

Key concerns and Chamber response

What follows is the primary concerns that have been expressed either directly or indirectly from a variety of stakeholders to the business vote.

The business vote betrays the democratic principle of “One person, one vote”

Perhaps the strongest opposition we have heard regarding the business vote is that it betrays the democratic principle of one person, one vote.

The Chamber believes that this principle cannot be dealt with as a standalone issue. If we are talking about democratic principles then we should also recognize that the current punitive levels of taxation many businesses face represents taxation without representation.

Further to this there are a number of instances already in existence where an individual can be granted the right to vote more than once.

Non-residential property owners are granted the right to vote in municipal elections. In fact this right is granted on the basis that as property tax payers in a municipality they should be granted the right to vote.

The Chamber believes this principle is sound and should be extended to businesses.

Voters needing assistance may also grant a representative the right to vote on their behalf. The regulation states that this vote should be cast in a manner that represents the wishes of the registered voter.

Again, the Chamber believes this criteria should be extended to the business vote where the representative would vote in a way that reflected the concerns and issues of the business.

Nowhere else has the business vote

It is indeed true that no other jurisdiction in Canada has the “business vote” (in fact the only jurisdiction we have found is London, UK) that is of course not a reason it should not be introduced here.

The Chamber believes that the fact that BC would be unique in introducing the business vote is directly related to the fact that we are unique in respect to the level of property tax levied on business and the unfettered power local government has over setting property tax with no recourse for appeal. If we look at other jurisdictions in Canada we can see that whether it is the range of fairness restrictions in Ontario, or the reduced number of classes in Alberta no other jurisdictions has such a complicated system with no effective appeal against taxes (while assessment can be appealed the tax rate cannot) and no restriction on the ability of local government to set rates (the only restriction is a ratio link between class 2, utilities and class 6 business and other).

So it is therefore true that a business vote in BC would be largely, unique this is simply a unique response to a unique situation.

Administratively complex

While it is true that there would be an additional level of administration required to establish an eligible voter list our model provided would be as administratively simple as possible.

To be eligible for a business vote they would require a BN number as assigned by CRA and must be paying a business class rate of municipal property taxes in each municipality. Then they would be

required to register a designate to cast their proxy and that designate would be required to show eligibility as any other voter would at the voting place

This would require a system that could cross-reference the BN database with BC Assessments property tax roll. While this would require an initial investment in technology the system would be relatively simple, indeed in conversations with representatives from Front Counter BC initial indications are that this system would be relatively simple to establish.

What should be recognized is that whatever the challenges in establishing the electoral role for a business vote they would be the requirement and a responsibility of the provincial government, not local government.

The vote would not be used

While it is true the corporate vote that existed in BC prior to 1993 was not well used the Chamber believes that the reality regarding the need for business to be representing in municipal elections has changed dramatically since 1998. Both with an increasing disparity between business taxes and residential taxes and the significant additional powers granted to municipalities through the Community Charter businesses are ever more cognizant of the challenge many local governments present to their ability to grow their businesses.

Further to this the corporate vote was administratively complex for the business and meant registration was onerous and time consuming, this of course reduced the number of businesses who registered. Our model automatically registers any business who has a BN and who is on BC Assessment rolls under a business class, the only administrative work required on the part of the business is to designate their representative.

Businesses would get multiple votes in one municipality

This is not true. As defined by our model an eligible business is defined as one who has a BN as defined by the CRA, as such an organization such as RBC would not get one vote for each branch as each branch does not generate a separate business number, whereas each Subway would generate a vote given that these are franchised and therefore independent businesses.

Why give international corporations a vote in Canada

Ownership of a business is not considered in our model. Any business that operates in a BC community that is registered and that pays property tax is eligible, this business provides employment, creates wealth and most importantly pays property tax as such it should get to vote.

However, whoever is designated as the voter for the business would be required to meet all eligibility criteria as laid out in the Local Election Act, citizenship, over 18 etc.

Why stop at the local level, businesses would want to vote at every level

As mentioned above the Chamber believes that the need for a business vote is a response to the unique circumstances that govern local government in BC, particularly as it relates to property tax. As such the Chamber does not believe that there is a need for a business vote at any other level of government as the other two levels of government that have direct taxation powers levy these on a profit sensitive basis. In short, for the province or the federal government to generate taxation revenue businesses must make a profit, property tax however takes no account over the profitability of a business. It is therefore incumbent on the province and the federal government to make decisions that facilitate growth and prosperity, no such imperative exists at the municipal level.