



INVESTMENT INDUSTRY ASSOCIATION OF CANADA
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES

**Press Release
For Immediate Release**

**BC Budget Takes Responsible Fiscal Action
to Stay Competitive in a Global Economy**

Victoria, February 21, 2012 – The Investment Industry Association of Canada (IIAC) commends the BC government for taking measured remedial steps to repair the unexpected budget deficits in the past two years and a concomitant increase in public debt. These budget measures will stabilize the public debt burden at 18.3% of GDP within two years, and preserve the province’s enviable AAA credit rating. This government is not prepared to tolerate a continued escalation in the debt burden that will be left to younger generations.

The government has put in place a responsible plan to slow program spending at a moderate pace over the next three years, to an annual average rate of 2% down from an average 3% rate in the past several years. The Plan resists tax increases to bring the budget into balance. The corporate tax rate for BC business will remain unchanged at 10%, one of the lowest in the country and the small business rate at 2%. Business will benefit from the red-tape reduction program and the increase in the Small Business Venture Capital Program for direct investment in new companies. The personal tax rate remains unchanged as the lowest in Canada. Ian Russell, President and CEO of the IIAC said, “These tax and other measures will promote business investment and growth in the province. In this Budget, the government recognizes the importance of a competitive business climate to seize the advantages as the Gateway to the North American economy.”

The Investment Industry Association of Canada (IIAC)

The Investment Industry Association of Canada (IIAC) is a member-based professional association that advances the growth and development of the Canadian investment industry. The IIAC acts as a strong, proactive voice to represent the interests of our member firms, which range in size from small firms to large organizations that employ thousands of individuals across the country. Our members work with Canadians to help build prosperity and investment security for investors and their families. For more information, please visit www.iiac.ca.

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