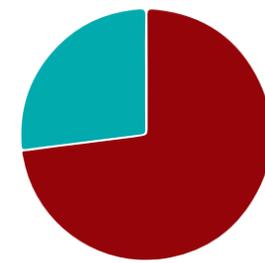
Develop a long term solution to avoid large swings in property assessments and tax bills

Wish 3

The cost of Canada's and Alberta's climate leadership

Climate leadership is important. However, Alberta's plan could do more to balance environmental stewardship with the need to encourage business investment.

Business impact



73% of businesses surveyed reported increased costs from the carbon levy

Only **21%** of businesses surveyed that have been impacted by the carbon levy plan on passing the carbon costs on to their customers



Carbon levy will increase from **\$20/tonne to \$30/tonne** on January 1, 2018

Results in

- 1) Higher costs to Albertans
- 2) Less money for wage increases and new job creation
- 3) Discouraging investment
- 4) Carbon leakage to other jurisdictions



Hold the minimum wage steady at \$13.60/hour, until an in-depth analysis can be completed

Wish 2



Use more of the carbon levy's revenue to reduce corporate and personal income tax

Wish 4