

# 2018 New Brunswick Election September 24

## **The Voice of Retail**

What you need to know to  
speak up during the  
2018 Election Campaign.



**Voteretail.ca**

@RetailCouncil @RCCMySTORE  
#voteretail #NBElxn @RCCAtlantic

## New Brunswick Election 2018 – Why Retail Matters

Retail is everywhere – make our case for driving growth and providing employment for New Brunswickers.

On September 24<sup>th</sup>, 2018, the New Brunswick election will provide retailers with the opportunity to ensure that future Legislative Assembly members understand the role merchants play in New Brunswickers' lives and the economy.

When your local candidates knock on your door or you meet them at an event, take time to share your experiences and the pride you have as part of New Brunswick's retail industry. Be sure to also let them know that you are part of New Brunswick's largest private employment sector, and that retail offers paths for New Brunswickers to gain experience and establish rapidly advancing careers. Retail also has a significant impact on the success of several other industries, such as transportation, construction, property management, information technology and financial services. Here are some ideas that you can share with your candidates when you have an opportunity to spread the word about retail:

- More than 45,300 New Brunswickers are employed in retail (New Brunswick's largest private sector employer).
- There are 3,421 retail establishments in New Brunswick – more store locations than any other sector.
- Retail and wholesale accounts for 6.5% of New Brunswick's GDP.

RCC has prepared this toolkit to provide you with a background on key issues, as well as some ideas for engaging in the provincial election in your community. Read on to learn about the many ways that you can have an impact on the upcoming provincial election at the local level. Most importantly, this toolkit provides you with helpful resources to ensure that the following retail issues are a top priority in your candidates' campaigns.

- Restore the policy making authority of WorkSafeNB and limit the retroactive decisions of the Workers' Compensation Appeals Tribunal. This will slow the massive increases in workers' compensation premiums.
- Once the provincial budget is balanced, take steps to lower the provincial portion of the Harmonized Sales Tax from 15% to 13%.
- Provide a dedicated resource to support regulatory harmonization between Atlantic Provinces. This resource would work with the Nova Scotia Office of Regulatory Affairs and Service Effectiveness.
- Recognize the importance of the retail sector by developing a strategy that supports the growth of small, mid-sized and large retailers.

## How Can I Get Involved?

An election is the best time to reach out and meet your local candidates. It's a great opportunity to share your perspectives with candidates, and discuss how the government can help small, mid-sized and large businesses grow and prosper.

Given that the retail industry is vital to every community in New Brunswick, RCC needs your help to get the retail industry's message front and centre. We have a unique opportunity to ensure that every candidate in every constituency knows the importance of the retail sector. We can provide candidates with approaches to ensure the competitiveness of our industry if they are elected.

Here are some ways that you can help spread the message about the importance of retail in your community:

- ✓ Learn about your local candidates by visiting their party websites:
  - The Green Party of New Brunswick: <http://www.greenpartynb.ca/>
  - The Liberal Party of New Brunswick: <https://nbliberal.ca/>
  - The New Democratic Party of New Brunswick: <http://www.nbndp.ca/>
  - The Progressive Conservative Party of New Brunswick: <http://pcnb.ca/>
  - The People's Alliance Party of New Brunswick: <https://www.peoplesalliance.ca/>
- ✓ Request a meeting with each of your local candidates to discuss issues facing retailers in your community and across New Brunswick. RCC has prepared one-pagers on the key issues to help guide your discussions.
- ✓ Attend events where candidates will be in attendance. To find out about upcoming events, check your candidates' websites, sign up for their newsletters, or follow them on social media.

## Key Messages: Retail Matters!

The retail industry is proud of the substantial contribution it makes to the New Brunswick economy. Our focus is on our communities, and how our businesses positively impact our standard of living. The campaign is a crucial time to reinforce the importance of the retail sector.

You'll likely find that most candidates will not be familiar with the scope of retail in New Brunswick. This is your opportunity to demonstrate the importance of the retail industry, and help them fill in any gaps in knowledge that candidates may have. Take the opportunity to share key facts about your store or employer, and highlight the challenges and opportunities you face daily. Every party is interested in creating jobs, growing the economy, expanding businesses and increasing our standard of living. These are all outcomes of a thriving retail industry.

In addition, it's important to explain to candidates the roles that you and your business, or employer, play within your community. You can discuss your purchasing of goods and services from other local businesses, volunteerism and the sponsorships that you're committed to, and the in-kind services you may provide for local non-profits or charities. These are crucial messages that will support the specific retail priorities for the New Brunswick election and build our industry's profile after the election.

## What You Need to Know: Contributing to Provincial Political Parties

Make sure that you understand the rules before lending your support to a provincial political party and its campaign. Here is a quick summary of things to remember:

### Who can contribute?

Only individuals can make contributions. There are no residency requirements for individuals wishing to make a contribution.

### What is the contribution limit?

The maximum that an individual can contribute is \$3000; this includes both monetary and non-monetary contributions as well as financing (e.g. loan guarantees, lines of credit). The contribution limit covers pre-campaign as well as during the campaign.

### How can a contribution be made?

The contribution is made to either a registered political party or the party's electoral district association.

### Who can receive contributions?

Contributions must be made through the Official Representative of the political party or the Official Representative of the electoral district association. The Official Representative for the political party is ultimately responsible for keeping a complete record of each contribution (e.g. the recipient's name) and for issuing tax receipts.

### What are the restrictions?

An Official Representative cannot accept more than \$100 **in cash** from any contributor in a calendar year.

Individuals cannot contribute more than \$3000 (see above) and donations are prohibited from organizations (corporations, partnerships, trade unions) or anonymous donors. An individual is exempt from reporting up to \$100 in donations in kind within a calendar year, but the Official Representative must track all *donations in kind* contributions to ensure an individual does not exceed their limit. Sections 1(1)-50(6) of the *Political Process Financing Act* provide additional information regarding monetary and non-monetary contributions to political campaigns.

For more information, visit:

<http://www.electionsnb.ca/content/enb/en/resources/legislation.html>.

As part of election work, we are looking for candidates who have “retail in their blood.” Help us gather information about your candidates’ key areas of interest and those with a retail background. We will follow up with these individuals following the election to help support issues that are important to our industry.



**FEEDBACK FORM**  
Please print!

Name and business name: \_\_\_\_\_

Business address: \_\_\_\_\_

Name of candidate with whom you met: \_\_\_\_\_

Candidate’s political party: \_\_\_\_\_

Date of meeting: \_\_\_\_\_

1. Was the candidate familiar with the retail industry issues?

Yes

Somewhat

No

2. Was the candidate supportive of the retail agenda?

Yes

Somewhat

No

On which retail issues did they express the most support? Where did they disagree? What were their points of view? Do you have any general comments?

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Please email this form back to [jcormier@retailcouncil.org](mailto:jcormier@retailcouncil.org), or fax it to (416) 922-8011.

# Key Issues

The following pages provide detailed information on key issues that RCC will be driving during the election.

- ✓ **Financial Stability**
- ✓ **Reducing Costs for Retailers and Consumers**
- ✓ **Development of Retail Sector Strategy**



## Provincial Taxes

### Corporate Tax, Provincial Portion of Harmonized Sales Tax, Workers' Compensation Premiums

New Brunswick's retailers are looking for the provincial government to find ways to lower costs for retailers and consumers.

Since 2016, WorkSafeNB's employer premiums have skyrocketed with no relief in sight. In the same year, New Brunswick's provincial portion of the Harmonized Sales Tax (HST) increased from 8% to 10% while corporate taxes moved from 12% to 14%. The current government did reduce the small business tax by 2% over its mandate, but given the significant tax increases over the past four years, independent retailers are not feeling a positive impact from this small business tax reduction.

RCC remains strongly opposed to the high tax rates in New Brunswick. Combined with massive increases to workers' compensation premiums, elevated corporate tax rates and HST result in increased employer and consumer costs. These costs make it increasingly difficult for retailers to do business in New Brunswick.

### What to ask your Candidate

- To slow the massive increases in workers' compensation premiums and bring increased fairness to the system, will your party commit to:
  - Restoring the policy making authority of WorkSafeNB?
  - Limiting the retroactive application of Workers' Compensation Appeals Tribunal (WCAT) decisions?
  - Changing the standards of evidence on a workers' compensation appeal from a presumption in favour of the worker to one based on a preponderance of evidence?
- Will your party commit to taking steps to lower the HST to 13% once the provincial budget is balanced?

## Regulatory Harmonization

The current government should be commended for supporting regional efforts to improve regulatory harmonization between Atlantic provincial governments. However, New Brunswick still has work to do.

### **Improve Efforts Towards Regional Harmonization**

The Office of Regulatory Affairs and Service Effectiveness in Halifax has played an important role in working with Atlantic governments to eliminate/harmonize regulations within and between Atlantic Provinces. In New Brunswick, support for the Office comes from staff within the government's Executive Council Office as opposed to dedicated resources. The lack of focused resources results in far too many examples where the New Brunswick government still doesn't look to harmonize its initiatives with proven best practices within the Atlantic region. Harmonization reduces red tape and makes it easier for businesses to grow on the East Coast.

### **Lack of Consultation with Employers**

In recent years, provincial governments in this region have taken positive steps towards increased stakeholder consultation in advance of making decisions. Sadly, this has not always been the preferred approach with the current New Brunswick government. In 2017, the government introduced first contract arbitration, a new statutory holiday and formed a cabinet level committee to build consensus on issues like workers' compensation and employment standards. Employers were not consulted/invited to participate in any of these government initiatives that have impacted New Brunswick's business sector.

### **Environmental Stewardship**

For over a decade, retailers have supported and successfully administered environmental stewardship programs in every Canadian province. Retailers have been able to meet and exceed program standards set by government because these programs have been harmonized with best practices from across the country. This is not the case in New Brunswick where the government ignored the pleas of the retail sector for a harmonized, best practice approach, and introduced an inefficient electronics recycling program in 2017. This "made in New Brunswick" program is inflicting millions of dollars in annual additional costs on New Brunswick electronics retailers. These costs do not exist in other Canadian provinces.

For over 26 years, retailers have played a key role in New Brunswick's Beverage Container Recycling Program. This program has been successful, but it lacks the proper government investment it requires to modernize. This is troubling considering that the New Brunswick government takes the vast majority of revenue generated by the program and uses it to fund unrelated environmental initiatives

### **Minimum Wage**

RCC supports the current government's commitment to join with Nova Scotia and Newfoundland and Labrador in increasing minimum wage in relation to the change in the Consumer Price Index (CPI) from the previous year. Minimum wage hikes cause increases throughout an employer's salary scale, and such a commitment forces government transparency in the process. The commitment also provides predictability and adequate lead time for employers to budget and manage changes to labour costs.

### **What to ask your candidate**

- Will your party commit to analyzing all proposed legislation/regulations through a lens of Atlantic regulatory harmonization and red tape reduction, before the legislative/regulatory initiatives are approved by Executive Council?
- Will your party commit to creating a dedicated resource to emphasize and streamline red tape reduction and regulatory harmonization efforts throughout all government departments?
- Will your party commit to amend New Brunswick's electronics recycling program to harmonize it with best practices from across the country?
- Will your party pledge that revenues from environmental stewardship programs be re-invested into the program from whence they were generated to improve stewardship efforts?
- Will your party commit to end the Environmental Trust Fund so that the government does not benefit financially from any industry-led and/or industry-managed environmental stewardship program?
- Will your party pledge to consult with employers on issues that affect their businesses?
- Will your party commit to restore the delicate balance between employers and labour through the repeal of first contract arbitration and the legislation of secret ballot votes for union certification?
- Will your party commit to legislating the current government's commitment to increase minimum wage in relation to the change in the CPI from the previous year?

## Reducing Cost with a Retail Sector Strategy

Retailers in New Brunswick face significant, cumulative cost pressures due to changes in government legislation, regulation and policies, increased taxes, increasing utility rates, increasing salary structures and other external factors.

Government has tended to see the retail sector as a predictable source of jobs and tax revenues. But in the modern age of retail, there is no certainty that New Brunswickers will continue to be served by retailers based in New Brunswick. There are simply too many channels – national, foreign, online and offshore – to be complacent about the future of “bricks and mortar” stores in our communities or about the capacity of retailers in New Brunswick to invest in online offerings.

While other industries (e.g. natural resources, energy, environment and economic development) have been the focus of sector strategies and incentives, the retail industry has long been overlooked. Retail needs a proper sectoral policy focus commensurate with the size of our industry and the number of jobs we create. Over 47,300 New Brunswickers work in retail, making retail the largest private employment sector in New Brunswick. The sector generates over \$12 billion in annual sales for the province.

### What to ask your candidate

Will you commit to the development of a retail industry sector strategy?

Components of this strategy should include:

- Reducing or mitigating the cumulative costs on the retail sector that result from actions or decisions taken by the provincial government.
- Work to attract greater investment and job growth.
- Work to attract and retain human resource talent.
- Work to harmonize regulatory requirements across Canada and especially in the Atlantic Provinces.
- Provide incentives for independent retailers to invest in people, technology and e-commerce.
- To ensure New Brunswick’s retail sector is a key component and contributor in New Brunswick’s overall economic strategy.