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## Premier Campbell's Statement on the Economy

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### Highlights of Interest to Local Government

Premier Gordon Campbell provided a televised address on the State of the Provincial Economy on October 22, 2008.

The speech identified 10 key actions that the Province will undertake to keep BC's economy strong. A few of the key actions of direct interest to local government are as follows:

#### **New Property Tax Credit for Light and Heavy Industry**

- Fifty percent of all school property taxes will be rebated to light and heavy industry annually.
- This will return approximately \$50 million in new tax savings to those employers next year. This is on top of the \$24 million in annual tax relief provided to heavy industries in the 2008 budget.
- The following is a direct quote from the Premier's speech:

"It will help our oldest and largest employers to pay their bills, reinvest and maintain jobs, especially in rural communities - without downloading any costs to municipalities."

#### **Accelerate Public Investments in Capital Infrastructure**

- Announced the intention to accelerate public investments in capital infrastructure.

#### **Reduction in Ferry Fares**

- Will fund a 33 percent reduction in ferry fares on all routes for December and January.
- Will restore ferry service levels for all routes, including the Sunshine Coast.
- Cost of \$20 million in one-time funding.
- Reduced fares will act as a bridge until lower fuel prices work their way through to lower fares.

#### **Rein in Available Government Spending**

"We will re-evaluate spending to protect our priorities and will focus on scaling back unbudgeted increases in spending."

#### **Legislative Recall**

- The legislature will be recalled on November 20, 2008 to enact these measures.