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BC Chamber of Commerce

2025-2026 Policies & Positions Manual

INTRODUCTION

The BC Chamber of Commerce (BCCC) is the largest and most broadly-based business organization in the province, representing local Chambers of Commerce and Boards of Trade and 32,000 businesses of every size and from every sector and region of the province.

This *Policies and Positions Manual* contains 38 informed opinions and policy statements adopted by members during the policy session at the BCCC's 73rd Annual General Meeting and Conference, held on June 4, 2025, in Nanaimo.

The manual reflects what members view as important issues. It forms the foundation, along with the policies of the previous two years, of our advocacy work with all levels of government in the years ahead. It also serves as a working document for the BCCC's staff and Policy Review Committee, as well as local Chambers of Commerce and Boards of Trade, to regularly review and use to assess the timeliness, importance, and scope of the BCCC's positions on issues that impact members.

The BCCC supports the *United Nations Declaration on the Rights of Indigenous Peoples*, the *British Columbia Declaration Act* and its associated action plans, and respects Indigenous Peoples' rights and interests in British Columbia. The resolutions contained in this manual are not intended to, nor should they be interpreted to, be an attempt to insert the BCCC directly into government-to-government discussions between Indigenous nations and the Provincial and Federal Governments.

In some cases, but not all, the proposed resolutions in this manual may have benefited from input from Indigenous Peoples. Unless explicitly stated, resolutions within this manual have not been endorsed by third-party groups, including Indigenous-identified and affiliated organizations. The BCCC acknowledges that some recommendations may need to be amended, deleted or added to better reflect Indigenous interests and rights, should members adopt them. The BCCC is committed to improving the resolution development process for itself and its member Chambers of Commerce and Boards of Trade as the organizations move forward on their own reconciliation journeys.

The BCCC will actively advocate for government policies that address the cost of doing business in British Columbia so that the job-supporting small- and medium-sized businesses that are the backbone of our economy can thrive and grow. We will also continue advocating for an economy that rewards innovation and the need for resilient infrastructure across the province, enabling businesses to get their goods and services to markets more efficiently and without interruption.

We remain focused on ensuring that governments foster an environment of renewed entrepreneurial spirit, where businesses prosper, families thrive, and communities flourish.

Please address enquiries to:

Alex McMillan
CEO (Interim)
The British Columbia Chamber of Commerce
Suite 705 – 750 West Pender Street
Vancouver, BC V6C 2T8

Telephone: (604) 683-0700
E-mail: ceo@bcchamber.org

TABLE OF CONTENTS

SECTION I: POSITIONS ON SELECT PROVINCIAL POLICIES

MINISTRY OF AGRICULTURE AND FOOD

HELP FOR BC'S VETERINARIANS

Issue
More short-term provincial government investments in veterinary services, along with a long-term strategy to create a provincial veterinarian training institute, are required to protect food security, animal health and welfare, wildlife and marine mammals, and zoonotic disease management.

Background
In 2022, the province announced it was permanently doubling the number of seats it was subsidizing annually at the Western College of Veterinary Medicine (WCVM) in Saskatoon from 20 to 40[1]. Yet BC needs 100 veterinarians per year just to maintain service levels, considering retirements, demand, departures to other jurisdictions and changes to animal care[2].

The 2024 BC Government commitment of $1.4 million in funding for the Regional Recruitment and Retention of Veterinary Service Delivery for Food Animals was helpful[3]. So was the $300,000 for the student summer placement program[4] and the streamlining of certification requirements for internationally trained veterinarians[5] but more is needed.

For example, in 2018, the Government of Alberta announced it was ending its annual funding for the WCVM, in favour of funding additional seats at the University of Calgary's Faculty of Veterinary Medicine (UVCM), creating a made-in-Alberta solution[6].

A 2023 Economic Impact Assessment of Veterinary Medicine in BC[7] reported that:

- A 2019 labour market study found that there is a shortage of veterinarians in BC. The shortage is most significant for large animal veterinarians and in rural areas.
- In 2022 there were 629 accredited veterinary practice facilities in BC and approximately 1,800 veterinarians working in private practice. Of these, between 250 and 300 veterinarians provide care for large animals.
- In 2021, the ratio of large animals to veterinarians working in large or mixed animal practices in BC was between 3,000 and 3,500 animals per veterinarian. In parts of the interior and northern BC that ratio is between 7,700 and 8,900 animals per veterinarian.
- Services for small companion animals are a key factor in maintaining the financial viability of a veterinary practice. As a result, most practices providing services to large animals, also provide services to small animals.
- Increases in the number of companion animals during COVID have increased the workload of veterinarians.
- $2.4 billion in total output, including direct output of $1.5 billion and indirect and induced output of $0.9 billion.
- $1.4 billion in GDP, including direct GDP of $0.9 billion and indirect and induced GDP of $0.5 billion.

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[1] https://spca.bc.ca/news/action-veterinarian-shortage-b-c/
[2] https://vancouversun.com/news/local-news/no-quick-fix-to-b-c-veterinarian-shortage-but-plan-to-double-vet-school-grads-will-help
[3] https://www.cbc.ca/news/canada/british-columbia/vets-livestock-north-1.7409152
[4] https://news.gov.bc.ca/releases/2024AF0005-000288
[5] https://news.gov.bc.ca/releases/2024PSFS0022-000907
[6] https://www.canadianpoultrymag.com/alberta-boosts-funding-to-calgary-veterinarian-program-cuts-ties-with-wcvm-30408/
[7] https://www.rdbn.bc.ca/application/files/9316/8200/4234/BCCA_Veterinary_medicine_in_BC_Report_March_13_2023_002.pdf

MINISTRY OF AGRICULTURE AND FOOD

- 12,330 total full-time equivalent (FTE) jobs in BC, including direct employment of 8,650 FTEs and indirect and induced employment of 3,680 FTEs.
- Approximately $298 million in total government tax revenues, including $142 million in direct tax revenues and $156 million in indirect and induced tax revenues.

According to the Canadian Veterinary Medical Association/Society of BC Veterinarians (CVMA-SBCV), it is possible today for the BC Government to make a $750,000 additional annual investment in training animal techs at Douglas College, and those students could attend classes remotely after the first few weeks[8]. This would allow animal techs (more than 90% of whom are female) to remain in their home communities. Further, part of the schooling requires hours at a local veterinary clinic, so this would position these students to become valuable animal healthcare providers in their communities during and after graduation.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Immediately fund additional seats for Veterinary Technicians to ensure adequate supports are provided.
2. Immediately fund additional annual seats at the WCVM, should WCVM expand its capacity.
3. Explore options in other provinces and states to find the best model towards developing a provincial veterinary training institute.
4. Engage existing public post-secondary institutions in BC to determine which one may be able to provide immediate support for local programming and accreditation for new veterinarians.

[8] Email communication with Corey Van't Haaf, CVMA-SBCV executive director, February 23, 2025.

MINISTRY OF EMERGENCY MANAGEMENT AND CLIMATE READINESS

FLOODS – AN EMERGING ECONOMIC THREAT REQUIRING ACTION

Issue

British Columbia has several thousand kilometres of coastline along which communities are located. Likewise, the Fraser River and other rivers flow through BC communities that are vulnerable to flooding. Floods from rivers and oceans could destroy or affect residential, commercial, industrial, and agricultural properties as well as affect transportation means (roads, highways, bridges) and cause widespread disruption to day-to-day living requiring significant expenditure to restore areas back to pre-flood conditions.

The damage to the economy and businesses due to floods are significant, in the hundreds of million dollars. The Fraser Valley has already experienced two catastrophic floods within a 20-year span (1990 & 2021). Flood protection structures, measures such as dikes and associated infrastructure (pump stations, flood boxes, rip rap and relief wells) throughout BC need to be upgraded to combat the threat of sea level rise of up to 1 m by 2,100. Significant time-bound expenditures are needed to upgrade flood protection infrastructure throughout BC.[9]

Background

Climate change leading to melting ice caps in the North and South poles is causing sea level rise. The BC Ministry of Environment and Climate Change Strategy has directed cities to prepare for a 1m rise in sea levels by 2100. Extreme weather events such as atmospheric rivers causing significant rainfall/snowfall and river levels rising beyond diking or natural levels are being seen in BC communities. Forest fires and heat domes that are experienced more often in BC further challenge the environment and predispose land to flooding by destroying trees and vegetation that normally play a water absorption role. This can cause significant flooding of rivers flowing through BC. Flooding poses catastrophic risks to BC's economic vitality, safety, environment, property owners and communities.

Although cities have been directed to prepare for sea level rise and river body risks, there remains the need for significant dollars (running into billions) to upgrade dikes and associated infrastructure over the coming years to prepare adequately for such flooding events. There is a 0.5% chance of an extreme flood today while there is a 50% chance of an extreme flood by 2100 C.E.[10] Complete restoration of coastal and river boundary communities and infrastructure following a major flood event could take several years causing severe disruption to the economy resulting in losses of several hundreds of million dollars. To help prevent damage and losses, flood prevention infrastructure across BC must be upgraded in a timely manner and in a priority sequence.

As part of its long-term flood adaptation strategy, the City of Surrey embarked upon a full review of existing dike infrastructure throughout the City limits and has identified priority areas around rivers (Nicomekl, Serpentine) and the coastline (Boundary Bay) requiring significant investment for upgrades over the next several years for which both provincial and federal funding will be required in addition to city funding.[11]

[9] 2019, Surrey Coastal Flood Adaptation Strategy – Presentation to the Surrey Board of Trade Environment Team by the City of Surrey Environment and Drainage Manager https://businessinsurrey.com/wp- content/uploads/2019/02/CFAS-Surrey-BOT-Feb-14-2019-compressed.pdf

[10] https://www.ducks.ca/stories/conservator/rising-sea-levels-on-canadas-coasts/

[11] Serpentine and Nikomekl Lowlands – City of Surrey https://www.surrey.ca/city-services/3654.aspx

MINISTRY OF EMERGENCY MANAGEMENT AND CLIMATE READINESS

The City of Abbotsford has long been advocating for upgrades to diking and drainage infrastructure and more predictable funding arrangements with the province and federal government, given historical flooding vulnerability from the Nooksack River and major flooding events, more recently in 1990 and with the 2021 disaster. The City of Abbotsford's key focus in the months ahead is to ensure federal and provincial support is provided to upgrade the Sumas and Matsqui dikes as well as the required infrastructure upgrades at the Barrowtown pump station.

Former Abbotsford Mayor Henry Braun warns the disaster in Sumas Prairie will pale by comparison if the Matsqui dike breaches. The Fraser River is 10 times larger and more powerful than the Nooksack River and will wreak havoc on our economy and infrastructure if it overtops the substandard dikes that are in place.[12] The BC Chamber of Commerce estimates that the economic impact of a Fraser River flood event on Matsqui Prairie to be approximately $30 billion.

Current drainage infrastructure urgently requires upgrading given the time-sensitive implications with respect to sea level rise.[13] A report (2015) released by the BC Ministry of Forests, Lands and Natural Resources found that 71% of lower mainland dikes were vulnerable to failure by overtopping, where floodwaters breach the top of the dike resulting in a flood. Directing water out of the farmland, and out of the region depends on the effectiveness of regional drainage systems, requiring the Province to approach upgrading from a regional perspective, working with municipalities. Only 4% of dikes in BC met provincial standards.[14]

With a focus on food security and the protection of food sources, the Province must rethink infrastructure investments to prevent a greater disaster that may be just around the corner. Abbotsford is the top agriculture producing jurisdiction in the country on a per-hectare basis with sales of $1 billion per year according to the 2016 census and it also produces 50% of all the milk, chicken, turkey and eggs consumed in the province. The Abbotsford case illustrates the importance of protecting our food supply and major supply chain routes against natural disaster in the interests of the entire province and country.

Local governments simply cannot afford to fund what is needed to upgrade such critical infrastructure. For example, $1 billion is needed to rebuild both dikes in Abbotsford to today's standard. Similar upgrade requirements and high costs have been identified in municipalities from Richmond to Chilliwack, and in a number of northern communities with similar flood potential.

It is understood that dike inventory maps, designs, etc. have been prepared by the Provincial Government and that funding for upgrades from both the federal and provincial governments has arrived in pockets over the years since at least 2014. Currently, the federal government is undertaking a more comprehensive analysis and mapping of flood risk areas across Canada to support emergency preparedness and in coordination with the provincial government.

There is also a significant risk associated with "orphaned" infrastructure. Flood infrastructure currently built and relied upon has no jurisdiction responsible for maintenance or upgrade. Much of the infrastructure built in past flooding emergencies has no "owner" and is still critical to providing flood protection on the Fraser River (and tributaries). Any effective provincial diking program must address the challenge of orphaned infrastructure.

[12] https://globalnews.ca/news/8441820/abbotsford-bc-flood-update-dec-10/

[13] Flood protection structures in BC https://www2.gov.bc.ca/gov/content/environment/air-land-water/water/drought-flooding-dikes-dams/integrated-flood-hazard-management/governance/dike-management/flood-protection-structures

[14] https://vancouversun.com/news/province-was-studying-dike-integrity-but-data-not-to-be-available-until-next-month

MINISTRY OF EMERGENCY MANAGEMENT AND CLIMATE READINESS

Natural disasters such as floods pose a huge economic risk when key supply chain and transportation routes are impacted. It is of paramount importance to protect our trade-enabling infrastructure as well as the connectivity of people and goods in BC and Canada. The impact of the flooding in Abbotsford, the epicentre of the recent flood disaster in BC, is a critical example of how, as a result, BC and regions within the province were disconnected from each other to agri-foods and the rest of the lower mainland due to the floods. This impacted food security, trade and connectivity among people. With the Lower Mainland being the Asia Pacific Gateway, the consequences of poor infrastructure and emergency preparedness come at a high economic and human cost. The Port of Vancouver trades approximately $200 billion in goods with more than 170 trading economies.[15] The Port of Metro Vancouver is the #1 in Canada and #2 in terms of total foreign exports.[16]

The BC Government is not adequately managing the current and future risks posed by climate change to invest in necessary infrastructure and sustainability. Key climate-driven risk areas, like flooding and wildfires, require additional attention. Adaptation is not just a provincial government issue. Local governments are on the front lines, but we heard that they are challenged to effectively take action. This includes a lack of financial support, reliable data and knowledge, and policies at the provincial level. Furthermore, the provincial government has not yet significantly involved First Nations in provincial action.

<u>The 2021 Context</u>

BC experienced severe weather patterns in 2021 that resulted in devastating flooding across the province. Vital road, rail, and port links were severed for weeks, and farms, homes and businesses were destroyed. It is estimated that 15,000 people were forced to evacuate their homes, countless crops were lost, and over 600,000 farm animals perished. In addition, the Trans Mountain Pipeline was shut down, resulting in a fuel shortage in the Lower Mainland. Sections of Highway 1 and other areas across the province were closed to traffic, supplies and people. Ken Peacock, former Senior Vice-President and Chief Economist at the Business Council of BC, estimated that the weather disaster resulted in lost economic output for the province ranging from $250 million to $400 million.

In the BC flood disaster of November 2021 that impacted communities across the province, the City of Abbotsford's Sumas Prairie was hardest hit with the impact of a record-breaking atmospheric river that fell on Southern BC and caused Washington State's Nooksack River to overflow across the border into the Sumas Prairie. The economic toll of the major flooding events is still not fully quantified. However, data collected from the Abbotsford flooding disaster from impacted farmers and businesses revealed millions of dollars in damages and long-term damage, particularly in the organics and berry sectors.

There was little in the way of a coordinated approach to minimize the damage from the floods. The weaknesses of the flood mitigation strategies have been exposed, and it is evident that when a disaster occurs, a federal-provincial-municipal response is needed.

[15] Reporting, statistics and resources (Port of Vancouver) https://www.portvancouver.com/about/reports-and-resources
[16] https://www.portvancouver.com/sites/default/files/2024-08/2021-Port-of-Vancouver-Economic-Impact-Study-EXEC-SUMMARY-25Jun2024.pdf

MINISTRY OF EMERGENCY MANAGEMENT AND CLIMATE READINESS

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Increase the priority to establish provincial funding contribution and work with the federal government and BC municipalities to review municipal feedback to determine the amount of provincial funding that should be committed through a strategic plan over 5 years to ensure upgrades to flood mitigation infrastructure and related transportation investments.
2. Partner with the Federal Government to develop a modernized emergency flood mitigation program in consultation with local governments and the business community.
3. Participate as a leader with the Federal government in international discussions with the United States on cross-border flood risk mitigation.
4. Engage in direct flood mitigation discussions and planning with Washington and the mutual interest regarding flooding risks and responsibilities.
5. Work with the federal government to establish private insurance options and the Canadian banking sectors to plan for future natural disaster emergencies for better access to emergency coverage and mechanisms during crisis situations.

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

REDUCING ELECTRIC BILLS FOR SMALL BUSINESS AND NON-PROFITS IN BC

Issue
Small businesses provide employment and services that are the lifeblood of communities across BC. However, cost pressures continue to challenge viable businesses. Electrical energy costs are often a significant cost component of the operations of small businesses. BC Hydro provides electricity to 95% of BC customers and FortisBC Inc. provides electricity services to 5% of BC customers in the Southern Interior region.

Business customers are grouped into three categories: Small General Service, Medium General Service and Large General Service. This policy recommendation specifically relates to the customer class called the "Small General Service" (SGS) sector, which is comprised mostly of small businesses in retail, office, warehousing, entertainment, small manufacturing, non-profits, etc.

For business customers, BC Hydro electricity rate charges depend on the annual peak demand and total annual energy usage. The current SGS rates applied by BC Hydro collect much more revenue from the SGS sector customers than it costs to service them. In total, this results in SGS customers paying up to 20% more, or about $60 million more annually, than it costs to serve them.

The BC Government, BC Utility Commission and BC Hydro all have a role in moving rates for the SGS ratepayers and the whole commercial sector. BC Hydro is planning for a new rate design for the Small General Service (SGS) sector. We are recommending that the new design for rates and revenues for the Small General Service sector be more fair, just and reasonable.

Background
BC Hydro's Commercial Ratepayer Classes
BC Hydro has three classes of commercial customers for which it has rates applicable to the customer's consumption of electricity.

These business and commercial customer rate classes[17] are:
- SGS – Small General Service - annual peak demand less than 35 kW
- MGS – Medium General Service - annual peak demand between 35 and 150 kW, and that use less than 550,000 kWh of electricity per year.
- LGS – Large General Service - annual peak demand of at least 150 kW, or that use more than 550,000 kWh of electricity per year.

The rate designs and subsequent rates applied to these rate classes are contained in BC Hydro's published tariffs, which are approved by the BC Utilities Commission. Information on these rates is available on BC Hydro's website.[18]

[17] These are BC Hydro rate classes. FortisBC Inc also has commercial rate classes, which are regulated by the BC Utilities Commission in separate proceedings from the BC Hydro proceeding. Similar but some different policy issues will be raised in a separate regulatory context and separate advocacy processes.
[18] https://app.bchydro.com/accounts-billing/rates-energy-use/electricity-rates/business-rates.html

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

Who are the Small General Class Ratepayers?
"Small General Service" (SGS) sector is comprised mostly of small businesses in retail, office, warehousing, entertainment, small manufacturing, non-profits, etc. See Table 1 below.

For context, the average SGS customer consumption is about the same as a single detached home, with a range from 10 times less to 10 times more. Due to their relatively small size, SGS customers often lack the opportunity for consultation and influence to have their interests and points of view heard.

Table 1: Who are the SGS customers, and how much electricity do they consume? [19]

	Total Annual Consumption (kWh)	% of Total kWh
Offices	1,053,128,492	29.7%
Merchandising, Wholesale & Retа	785,737,114	22.2%
Residential Complexes	339,054,182	9.6%
Restaurant	321,876,490	9.1%
Transp., Communication, Other U	211,798,544	6.0%
Community Services	186,862,615	5.3%
Manufacturing, Resources	176,390,128	5.0%
Warehouses	130,725,625	3.7%
Entertainment, Amusement, Recr	125,688,196	3.5%
Temporary Lodging	100,303,814	2.8%
All Other	115,700,896	3.3%
Total	**3,547,266,094**	**100%**

Electricity Rate Design for Small General Service (SGS) Sector
BC Hydro is planning for a new rate design for the Small General Service (SGS) sector and wants to engage this commercial sector in a consultation about the rate design principles and options being considered. This commercial sector includes small businesses and non-profit organizations (including municipalities, fire & police services, community services, hospitals, schools, and associations like Chambers of Commerce)

The main motivation for the new rate design is to address the costs for the capacity required to serve these customers and potentially move from just an energy charge to an energy charge and a capacity charge.

This is part of signalling the cost and being able to take actions to reduce the requirements for capacity to service the ratepayers in the SGS sector. Reduced need for capacity can lead to substantial cost reductions in the BC Hydro electricity delivery systems, as well as lower rates for customers.

Government policy has shown some interest in supporting the commercial sector as an engine for employment, providing economic benefits to communities, and countering tariff wars with local supply. The Government, BC Utility Commission and BC Hydro all have a role in moving to fairer rates for the SGS ratepayers and the whole commercial sector.

[19] BC Hydro Supplied Breakdown of Electricity Consumption by Subsector.

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

BC Hydro's Interests in Consultation with Its Ratepayers
BC Hydro is proposing to make an application to the BC Utilities Commission to propose optional SGS rate designs for the SGS class of customers. BC Hydro is also in the middle of a process to engage the commercial sector in a collaborative process and to consult with the commercial sector to better understand their needs and points of view.

They are working with the Commercial Energy Consumer (CEC) Association of BC, which represents commercial sector interests before the BC Utilities Commission to organize engagement with their commercial sector ratepayers. The CEC has recommended working with the BC Chamber of Commerce members to arrange for five regional consultation sessions and is helping to organize that activity.

BC Hydro's willingness to consult with its customers is a healthy process. The BC Chamber can be a unifying force among the diverse ratepayer subsectors and their associations, to achieve substantial benefits for the SGS sector ratepayers and all commercial sector rate payers.

The Cost and Revenue for BC Hydro Ratepayers
BC Hydro's revenue collection from rate classes is compared to the costs allocated to the rate class, which provides a ratio indicating whether the rate class is paying more or less than the costs for providing service to the customer. This is called an R/C Ratio (Table 2). The SGS ratepayer class has one of the highest R/C ratios of all BC Hydro rate classes.

Table 2: R/C Ratios & Percentage of Energy Consumption by Customer Classes from 2019 to 2023[20]

Rate Class	***F2019 Actual (%)***	***F2020 Actual (%)***	***F2021 Actual (%)***	***F2022 Actual (%)***	***F2023 Actual (%)***	***Percentage Point Change (F2022 Actual to F2023 Actual) (%)***	***Percentage of Energy at Customer Meter in F2023 (%)***
Residential	94.6	93.3	95	97.3	93.6	-3.7	36.2
SGS < 35kW	120.9	116.4	111.5	113.8	115.6	1.8	7.6
MGS	115.1	113.7	111.3	109.5	110.2	0.7	6.5
LGS	102.4	103.7	103.1	99.8	102.1	2.3	21.6
Irrigation	83.4	77.2	73.3	75.3	72.1	-3.2	0.1
Street Lighting – BC Hydro Owned	211.9	200.2	198.5	203.6	193.8	-9.8	0.1
Street Lighting – Customer Owned	88.4	84.9	89	86.1	88.1	2	0.3
Transmission	94.9	99.3	99	95.9	102.1	6.2	27.6
Public EV Charging					N/A		0.01
Total BC Hydro	100	100	100	100	100		100

[20] BC Hydro's Fiscal 2023 Fully Allocated Cost of Service (FACOS) Study

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

The commercial sector customers of BC Hydro represent about 35.7% of the electricity consumption in BC and pay substantially more for their electricity services than other customer classes. The cost allocations and specific revenue collection from the SGS customers are provided in the table below.

Table 3: SGS Fully Allocated Cost of Service in $millions for 2023[21]

Small General Service (SGS) Customers Fully Allocated Costs of Service 2023		
Customer Costs	$40.3	09.60%
Energy Costs	$160.8	36.15%
Capacity Costs	$243.6	54.77%
Total SGS Rate Class Costs	$444.8	
Total SGS Revenue	$514.4	115.67%
Capacity Costs	$243.6	54.77%
Generation Costs	$59.3	24.34%
Transmission Costs	$84.8	34.81%
Distribution Costs	$99.5	40.85%

The SGS customers are paying approximately $60 million more than it costs to serve them, and have been in this position for many years.

<u>The BC Hydro Rate Design Process & Commercial Customer Opportunity</u>
In 2025, BC Hydro is planning to apply to the BC Utilities Commission for approval of optional rate designs for the SGS commercial customer class. As part of this process, the commercial sector is being provided with the opportunity to collaborate with BC Hydro. This includes providing expertise, insights and feedback on possible rate design options.

By providing advantages to BC Hydro's electricity system, the SGS customer class can accrue significant benefits.

Optional rate designs are intended to help BC Hydro change how the electricity system operates. In this case, BC Hydro is looking to increase the available system capacity during peak times by reducing customer demand at those times. Capacity savings from commercial customers can help slow the need for additional capital expenditures as the demand for electricity grows. BC Hydro is looking for capacity savings across the province.

Capacity savings are very valuable, and any BC Hydro rate design would be applicable to all SGS customers. BC Hydro believes there is an opportunity for commercial customers to reduce their demand on the BC Hydro system. In turn, BC Hydro is supportive of providing rates designed to lower bills for those willing and able to make these adjustments.

Fortunately, for this new rate design process, BC Hydro will be directly consulting with SGS customers through a BC Chamber of Commerce-aided and direct advocacy process.

[21] BC Hydro's Fiscal 2023 Fully Allocated Cost of Service (FACOS) Study

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

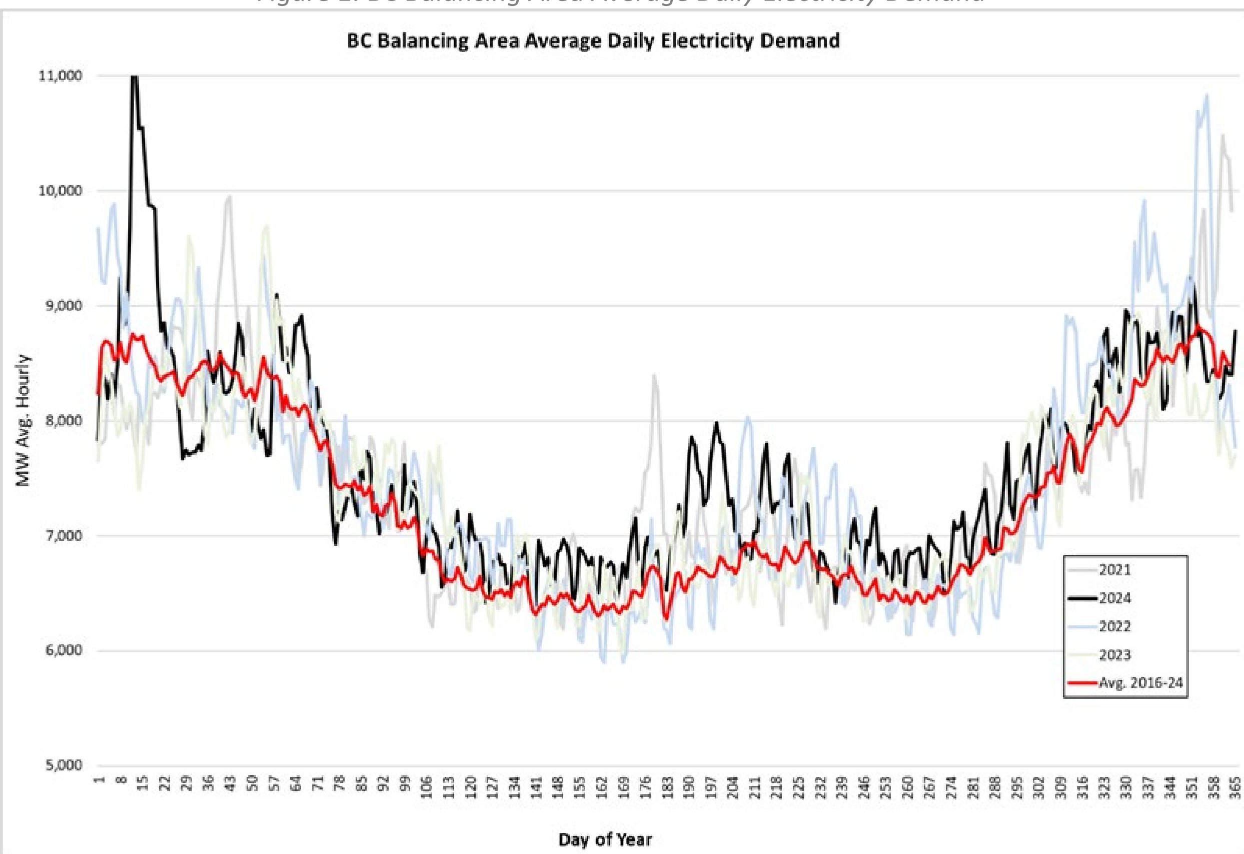
Rate Design Principles
As BC Hydro designs optional rates for SGS customers, the following rate design principles are critically important, and BC Hydro should adhere to principles that rate designs need to:

1. be simple, convenient and easy to implement.
2. encourage the efficient use of electricity and discourage waste.
3. improve the fair allocation of costs of providing service between the rate classes.
4. be practical for BC Hydro to administer.
5. recover revenue and ensure stable bills for all BC Hydro customers.

The goal is to provide SGS customers with choices for how they can reduce their electricity bills.

The Process for Achieving Capacity Savings and Benefits for the Commercial Sector
The process of achieving capacity savings involves reducing peak demand on the BC Hydro electric system components. These peak demands[22] occur in the winter months for the whole BC Hydro system and every day for commercial operations (see figure 1 below).

Figure 1: BC Balancing Area Average Daily Electricity Demand



Innovative strategies for reducing peak capacity demand can lead to substantial savings and lower rates for SGS sector customers and the whole commercial sector.

[22] BC Hydro Balancing for BC Electricity Demand

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

As seen in Figure 1, the top of the peak is about 11,100 megawatts (MWs), which is what the Site-C project is delivering for $16 billion[23], in addition to 5,100 gigawatt hours of energy. By 2040, BC Hydro expects capacity requirements in the Lower Mainland to increase by over 1000 MWs. For context, this is approximately the capacity needed to serve 450,000 homes.

Therefore, the management of capacity demand and the reduction of capacity requirements can lead to very substantial savings and a lowering of rates and electricity bills for commercial customers.

Conclusions

The commercial sector in general and the SGS customers for this consultation process with BC Hydro should first address the excess revenue collection from commercial customers, and second, enable the opportunities to provide the commercial sector with the equipment and operations required to reduce capacity requirements successfully.

These two initiatives would optimize the benefits to the commercial ratepayer class and represent fair, just and reasonable rate design.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Direct BC Hydro & the BC Utilities Commission to develop and provide lower, fair, just and reasonable rates to address the excess revenue collection from the Small General Service sector and make it more in line with the costs of serving this group, without disadvantaging other ratepayers.
2. Direct BC Hydro & the BC Utilities Commission to develop and implement new innovative rate designs for the Small General Service sector that will provide the incentives, equipment and operations required to reduce capacity requirements, optimize the benefits and reduce the bills for small businesses and non-profits, and support BC Hydro energy management.

[23] British Columbia Utilities Commission (BCUC or Commission), British Columbia Hydro and Power Authority (BC Hydro), Site C Clean Energy Project - PUBLIC Quarterly Progress Report No. 21, June 29, 2021, letter from the President and CEO of BC Hydro to the Chair and CEO of the BCUC.

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

SUSTAINABLE AVIATION FUEL TAKES FLIGHT

Issue
Sustainable Aviation Fuel (SAF) is a small percentage of global aviation fuel production. Canada currently produces very little SAF. Only a few refiners in the U.S., Europe, and Singapore are currently producing or planning to produce SAF at significant volumes. However, British Columbia has set targets for SAF mix for airlines flying to and from B.C. airports that begin in 2028. Without significant increases to global supply, those targets are no longer realistic.

Background
First, let's address the basics of Sustainable Aviation Fuel (SAF) - what is it and why do we want it? SAF is produced by replacing fossil-carbon feedstocks with sustainable, atmosphere-carbon alternatives. These include forestry and crop residues, plant-based oils, tallows, municipal waste, industrial waste streams, and even carbon captured directly from the air. By recycling carbon already present in the environment, SAF reduces reliance on fossil fuels and lowers aviation emissions.

SAF reduces life cycle CO2 emissions by up to 80%. Due to current technological limitations, the aviation sector will be one of the most challenging transportation sectors to decarbonize. SAF represents a significant opportunity for the industry's progress toward its net-zero objectives. Moreover, Canada is a global supplier of sustainable, lower-cost feedstocks that can be readily transformed into sustainable aviation fuel.

Under British Columbia's Renewable and Low Carbon Fuel Requirements in the Low Carbon Fuels Act, regulations require renewable fuel to comprise at least 1 percent of jet fuel starting in 2028, increasing to 2 percent in 2029 and 3 percent in 2030 and subsequent compliance periods. The regulations also include a carbon intensity (CI) reduction requirement for jet fuel that phases in at 2 percent in 2026, 4 percent in 2027, 6 percent in 2028, 8 percent in 2029 and 10 percent in 2030 and subsequent compliance periods. [24]

BC is the only jurisdiction in North America to be imposing an implementation mandate for SAF.

However, no local production of SAF has been established in the province or elsewhere in Canada. Several projects have been announced, with a combined potential capacity of at least 500 million litres of SAF by 2030, but none have reached the final investment decision stage. The Parkland Burnaby Refinery produced two small batches of low carbon intensity fuel in 2024 but the domestic supply of lower carbon aviation fuel does not currently exist to meet needs. Moreover, even the supply of conventional jet fuel is currently mostly imported. Global production of SAF is also fairly limited. In 2021, only 125 million litres of SAF were produced worldwide, just 0.05% of the global jet fuel market[25].

SAF is currently 2-4 times more expensive than conventional jet fuel. With jet fuel contributing over 25% of total airline operating costs, widespread SAF adoption in British Columbia is financially challenging. The global SAF market is still in its infancy, with production covering only a tiny fraction of global aviation fuel needs. However, the U.S. and Europe are moving aggressively with mandates and incentives to scale up production. If Canada does not act quickly, it risks falling behind in SAF production and relying on imports instead of developing a domestic industry.

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[24] https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/22021#part3

[25] Canadian Council for Sustainable Aviation Fuels. (2023). The C-SAF roadmap: Building a feedstocks-to-fuels SAF supply chain in Canada.

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

California, a market much larger than British Columbia, with their domestic airline industry projected to reach a market size of $17.2 billion by 2025, has needed to modify timelines regarding the decarbonization of jet fuel in order to ensure the transition to low-carbon fuels is both practical and sustainable. [26]

If British Columbia proceeds with its current timeline, in advance of the creation of domestic SAF production, and ahead of its peers on the west coast of North America and throughout Canada, airlines flying to and from BC airports will be at a competitive disadvantage. At the Vancouver International Airport alone, over 26,000 direct workers help connect BC to the world. Additionally, there are approximately 2,000 workers currently engaged in construction projects. Province-wide, YVR's operations facilitate employment for more than 126,000 people [27]– employed in tourism and hospitality, logistics, engineering and retail. The loss of even one flight route to another hub like Calgary or SeaTac can have a significant impact for workers and businesses in our province.

We believe that policy interventions are necessary and crucial to accelerate the domestic production and adoption of low carbon aviation fuels. However, the global and domestic supplies currently do not exist to meet the existing mandates.

THE CHAMBER RECOMMENDS
That the Provincial Government:

1. To avoid creating a competitive disadvantage, align Sustainable Aviation Fuel (SAF) target inclusion implementation timelines with others on the West Coast of North America, including:
    a. Incentivizing SAF adoption on a voluntary opt-in basis from 2026 to 2028.
    b. Amending the Carbon Intensity (CI) mandate to begin in 2028 with a review period every year thereafter to assess the market conditions of the availability of SAF.
2. Incentivize and support the domestic production of SAF and other low-carbon aviation fuels, working in partnership with the federal government and industry stakeholders.

[26] https://ww2.arb.ca.gov/sites/default/files/barcu/board/books/2024/11070824/24-6-2pres.pdf
[27] https://www.yvr.ca/en/airport-improvement-fee/economic-impact

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

UNLOCKING BC'S NATURAL GAS POTENTIAL

Issue
British Columbia's natural gas sector is a key driver of the province's economy, creating tens of thousands of high-quality, well-paying jobs, and supporting communities across the province. To become a globally competitive energy hub, the province must establish a stable and predictable regulatory framework, advance responsible resource development, and avoid policies that restrict economic growth. A clear commitment to maximizing the integrated natural gas value-chain and expanding export opportunities is essential to achieving BC's energy potential.

Background
BC has a long-standing reputation for responsible energy development, with some of the world's highest environmental and regulatory standards. The natural gas sector is one of BC's largest private-sector contributors, directly employing 74,000 British Columbians and generating $15.1 billion for BC's GDP. From 2018 to 2021, the upstream industry spent over $4.7 billion in 140 municipalities and Indigenous Nations, supporting more than 2,400 BC-based businesses through procurement of goods and services.

Liquefied natural gas (LNG) development presents a generational opportunity for BC's economy, attracting billions in private investment and strengthening energy trade with global partners. In his mandate letter to Honourable Adrian Dix, Minister of Energy and Climate Solutions, Premier Eby noted the need for "expanding global markets for our products to diversify and reduce trade risk"[28]. LNG is in demand worldwide and can strengthen our trade portfolio. However, securing final investment decisions (FID) for LNG terminals requires clear emissions policies, efficient permitting, electrification support, and the upstream infrastructure and wells needed to supply these projects.

Over the past decade, Canadian natural gas producers have reduced carbon dioxide equivalent emissions by 22% and methane emissions by 38%, while growing production by 35%. In British Columbia, methane emissions from the oil and gas sector declined by 47% between 2014 and 2021, exceeding the province's reduction target. However, new and uncertain regulations, including a sectoral emissions cap, risk deterring investment and economic growth without delivering meaningful environmental benefits.

Permitting delays and regulatory hurdles continue to stall resource development, leading to lost job opportunities. A clear, efficient, and competitive approach to permitting and land-use planning, along with an integrated natural gas value-chain and export strategy, is critical to positioning BC as a global energy leader.

[28] https://www2.gov.bc.ca/assets/gov/government/ministries-organizations/premier-cabinet-mlas/minister-letter/mandate_letter_adrian_dix.pdf

MINISTRY OF ENERGY AND CLIMATE SOLUTIONS

THE CHAMBER RECOMMENDS

That the Provincial and Federal Governments:

1. Create a cohesive natural gas and LNG strategy that strengthens the entire natural gas value chain, from production through to export, by aligning infrastructure development, investment incentives, and regulatory policies.
2. Fast-track LNG and upstream projects by ensuring regulatory and policy certainty, including clear emissions rules, efficient permitting, and streamlined processes for electrification and grid access.
3. Avoid sectoral emissions caps that undermine investment. Instead, the Output-Based Pricing System (OBPS) should be refined to maintain competitiveness and prevent carbon leakage while working collaboratively with the industry on benchmarks and allocations.
4. Improve permitting timelines and reduce redundancy in coordination with the BC Energy Regulator. Establish long-term land-use policy certainty to ensure reliable resource access and alignment with cumulative effects management.

MINISTRY OF ENVIRONMENT AND PARKS

ADDITIONAL CONSERVATION OFFICER SERVICE SUPPORT

Issue

The BC Conservation Officer Service needs additional resources to adequately address public safety, focus on natural resource law enforcement, off-road vehicle enforcement, illegal dumping, human-wildlife conflict prevention, and respond to wildlife-human conflict. Keeping these conflicts to a minimum helps work crews involved in mining exploration, tree planting, and pipeline and power line maintenance stay safe, while also assisting ecotourism operators and wilderness recreation users in having a safe and fun experience.

Background

Since 1905, the BC Conservation Officer Service has served as the province's "natural resource law enforcement agency specializing in public safety as it relates to human/wildlife conflict." Today's COS is structured into three units: Provincial Operations (uniformed officers), Provincial Investigations Unit (investigations), and Program Support. Conservation Officers based in 45 communities across BC are responsible for enforcing 33 federal and provincial statutes, working with private and public partners such as the Ministry of Forests, Lands, and Natural Resource Operations Resource Officers, the RCMP, Environment Canada, the Department of Fisheries, First Nations, and local and provincial stakeholders[29].

In other words, their job is to protect business assets and keep operations running, while keeping business customers, employees and the general population safe, just like police and fire services.

Yet the BC Government's last significant investment in the BC Conservation Officer Service was in 2018, when 20 new COs were hired, to bring the staffing levels to 150. [30]

While the number of black bears killed by COs fell by half in 2024, the previous year set a new record with 603 bears destroyed.[31] The number of calls for service from the public has steadily increased, in both urban and rural communities, as new housing developments increasingly encroach into what had previously been wildlife spaces.[32] The growing prevalence of wildfires and flooding may also be driving bears, moose and other wildlife out of their habitat towards the food sources found where humans live and work.[33]

Meanwhile, the shortage of BC Conservation Officers has led to untrained police officers forced to respond to wildlife-human conflicts[34]. This further heightens the need for more resources devoted to the BC Conservation Officer Service.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Provide additional funding, offices, and staffing for the BC Conservation Officer (OC) Service to reduce the caseload for individual COs and more effectively manage conservation services.

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[29] https://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/natural-resource-law-enforcement/conservation-officer-service/about-the-cos

[30] https://www.wltribune.com/news/b-c-hires-20-more-conservation-officers-5498554

[31] https://www.ctvnews.ca/vancouver/article/bc-conservation-officers-killed-303-black-bears-last-year-50-less-than-2023/

[32] https://www.cbc.ca/news/canada/british-columbia/bc-black-bear-safety-1.7020555

[33] https://sunpeaksnews.com/a-day-in-the-life-of-a-thompson-nicola-conservation-officer/

[34] https://vancouversun.com/news/local-news/shortage-of-b-c-conservation-officers-often-leaves-untrained-police-handling-to-deal-with-animals

MINISTRY OF FINANCE

ADDRESSING BARRIERS TO SUCCESSION PLANNING FOR SMALL TO MEDIUM ENTERPRISES

Issue

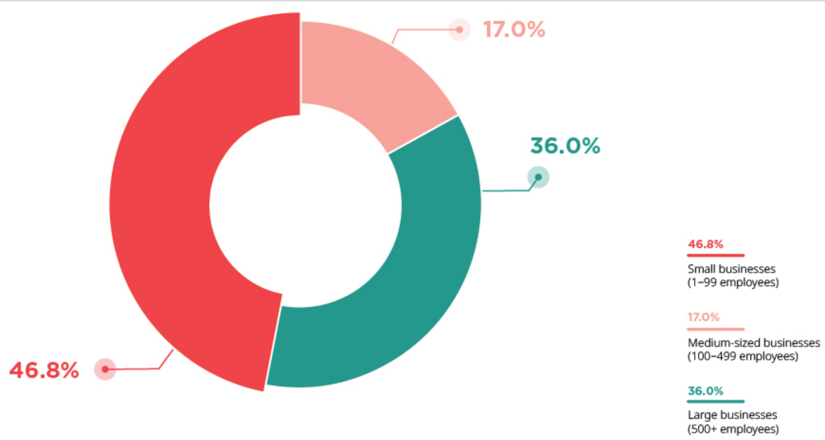
76% of small business owners are planning to exit their business over the next decade, with 75% of these planning to retire. Anticipating the generational shift, Succession Planning is key—but only 34% of Canadian family businesses have a robust, documented and communicated succession plan in place. SME businesses need professional support and moderation to address them properly[35]. Anticipating the generational shift, Succession Planning is key—but only 34% of Canadian family businesses have a robust, documented and communicated succession plan in place. SME businesses need professional support and moderation to address them properly[36].

Background

Innovation, Science and Economic Development Canada defines an SME when a business employs anywhere from 1 to 499 employees, which includes Micro-enterprises employing 1 to 4 individuals.

In Canada, as of 2022, small businesses employed 5.7 million individuals, or 46.8 percent of the total private labour force (see figure 1 below). By comparison, medium-sized businesses employed 2.1 million individuals (177 percent of the private labour force) and large businesses employed 4.4 million individuals (36 percent of the private labour force). Between 2021 and 2022, small businesses were responsible for 41.1 percent of the net employment growth in the private sector, which increased by approximately 802,550 jobs. Medium-sized businesses contributed 18.3 percent of this net employment growth and large businesses contributed 39.4 percent.[37]

Figure 1: Distribution of private sector employees by business size, 2022[38]



Note: Data may not add up to totals because of rounding.

Source: Statistics Canada, Table 14-10-0215-01—Employment for all employees by enterprise size, annual; and ISED calculations.

From 2024 to 2034, the BC Labour Market Outlook analysts project 1,120,000 job openings in British Columbia. 60 per cent of these will be a result of workers leaving the workforce to retire. In addition to the pressures of transitioning our businesses to the next generation, the population and the labour force

[35] https://www.pwc.com/ca/en/private-company/family-business-survey-canadian-insights-2021.html
[36] https://www.pwc.com/ca/en/private-company/family-business-survey-canadian-insights-2021.html
[37] https://ised-isde.canada.ca/site/sme-research-statistics/sites/default/files/documents/2023-ksbs-en.pdf
[38] https://ised-isde.canada.ca/site/sme-research-statistics/sites/default/files/documents/2023-ksbs-en.pdf

will continue to age, and employers will need to replace retiring workers at an increasing rate. In addition to the pressures of transitioning our businesses to the next generation, the population and the labour force will continue to age, and employers will need to replace retiring workers at an increasing rate.

To ensure business owners successfully accomplish the transition of their business, it is essential to have the necessary tools and resources at their disposal.

A succession plan helps a business owner deal with complex topics such as:

- tax issues;
- required qualifications and skills of successors;
- legal issues;
- how the successor will be trained/prepared for the role; and
- mechanics for the purchase or transfer.

Some of the top barriers to succession planning include but are not limited to:

- finding a suitable successor;
- valuing a business;
- financing for the successor; and
- access to cost effective professional advice.

British Columbia's *Venture Connect* program offered through Community Futures prepares businesses for a sale so they can be transferred to a new owner – keeping businesses in our communities. *Venture Connect* began as a project created in response to the challenge that over the next 20 years, there will be unparalleled shortfalls of both business owners and employees resulting in potential closure of large numbers of small businesses throughout the province. Even with resources such as *Venture Connect*, SMEs have historically been, and continue to be, vulnerable with respect to receiving approval for financing from lending institutions. This not only includes entrepreneurs starting a brand-new business, but also those looking to purchase an existing business, as in the case of succession.

Under the direct investment model, a small business in BC can register as an eligible business corporation (EBC). EBCs can accept equity capital directly from investors without having to set up a venture capital corporation (VCC). This investment structure is intended to assist investors planning to be actively involved in the growth of a small business[39]. However, the current program is not inclusive towards small and medium size businesses involved in a succession transaction.

Continued government funding towards existing, revised and new programs that support business owners transitioning their businesses, is imperative to maintaining a healthy economy.

On June 29, 2021, the Senate approved Bill C-208, which attempts to correct "unfair" income tax impacts that can arise when shares of private businesses are transferred to family members.

Prior to Bill C-208, individuals were generally financially incentivized to sell the shares of their business to an arm's length party rather than to the next generation[40].

[39] https://www2.gov.bc.ca/gov/content/employment-business/investment-capital/venture-capital-programs/eligible-business-corporation
[40] https://www.richardsonwealth.com/news/intergenerational-business-transfers

MINISTRY OF FINANCE

Bill C-208 facilitates intergenerational transfers by excluding the application of the punitive deemed dividend rules on transfers of a qualified small business, family farm or fishing corporation to a related party, provided that the purchasing corporation is controlled by one or more children or grandchildren over the age of 18, and the purchasing corporation does not dispose of the acquired corporation within 60 months of the transfer[41].

On July 19, 2021, the Federal Department of Finance announced that it proposes to introduce additional amendments to Bill C-208 due to concerns that it may inappropriately facilitate tax-motivated business transfers within families, where there is no intention of having the business carried on by the next generation such as:

- the requirement to transfer legal and factual control of the corporation from the parent to the children or grandchildren
- the level of ownership in the corporation that the parent can maintain after the transfer; and
- the requirements and timeline of the transition of the business of the corporation from the parent to the children and grandchildren, and the level of involvement of such children or grandchildren in the business after the transfer.

Bill C-59 received Royal Assent on June 20, 2024, expanding the definition of “child” to include adult nieces, nephews, grandnieces and grandnephews[42]. While these are significant advances in reducing the burden on businesses looking to transfer their business to the next generation, more needs to be done to support business owners with the appropriate tools and legislative reform to keep the doors of our businesses open.

Since 2013, several tax measures have been introduced to assist Canadian business owners with the transition of their businesses. The Lifetime Capital Gains Exemption (LCGE) is one very important tax measure because for many business owners, the sale of their business is their retirement income.

The Lifetime Capital Gains Exemption limit, for sales of small business shares and farming and fishing property, increased to $1.25 million as of June 25, 2024, and will be indexed to inflation going forward (beginning in 2026). The inclusion rate has increased to 66.7% and the Canadian Entrepreneurs’ Incentive has been introduced. This has a lower 33.3% inclusion rate on up to $2M on the sale of business shares in qualifying sectors (starts at $200K in 2025, rising by $200K each year to reach $2M maximum by 2034), and a higher inclusion rate of 66.7% for all capital gains within a corporation or for sales of business shares above other exemptions or reductions.

Ineligible businesses include:

- Finance and Insurance
- Real Estate
- Food and Accommodation
- Arts, Entertainment, Recreation
- Personal Care Services
- Professional Corporations[43]

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[41] https://www.richardsonwealth.com/news/intergenerational-business-transfers
[42] https://www.doanegrantthornton.ca/insights/intergenerational-business-transfers-changes-you-should-know/
[43] https://www.cfib-fcei.ca/en/tools-resources/lifetime-capital-gains-exemption

MINISTRY OF FINANCE

Amending the LCGE to include all SMEs attempting to legitimately and lawfully transition their businesses to the next generation will help to counterbalance the forecasted labour shortages, increasing retirement levels and assist with keep our businesses open and our communities strong during these challenging times.

It would be prudent for government to focus on stimulus for succession planning for small business that addresses the various business structures while keeping in mind that vendor's general desire to use the Federal Tax Act provisions to minimize tax on the transition.

Overall, there is a continued need for awareness to the issue of succession planning for SMEs as well as additional changes to existing government resources, programs and legislation to provide sellers and potential purchasers the incentives to conduct succession planning and transition their businesses effectively.

THE CHAMBER RECOMMENDS

That the Provincial and Federal Governments:

1. Review the current "qualifying activities" in the existing Eligible Business Corporation (EBC) program and:
    a. Include a clause that allows the program to be more inclusive towards small- to medium-sized businesses in a succession transaction.
    b. Include a vendor-financed arrangement as a qualifying activity, whereby the vendor will receive the same 30% tax credit for financing the business succession transaction, thereby reducing the vendor's risk.
2. Expand the scope of existing small business financing programs to incorporate succession planning as a legitimate reason for small business financing.
3. Allow small corporations to defer the tax on the capital gains from the transfer of a business to the owner's children.
4. Increase the Lifetime Capital Gains Exemption amount to $1.25 million, indexed for inflation, for all SMEs.
5. Ensure that future amendments to the Income Tax Act do not impede legitimate and lawful intergenerational transfers of small businesses to family members and are considered with terms that are, at minimum, equitable with those when transferred to any third party.

MINISTRY OF HEALTH

ADDRESSING IMMIGRATION AND REGULATORY BARRIERS TO ATTRACT ALLIED HEALTH PROFESSIONALS TO RURAL AND UNDERSERVED COMMUNITIES

Issue

The ongoing shortage of allied health professionals in rural British Columbia has become critical, directly impacting the quality and accessibility of healthcare. Professionals such as physical therapists, occupational therapists, and psychologists play an essential role in recovery, disability prevention, and the overall sustainability of the healthcare system. Care pathways are disrupted without their presence, and access to vital services is significantly affected.

Businesses in these regions are also feeling the impact. Injury management and rehabilitation delays extend work absences, increase costs, and reduce operational efficiency. Inadequate healthcare services compound the issue, making it difficult to attract investment or secure a stable workforce.

The shortage of allied health professionals is more than a healthcare issue; it's a business risk. Without enough providers to support worker recovery, communities suffer, and business continuity is disrupted. Delays in rehabilitation and return-to-work increase time off, reduce productivity, and increase company costs. Strengthening the local healthcare workforce is key to building healthier communities and more resilient businesses.

Systemic inefficiencies in credentialing, immigration, and registration processes—administered by IRCC and regulatory colleges—have created delays restricting workforce access. While intended to ensure public safety, these processes are often non-adaptive to the evolving needs of rural communities, contributing directly to prolonged service gaps.

Although the Provincial Nominee Program has enabled many businesses to access global talent, its application in rural communities often lacks the mechanisms necessary to ensure retention. Without clear accountability or incentives to remain, candidates frequently relocate to larger centres, leaving the very communities that nominated them without the health professionals they critically need.

Background

Rural British Columbia and underserved areas face a severe and ongoing shortage of allied health professionals, impacting healthcare delivery in hospitals, private clinics, and First Nation health programs. Unlike urban centres, which attract most Canadian-trained allied health professionals, rural areas experience chronic understaffing, leaving patients with limited access to essential rehabilitation and therapy services.

Based on the BC Government's population growth estimates through 2046,[44] the demand for qualified professionals will continue to rise, yet the current supply is not keeping pace.

Current workforce data highlight this disparity, using private physiotherapy as an example in the Cariboo Regional District, which has 18 First Nation Communities, and the Squamish-Lillooet Regional District, which has three First Nation Communities. While other allied health professions may face similar challenges, physiotherapy clearly illustrates these discrepancies.

[44] https://www2.gov.bc.ca/assets/gov/data/statistics/people-population-community/population/newsletter_08_2024_bc_population_projections.pdf

MINISTRY OF HEALTH

Table 1: Area covered by Interior Health for Allied Health Services, managed from Williams Lake, as well as Quesnel, which is part of the CRD and includes the listed towns

Town	Population	Service Area Population	Total Area Population
Williams Lake	11,906	25,120	37,026
Quesnel	10,947	13,000	23,947
100 Mile House	1,982	15,000	16,982
Lillooet	2,226		
Merrit	7,051		
Clinton, Cache Creek, Ashcroft	3,336		
Clearwater	2,388		
	39,836	53,120	77,955
Total Estimated Population	92,956		

Source: Municipality Web searches

The total estimated population of 92,956 across the region. Despite the size of this population and a service area nearly twice that of the Squamish-Lillooet Regional District, access to private allied health services is critically limited. Currently, the region is served by only 7 private physiotherapists, 2 private occupational therapists, and no private dietitians or speech-language pathologists.

Table 2

Area	Population	Number Of Private Physiotherapists
Cariboo Regional District	61,931	7
Squamish-Lillooet Regional District	50,496	120

Source: CRD and SLRD Website and Public information

Communities such as Merritt, Lillooet, Ashcroft, and Clearwater have no local access to private physiotherapy, occupational therapy, speech-language therapy, or other allied health services. As a result, residents must travel to larger centres for even the most basic care, which affects individual health outcomes, workforce well-being, and overall community resilience.

When referencing the detailed breakdown of community services,[45] there is a gap. This highlights the urgent need to expand access to allied health services throughout the region.

This lack of available allied health professionals in rural BC has resulted in:

- Extended wait times for patients in need of assessments and treatments.
- Limited access to preventative & rehabilitation services, coupled with delayed and inconsistent treatment.
- Reduced availability of specialized care, requiring patients to travel to urban centers for services.
- Increased workload and provider burnout contribute to higher staff turnover.
- Delays in pediatric care negatively impact developmental outcomes due to a shortage of early intervention services.[46]

Regulatory Barriers Hindering Recruitment

While internationally trained professionals could be critical in addressing workforce shortages, the BC College for Health and Care Professionals imposes excessive credentialing requirements that are

[45] https://www.wlchamber.ca/addressing-immigration-regulatory-barriers/

[46] Temporary residence (visiting, studying, working) > Visitor visa (from outside Canada) > South Africa (as of February 25, 2025) https://www2.gov.bc.ca/assets/gov/health/managing-your-health/early-childhood-health/ei_therapy_guidelines.pdf

bureaucratic, time-consuming, and slow to adapt to evolving challenges. Rather than working to fill shortages, the current credentialing process inadvertently contributes to them. Its rigid, one-size-fits-all approach fails to consider the specific needs of underserved communities, resulting in significant delays and further limiting access to essential healthcare services.

The Northern UNBC program, which was specifically designed to support northern communities, currently retains less than 5% of its graduates in the region annually. No Canadian province presently has a service commitment tied to licensure. British Columbia sees limited enrolment from out-of-province students, most of whom return to their home provinces after graduation. With more than 800 applicants competing for only 120 physiotherapy seats annually, there is a clear opportunity to prioritize admission for residents of BC or other provinces committed to serving in rural and underserved areas.

Implementing a structured service component, informed by community needs, would help ensure that public investment in education results in tangible benefits for regions in need of allied health services.

This approach could also serve as a model for other provinces with similar rural healthcare challenges, offering a strategic solution to improve access, distribution, and long-term retention of allied health professionals. Crucially, improving the availability of healthcare workers in rural regions directly benefits local businesses by enhancing access to timely rehabilitation and preventative care. This helps reduce injury-related downtime, supports faster return-to-work processes, and improves workforce health, contributing to greater business productivity, reduced costs, and economic resilience in rural communities.

Key barriers include:

- The credentialing process for internationally trained professionals is lengthy, taking 1.5-2 years for physiotherapists, 2-3 years for occupational therapists and dietitians, and 1-2 years for speech therapists. These timelines do not account for the additional 0.5-1 year required for immigration processing, further delaying their ability to enter the workforce and address critical shortages.
- In-person exam requirements for certain professions require foreign-trained professionals to travel to Canada before certification. South African applicants, for example, must obtain a visitor visa, which currently takes up to 551 days to process.[47]
- There are no supervised practice options in BC, unlike in Alberta, which allows internationally trained physiotherapists to work under supervision for up to two years while completing credentialing requirements.
- No alternative approaches to credentialing have been explored, and existing programs lack data to demonstrate their effectiveness.
- Credentialing and immigration are treated as separate processes, creating additional barriers and compounding workforce shortages. Without a streamlined, integrated approach, delays will continue to hinder the timely placement of qualified professionals in underserved areas.

<u>Inefficiencies in Immigration Pathways</u>

Despite rural BC's urgent need for allied health professionals, immigration policies fail to ensure these workers stay in underserved areas. The Provincial Nominee Program (PNP) was designed to attract international workers to fill critical workforce gaps. Still, it lacks enforcement mechanisms, allowing professionals to gain permanent residency without fulfilling their working commitments to rural employers.

[47] https://www.canada.ca/en/immigration-refugees-citizenship/services/application/check-processing-times.html

MINISTRY OF HEALTH

As a result, many relocate to urban centres shortly after securing their PR status, leaving rural businesses and health systems in a continuous cycle of recruitment, disruption, and workforce shortages. This instability undermines access to care and the operational continuity of businesses that rely on timely rehabilitation and occupational health services to keep their workers healthy, productive, and on the job. Moreover, the Labour Market Impact Assessment (LMIA) process—the only alternative for many rural employers—is costly, slow, and bureaucratic, creating additional barriers.

- $1,000 per worker application fee, which is non-refundable if denied.
- Long processing times leaving employers with unfilled positions for months.
- Complex advertising requirements, forcing employers to demonstrate failed recruitment efforts before hiring foreign workers.
- LMIA might be denied.

Comparing Canada's Approach to Other Countries

Canada's immigration and regulatory inefficiencies make it an unattractive destination for allied health professionals compared to Australia [48], New Zealand, Dubai and Ireland, where streamlined pathways allow for faster credentialing and immigration. For example, Australia offers:

- An Express Pathway that allows eligible professionals to bypass assessment stages and complete licensing remotely.
- A six-month immigration process for many allied health professionals, compared to Canada's multi-year delays.
- BC will continue to lose potential recruits to countries with faster and more efficient systems without similar reforms.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Modernizing credentialing processes, Provincial Nominee Program criteria, immigration pathways, and recruitment policies to reflect the unique needs of rural communities is essential to addressing allied health professional shortages. These reforms are critical to attracting and retaining internationally trained professionals, strengthening healthcare capacity, and ensuring continued access to crucial services across rural British Columbia.
2. Assessing BC's regional workforce needs, rather than relying on a one-size-fits-all model, helps address provider shortages and reinforces the College's public protection mandate by promoting equitable access to care across the province. Prioritizing the timely integration of internationally trained professionals and expanding allied health services in rural areas are critical steps toward building healthier, more resilient communities.
3. Implementing an Interim Registration pathway in BC would allow internationally educated allied health professionals to begin practicing under supervision while completing licensure requirements. This pathway has already been successfully adopted in provinces such as Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, PEI, and Newfoundland, and would accelerate workforce integration in rural areas.

[48] https://physiocouncil.com.au/international-physiotherapists

MINISTRY OF HEALTH

EQUITABLE ACCESS TO HEALTH CARE SERVICES FOR ALL BRITISH COLUMBIANS

Issue
The current funding model for healthcare infrastructure in Canada is intended to provide equitable access to necessary medical services for ALL Canadians. Currently, there are several regions of British Columbia that lack adequate medical infrastructure to deliver even the most necessary medical services to the populations they are serving.

To ensure that all British Columbians have equitable access to necessary medical services, the Province must negotiate new 2026-2028 bilateral agreements with the Federal government that include the provision of tertiary care medical services for our rural and vulnerable populations on Vancouver Island, Northern BC and Interior Health regions.

Background
The majority of Canada's current hospital stock was financed through a National Health Grants program from 1948 through 1971. The federal health grants provided matching funds to provincial government grants to build community hospitals. It is estimated that 90% of Canada's hospitals were created over the course of this program.[49]

The Canada Health Act is a federal law establishing the framework for the publicly funded healthcare system. Every province and territory in Canada must ensure that its health care insurance plans meet the standards of the Canada Health Act. The standards described in the Act include accessibility, portability, universality, comprehensiveness and public administration.[50]

The primary objective of Canada's health care policy is to "protect, promote, and restore the physical and mental well-being of residents of Canada and to facilitate reasonable access to health services without financial or other barriers".[51]

Under the Canada Health Act, there are criteria and conditions related to insured health services and extended health care services that the provinces and territories must fulfill to receive the full federal cash contribution under the Canada Health Transfer.[52] British Columbia is not meeting these criteria in several regions in the Province.

The underlying goal of the Canada's health service policy is not to levy penalties, but to ensure access to medically necessary care. British Columbia ranks second-last in healthcare access across Canada. A study show 24% of British Columbians struggle with consistent issues in gaining necessary medical services.[53]

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[49] https://cupe.ca/sites/default/files/final_hospital_infrastructure.pdf
[50] https://madeinca.ca/health-care-system-statistics-canada/
[51] https://www.canada.ca/en/health-canada/services/health-care-system/canada-health-care-system-medicare/canada-health-act.htm
[52] https://www.canada.ca/en/health-canada/services/health-care-system/canada-health-care-system-medicare/canada-health-act.html
[53] Karamali & Sheffrey (2022, October 7) "British Columbians report 2nd worst access to health care in Canada" Global News

MINISTRY OF HEALTH

Currently, tertiary care facilities in British Columbia are only found in Vancouver, Surrey, Victoria, Kelowna and Kamloops. Even relatively large cities in British Columbia do not have direct access to tertiary care, such as Nanaimo, Penticton and Prince George. Accessing tertiary care services in our northern and rural communities in British Columbia remains a significant and critical challenge.[54]

In 2023, the Prime Minister and Premiers agreed on shared health priorities to deliver real results to Canadians, supported by additional federal health investments of close to $200 billion over 10 years to address gaps and improve integrated health care services under the 'Working Together to Improve Health Care for Canadians Plan'. Through this plan, the Federal government aims to:[55]

- expand access to family health services, including rural and remote areas;
- support health workers and reduce backlogs for health services such as surgeries and diagnostics;
- improve access to quality mental health, substance use and addiction services;
- modernize the health care system with standardized information and digital tools so health care providers and patients have access to electronic health information;
- work with provinces and territories to help people in Canada age with dignity, closer to home by supporting efforts to improve access to home and community care and safe long-term care; and
- address unique challenges that Indigenous Peoples face when it comes to fair and equitable access to quality and culturally safe health services.

Funding from the plan is delivered through bilateral agreements between the provinces and territories and the Federal government.

In 2023, Ontario, with a population of approximately 16 million people, negotiated a bilateral agreement to receive $73.97 billion in funding over 10 years under the plan.

By comparison, BC, with a population of approximately 5.6 million people, negotiated a bilateral agreement to receive $7.5 billion in funding over 3 years.[56] Based on population, BC's fair share of the total federal funding available over the next 10 years is approximately $25 billion.

The Working Together to Improve Health Care for Canadians Plan emphasized the importance of upholding the Canada Health Act to protect Canada's publicly funded health care system. A key aspect in upholding these principles is to ensure that Canadians do not face charges for medically necessary care, and that when innovations are introduced into our health care system, it is important to ensure that they benefit all Canadians equally.[57]

In 2023, 104 of Canada's 1017 hospital establishments were located in British Columbia, representing approximately 10% of the Canada's healthcare infrastructure. Based on population, British Columbia's share of the federal health investments promised over the next 10 years is approximately $25 billion.

The Lower Mainland and Southern Vancouver Island hospitals are seeing their share of these federal health investments. For example, the new Surrey hospital project saw its first major concrete pour in

[54] https://storymaps.arcgis.com/stories/59bf930a9aab4fa0bf16a52e3cbade50
[55] https://www.canada.ca/en/health-canada/corporate/transparency/health-agreements/shared-health-priorities.html
[56] https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/organizational-structure/office-of-the-premier/bc-agreement-to-improve-health-care.pdf
[57] https://www.canada.ca/en/health-canada/services/health-care-system/canada-health-care-system-medicare/canada-health-act/letter-provinces-territories-january-2025.html

MINISTRY OF HEALTH

December 2024 after receiving $2.88 billion in government funding from the Province. The project is expected to employ up to 5000 trades over the 5 year construction period and create thousands more indirect jobs. Once complete approximately 2000 workers will be employed at the hospital. The project was made possible with community support and a 10 year capital plan.[58] The current population of Surrey is approximately 680,000.

Vancouver Island as a Business Case

The population on Vancouver Island is one of the fastest growing and fastest aging in Canada. 460,000 people are living North of the Malahat versus 445,000 people who live on the Southern portion of Vancouver Island. By comparison, the Northern Health authority serves a population of approximately 300,000 people and has the least access to equitable medical services.

The Central Island has the oldest population in Canada driving high acute care demands. In addition, 80% of the Island's First Nations are in the Nanaimo Regional General Hospital (NRGH) catchment area. Currently patients in this area do not have access to equitable care they need and have a right to and many suffer poorer outcomes that are sometimes fatal.

Victoria has two catheterization labs whereas Nanaimo and Central/North Island have none making the North Island region the largest population over 400,000 in Canada without equitable access to this essential health care service. Additional statistics below show the gross disparity in equitable access to health care in the region showing that the Northern half of the Island's population receives 1/5 of the health resources[59].

Table 1

Number of Specialists	**Nanaimo & Central Island North**	**Greater Victoria**
Hospital Size	346 (400+ beds regularly)	RJH 500 / VGH 344
Cardiologists	2	22
Catheterization Lab	0	2
Medical Oncologists	0	30 +
Gastrointestinal	3	16
Internal Medicine	10	26
Interventional Radiology	0	5
Neurology	3	15
Rehabilitation Medicine	6	10
Thoracic Surgery	0	4
Vascular Surgery	0	7
Adult Psychiatrists	18	80
Pediatric Psychiatrists	1	13

Our health care system in British Columbia is woefully under-resourced and has fallen far behind the growing needs of an expanding population. The Province is mandating housing start numbers and housing types for municipalities, but it is not supporting regional infrastructure and social supports that match the population growth it is promoting**.**

58 https://canada.constructconnect.com/joc/news/infrastructure/2024/07/2-88b-surrey-hospital-megaproject-progressing-on-schedule-budget

59 https://weneedhealthcare.ca/issue/

MINISTRY OF HEALTH

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Allocate equitable health care funding from the 2025 bilateral agreement and a 5% annual top-up from the Federal government to underserved and underfunded regional health authorities in British Columbia.
2. Negotiate British Columbia's fair share of the Working Together to Improve Health Care of Canadians funding in the 2026-2028 bilateral agreements with the Federal government and commit to raising the basic standard of care in BC's rural and vulnerable communities to meet the national minimum.
3. Commit to expanding tertiary care level facilities in each regional health authority to meet the Canadian Standard of Care for 80% of the population of every health authority.
4. Ensure that health care facilities are provided with the funding necessary to ensure 24/7/365 emergency room services in every rural community in the Province.

MINISTRY OF HEALTH

INTRANASAL NALOXONE: ELIMINATING PREVENTABLE BARRIERS FOR USE

Issue

The toxic drug supply and overdose deaths in BC have deeply affected both individuals and businesses. While intranasal naloxone can prevent these deaths, access remains limited.

Given the high occurrence of illicit drug overdoses by males, ages 30-59 working in trades, now is the time to invest in tools which reduce barriers to use and are well suited to their work environments. By working together with the business community to make intranasal naloxone available without barriers, lives will be saved.

Background

In 2024, 70% of people who died from illicit drug overdoses in BC were between 30-59 years old, and 74% were men. Female deaths have risen steadily since 2016, now 50% higher than in 2020, especially in Northern and Island Health authorities.[60]

A 2018 Fraser Health report noted that of those experiencing overdoses, "a disproportionate number of men were currently or formerly employed in trade industries."[61] The Government of Canada[62] confirms that since 2016, about 3 in 4 opioid-related deaths were male, with 30% -50% working in trades at the time of death.

The opioid crisis affects not only social systems but also businesses, especially in trades and technical fields where recruitment and retention of skilled workers are key concerns. The Province of British Columbia should urgently make nasal naloxone available for free to save lives, support our businesses, and workers.

While BC has made progress to address the toxic drug crisis, such as through the Take Home Naloxone program, increasing support at Overdose Emergency Response centres, and by supporting mental health and addiction care in BC, nasal naloxone is not freely available throughout the province.

Narcan Nasal Spray is available at no cost to all residents of the Northwest Territories, Ontario, Quebec, and the Yukon, and is also available for Veteran Affairs Canada clients and First Nations Health Authority clients in BC.[63] In November 2024, the Province commenced a pilot project[64] to distribute nasal naloxone through the BCCDC Take Home Naloxone program[65] for residents; unfortunately, private businesses remain ineligible to receive naloxone through this program.[66]

The Province of British Columbia could do more to save lives by making intranasal naloxone permanently free of charge at pharmacies for both residents and businesses.

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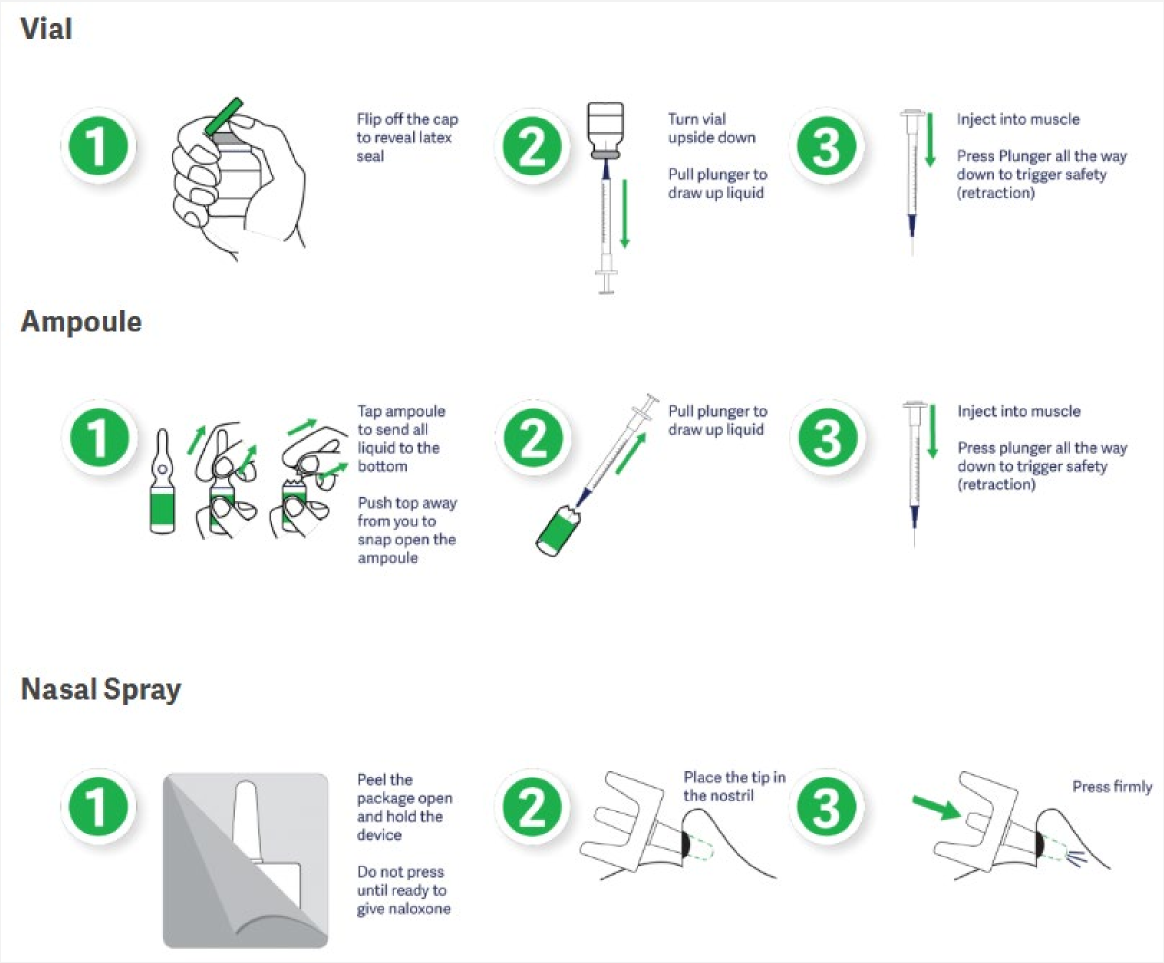
[60] BC Coroners Services Data up to December 2024
[61] The_hidden_epidemic_overdose_emergency_20180122.pdf
[62] Men in trades and substance use - Canada.ca
[63] NARCAN® Nasal Spray 4mg
[64] BCCDC TAKE HOME NALOXONE PROGRAM TO PILOT DISTRIBUTION OF NASAL NALOXONE KITS | Toward the Heart
[65] Nasal Naloxone Available at No Cost to First Nations in BC | College of Pharmacists of British Columbia (bcpharmacists.org)
[66] Naloxone - Fraser Health Authority

MINISTRY OF HEALTH

Nasal naloxone (Narcan) is easier to use than injectable naloxone, with 90% of untrained users able to administer a full dose, compared to just 60% of trained users with injectable naloxone.[67] Nasal naloxone is also more practical for job sites, especially in trades, because:[68]

- Workers typically wear heavy protective gear, making injections difficult.
- Work sites can be dirty, risking needle contamination.
- The nearest responder may not have medical training or comfort to use syringes.
- Nasal kits are compact, easy to carry, and quick to use.

Figure 1: Administering Naloxone[69]



BC must expand access to nasal naloxone to prevent more deaths. Businesses can partner with healthcare and government to provide training and support for employees struggling with substance use while ensuring nasal naloxone is readily available.

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[67] (PDF) Comparative Human Factors Evaluation of Two Nasal Naloxone Administration Devices: NARCAN® Nasal Spray and Naloxone Prefilled Syringe with Nasal Atomizer (researchgate.net)

[68] Why B.C. trades workers want nasal naloxone on construction sites | Vancouver Sun

[69] Naloxone | College of Pharmacists of British Columbia

MINISTRY OF HEALTH

There is a strong correlation between alcohol, drug use and overdose risk. In the 2018 Coroners' Investigation findings, 37% of illicit drug overdose deaths involved alcohol, and fentanyl was detected in 71% of those cases. [70] In a 2023 Skilled Trades Research report, 59% of respondents report binge drinking, 40% report use of Cannabis and 35% report use of other drugs (stimulants, psychedelics, opioids and sedatives).[71]

With this in mind, nasal naloxone should be available free of charge for businesses through pharmacies, enabling liquor primary establishments (bars, pubs, nightclubs, etc.),[72] liquor stores, and rural licensee retail stores, the opportunity to access naloxone at their choosing. This will help to address barriers to access associated with retail store hours of pharmacies. Expanding access to nasal naloxone in these spaces can prevent deaths from overdoses, particularly when combined with alcohol.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Make intranasal naloxone available at no cost via BC pharmacies, ensuring its availability to both individuals and businesses.
2. Facilitate connections between businesses and ministry agencies by collaborating with business organizations (like Chambers of Commerce and Boards of Trade) and local Community Action Tables (CATs) to ensure access for businesses to training and resources for intranasal naloxone deployment.

[70] Illicit Drug Overdose Deaths in B.C.
[71] Understanding-Substance-Use-Among-Apprentices-in-the-Skilled-Trades.pdf
[72] Liquor Primary Licence Terms and Conditions Handbook

MINISTRY OF HEALTH

REGIONAL FORENSIC PSYCHIATRIC CARE FACILITY

Issue
In January 2025, Premier David Eby announced the first two secure psychiatric care facilities would open by May at the Surrey Pretrial Centre and the Alouette Correctional Facility in Maple Ridge.[73] Regional forensic psychiatric care facilities are needed around the province to provide this level of care in communities outside of Metro Vancouver, particularly those in the more rural and remote areas of BC, to improve safety for business owners/operators and workers alike.

Background
Various groups across BC have banded together to form the Save Our Streets Coalition (of which the BC Chamber of Commerce is a member) to urge the provincial government to take action to reduce the rise in crime and violence seen in communities large and small.[74] A recent Simon Fraser

University study found that 72 per cent of incarcerated individuals with co-occurring mental health and substance abuse disorders return to jail within three years of release.[75] "Our findings highlight the urgency for correctional, health, and social services to work synergistically to reduce reincarceration and other adverse outcomes, particularly among people with substance use and co-occurring disorders," wrote SFU criminologist Amanda Butler, the lead author of the study.[76]

In September 2024, the Province of British Columbia committed to taking action to ensure people with long-term concurrent mental-health and addiction challenges get safe, secure, and dignified treatment by opening highly secure facilities throughout the province for people requiring care under the Mental Health Act.[77]

This followed the appointment in June 2024 of Dr. Daniel Vigo as BC's chief scientific advisor for psychiatry, toxic drugs, and concurrent disorder.[78] The provincial government has also stated it is working on legislation, supported by expert consultation from Dr. Vigo and others, which would support involuntary admittance to these specialized, compassionate care facilities.[79]

For the affected individuals, this level of care would not only provide better short-term and long-term health outcomes, but it would also reduce and/or eliminate their regular interactions with law enforcement officers, the criminal justice system, and social service agencies. Additionally, health care and law enforcement workers would be freed up to pursue their many existing responsibilities.

THE CHAMBER RECOMMENDS
That the Provincial Government:

1. Invest in secure forensic psychiatric care facilities in regional centres outside of Metro Vancouver, in addition to the announced Surrey and Maple Ridge facilities, to better serve all of BC's communities.

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73 https://globalnews.ca/news/10946805/involuntary-care-2-facilities-spring/
74 https://saveourstreets.ca/
75 https://www.sfu.ca/sfunews/stories/2024/03/more-than-70-per-cent-of-b-c--inmates-with-substance-use-disorde.html
76 https://journals.sagepub.com/doi/10.1177/00938548241238327
77 https://news.gov.bc.ca/releases/2024PREM0043-001532
78 https://news.gov.bc.ca/releases/2024MMHA0028-000873
79 https://news.gov.bc.ca/releases/2024PREM0043-001532

MINISTRY OF HOUSING AND MUNICIPAL AFFAIRS

ENDING THE PATCHWORK APPROACH TO ADOPTION OF THE BC ZERO CARBON STEP CODE

Issue
The BC Zero Carbon Step Code (ZCSC) was introduced in 2023 as part of the BC Building Code to guide the province toward reducing greenhouse gas emissions in new construction. While the province has set a 2030 target for all new buildings to be zero carbon emitting and will move the province along towards that policy with provincial regulations, it also allows municipalities to pre-adopt higher levels of the ZCSC at their discretion. This has led to a patchwork of different regulations across BC, creating confusion for builders, pre-emptively driving up construction costs, and limiting energy choice for homeowners and businesses. To ensure a balanced approach to emissions reduction, the BC Government should remove the ability for individual municipalities to pre-adopt Zero Carbon Step Code requirements and instead move all jurisdictions forward in alignment with the province's planned step-based approach.

Background
The BC Energy Step Code, introduced in 2017, set province-wide performance-based standards for energy efficiency in new construction. Municipalities were allowed to incentivize or require builders to meet Steps beyond the province's minimums. However, the ZCSC added in 2023 goes further by aiming for zero emissions from buildings, and therefore functionally regulating the types of energy that can be used in new buildings, often requiring full electrification and effectively banning natural gas and other alternatives.

The ZCSC is comprised of 4 'steps': EL-1 (Measure Emissions Only), EL-2 (Moderate Carbon Performance), EL-3 (Strong Carbon Performance) and EL-4 (Zero Carbon Performance). Currently, the ZCBC is not mandated by the province at any level, but the provincial government provided municipalities with discretion to pre-adopt standards in their own communities. This has resulted in a fractured and inconsistent regulatory landscape across the province, with 29 municipalities dotted across the province having adopted some level of the ZCBC.

For example, in the Lower Mainland, some municipalities such as Burnaby and Port Moody have already adopted the highest ZCSC levels, effectively banning natural gas in new construction. Others, like Langley Township, have adopted only some measures (EL-2 in 2024 and EL-3 in 2025), while still others, like Surrey or Delta, have not yet adopted any requirements. The result is that businesses, developers, and homeowners must navigate different energy regulations based on municipal boundaries, leading to increased costs, regulatory uncertainty, and consumer confusion.

This type of patchwork adoption was foreseen by the government and advocated against. The government's own Step Code Council in its *Best Practices Guide for Local Governments* recommends against a patchwork approach, noting that it "strongly encourages local governments to plan (ZCSC adoption) alongside neighbouring communities…to reduce confusion."[80] However, this has not been happening in practice. Builders who work across multiple municipalities are now forced to comply with differing energy standards, increasing complexity and cost.

[80] BC Energy Step Code and Zero Carbon Step Code: A Best Practices Guide for Local Governments, *Step Code Council and the Building and Safety Standards Branch, Ministry of Housing, Province of British Columbia*, Version 3.0, June 2024.

MINISTRY OF HOUSING AND MUNICIPAL AFFAIRS

Beyond increasing costs and creating a regulatory patchwork, this early adoption of the ZCSC reduces energy choice for businesses and consumers, and negatively impacts BC's housing affordability and business competitiveness.

To meet the EL-3 and EL-4 levels of the ZCSC, any non-electrical energy sources end up functionally prohibited. Even at the EL-2 level, a natural gas-powered stove would be permissible only in limited cases. Businesses and homeowners should have reliable and affordable energy options, including renewable natural gas and potentially hydrogen in the future, but this policy effectively bans their use. In some instances, natural gas may be the cheaper option for heating a building, or the desired option for use in appliances, particularly in food-service businesses, but under the ZCSC, those options are not allowed.

The incremental increased cost to build to ZCSC should also be noted, with the increased cost for a modest single-family home (~2000sqf) being up to $57.6 per sqm (or over $11,500) as forecast by the government itself.81 For high-rise residential or commercial buildings, the government's forecast of the incremental increase in building cost can be as high as $105.6 per sqm.

Beyond higher building costs, requiring all new buildings to run only on electricity, as the higher levels of the ZCSC effectively do, could lead to higher energy bills for homeowners and businesses. BC Hydro has already had to spend more than $1.3 billion in one year buying electricity from the U.S. and Alberta, where much of the power comes from fossil fuels, just to meet current demand.[82] As more buildings and vehicles rely solely on electricity, those costs could go up even more. Consumers may face higher utility bills, particularly during peak usage or supply shortages, or if energy imports are impacted by tariffs. Removing other affordable energy options, like renewable natural gas, limits flexibility and could leave BC more exposed to rising energy costs, power shortages, or even future tariffs on imported electricity.

In a growing, energy-rich province, we should be building for energy resilience and flexibility by allowing a mix of energy sources instead of relying so heavily on one form: electricity. A province-wide, coordinated approach to the Zero Carbon Step Code would ensure a more predictable and effective transition to lower emissions without unduly harming affordability and economic competitiveness, and would allow the province to make reasonable changes to the step code timeline should it be required due to affordability concerns, industry realities, or other potential changes.

THE CHAMBER RECOMMENDS
That the Provincial Government:

1. Review the current 2030 timeframe in consultation with industry and local governments to develop a new, longer-term timeframe that is a more appropriate and achievable target for emission reductions, without unduly negatively impacting affordability and economic growth.
2. Remove the ability for individual municipalities to pre-adopt the Zero Carbon Step Code ahead of provincial implementation and ensure that all jurisdictions move forward on a unified, provincial timeline.
3. Ensure that energy choice remains available to businesses and homeowners by allowing the continued use of alternative low-emission energy sources such as renewable natural gas and hydrogen.

[81] BC Energy Step Code and Zero Carbon Step Code: A Best Practices Guide for Local Governments
[82] BC Hydro imported a quarter of the province's power in the last 12 months", Amy Judd & Aaron McArthur, Global News, November 28, 2024. Accessed online: https://globalnews.ca/news/10892803/bc-hydro-imported-quarter-power-12-months/amp/

MINISTRY OF HOUSING AND MUNICIPAL AFFAIRS

INCREASE PROVINCIAL FUNDING FOR BC PUBLIC LIBRARIES

Issue

The provincial government has not kept pace with inflation and population growth with dedicated additional funding in its annual budget for BC public libraries. These critical public institutions provide meeting rooms for businesses and technical help for job seekers, while also helping new residents integrate into the community.

Background

There are currently 71 public libraries across BC with 1.9 million active cardholders who borrowed more than 9 million items in 2023[83]. Provincial funding for public library service funding has been frozen since 2010 ($14 million), and that was a cut from $17 million in 2009[84]. Meanwhile, BC's population has grown by more than one million during that time period[85]. Although the provincial government has provided one-time grant increases ($45 million in 2023[86]), BC municipalities regularly have regularly increased their annual public library funding[87] while repeatedly calling on the province to follow suit.[88] Meanwhile, BC public libraries face increasing and ongoing costs related to violent incidents[89] and staff safety[90].

The Chamber believes that as a low-barrier social infrastructure, libraries promote belonging, inclusion, equity, and equality for those they serve. Libraries support traditional and technological literacy, and they represent a public face for continuous learning and continuing education. Libraries are essential service providers, and often considered the 'heart of their community'.

Public libraries provide well-trained and compassionate staff, offering a connection to essential social and government services in a safe, culturally appropriate environment without stigma. Built on a history of collaboration in BC communities, libraries advance collective progress on communications and connectivity, increase sectoral action on the climate crisis and accessibility, and promote meaningful reconciliation through information, cross-cultural learning, and social opportunities.

Libraries, regardless of their size, provide resources often used by businesses, particularly those that are small or starting up – everything from computer and Internet access, to space, to access to information and resources[91]. Libraries also provide resources to support the continuing education and certification needs of community members, helping to create a qualified workforce for a variety of businesses[92]. Libraries partner with local businesses, service clubs and community groups to offer programs, raising their profile in the community and enhancing community collaboration[93].

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83 https://www2.gov.bc.ca/gov/content/sports-culture/arts-culture/public-libraries/facts-and-stats
84 https://www.crestonvalleyadvance.ca/local-news/lit-libraries-deserve-more-government-funding-7568448
85 https://www.statista.com/statistics/569885/population-estimates-british-columbia-canada/
86 https://www2.gov.bc.ca/assets/gov/residents/sports-and-recreation/arts-culture/public-libraries/public_libraries_strat_plan_2024.pdf
87 https://cheknews.ca/despite-bc-funding-freeze-greater-victorias-municipalities-continue-to-support-their-libraries-1172836/
88 https://www.ubcm.ca/convention-resolutions/resolutions/resolutions-database/provincial-government-funding-increase-bc-0
89 https://www.cbc.ca/news/canada/british-columbia/violence-victoria-libraries-1.7425492
90 https://www.princegeorgecitizen.com/local-news/prince-george-library-staff-facing-frequent-and-undue-levels-of-violence-worksafebc-finds-5581321
91 https://www.vpl.ca/guide/small-business, https://www.vanderhooflibrary.com/information-by-subject/business-careers/
92 https://www.coqlibrary.ca/borrow-and-stream/new-titles-and-staff-picks/business-resources, https://www.nvcl.ca/small-business-community-hub
93 https://vpl.bibliocommons.com/events/65e8b9cd638eb02f00f19104

MINISTRY OF HOUSING AND MUNICIPAL AFFAIRS

As representatives of businesses in our communities, chambers of commerce also utilize libraries to support the work of our organizations and members. For example, the Prince George Chamber of Commerce held two events at the Prince George Public Library last year, a networking event to introduce its new executive director and it hosted a session in conjunction with the Immigrant Employment Council of BC looking to collect feedback from employers. Government investment in public libraries is an investment in British Columbians. Increased funding would help these essential institutions better serve their communities and advance BC Government's priorities "on growing BC's economy and protecting vital public services."[94]

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Immediately increase funding to BC's public libraries, particularly in recognition of the significant shortfalls experienced by BC public libraries with the 15-year freeze in library funding by the provincial government.
2. Consistently allocate additional funds to BC's public libraries in future provincial budgets, to ensure they can adapt to the changing needs of the public and how the costs of providing them have evolved over time.

[94] https://news.gov.bc.ca/releases/2025PREM0003-000018

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

A BALANCED APPROACH TO REGULATION FOR ECONOMIC PROSPERITY

Issue
British Columbia's regulatory environment has become increasingly complex, creating barriers to investment, productivity, and economic growth. While regulation is essential to protect public interest, an overly burdensome framework hinders business development and economic competitiveness. A balanced approach to regulation is necessary to ensure both economic prosperity and public protection.

Background
A strong regulatory regime will protect the public interest, balance health and wellbeing, promote environmental sustainability, and provide a fair, honest approach to meet the needs of the economy. Common-sense reforms to our complex regulatory regime are needed to incentivize investment and lead to productivity growth.

In 2023, the Toronto Stock Exchange (TSX) recorded the largest foreign capital outflow on record, a staggering net sell-off of $48.7 billion of Canadian equities. [95]This raises a red flag for economists: investors have lost confidence in Canadian growth. The flight of investment from Canada's equity markets is just a piece of a larger trend. At the end of 2023, while Canadian investment abroad had grown to $2171.3 billion, foreign direct investment in Canada had not kept pace, lagging at $1360.3 billion, leaving a net direct investment position of $811 billion,[96] nearly an order of magnitude greater than just 10 years prior.

As investment in Canada dwindles, so too does our GDP per capita. Real GDP grew 1.1% in 2023 – the lowest rate since 2016, related to the oil price plunge. While we saw gains in household spending and exports, lower business investment and declines in residential construction tempered that growth. An April 2024 report from Statistics Canada entitled "Canada's gross domestic product per capita: Perspectives in the return to trend" notes that, "while the pace of economic activity has slowed, Canada's population continued to expand rapidly. During 2023, Canada's population grew 3.2%, an increase of over 1,271,000 people, roughly equivalent to the size of Calgary. With population growth outpacing output growth, GDP per capita has trended lower and is now 2.5% below pre-pandemic levels."[97] Per individual in Canada, this is equated to a decline of about $4,200 per person below the trend line.

Unfortunately, acknowledging the problem will not provide solutions, and we cannot wish our way to productivity improvements. Boosting productivity hinges on sustained private sector capital spending. Over the past 30 years, fixed capital investment per worker has been the main driver of labour productivity growth. After a strong period from the 1990s to 2006, investment per worker declined, exacerbated by the 2014-2015 commodity price collapse. By 2021, investment per worker in business sectors was about 15% lower than in 2006. Weaker firm competition and decreasing entry rates since the mid-2000s further constrained investment, accounting for 30% of the decline. It is clear that Canada has work to do to create an investment-friendly, productivity-enabling environment.

[95] https://nesbittburns.bmo.com/delegate/services/file/555324/content
[96] https://www150.statcan.gc.ca/n1/daily-quotidien/240429/cg-a001-eng.htm
[97] https://www150.statcan.gc.ca/n1/pub/36-28-0001/2024004/article/00001-eng.htm

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

With that understood, there is still a great opportunity within Canada for major projects, emerging industries, and sustained investment. Looking at the Clean Energy sector as an example, according to the Canadian Climate Institute, achieving net zero in Canada will require meeting electricity demand that is 1.6 to 2.1 times greater than it is now.[98] As they note, “this will require significant growth in generation facilities, transmission infrastructure, and distribution networks. This new electricity infrastructure must successfully pass through complex siting and approvals processes, the success of which depends largely on the extent to which local communities and the broader public support their development.” Indeed, they estimate that *for every year from now to 2050*, Canada will need to build over 10 gigawatts (10,000 megawatts) of new zero-emission electricity generation facilities. The federal government’s own estimates are that Canada’s climate investment gap is currently as high as $115 billion annually.[99]

Unfortunately, Canada does not have a strong reputation for enabling this necessary investment, while other jurisdictions seem to be successfully attracting it. For example, in 2023, the Calgary-based Parkland Corporation ended its plans to build a $600 million stand-alone renewable diesel complex in Burnaby, British Columbia. While the plan would have resulted in 1,000 jobs and approximately 6,500 barrels of renewable diesel per day (with one-eighth the carbon intensity of conventional fuels), the company cited “rising project costs, a lack of market certainty around emerging renewable fuels and the U.S. Inflation Reduction Act of 2022, which advantages U.S. producers” as their rationale for their decision not to proceed.

Looking at the resources sector, we know that critical minerals are essential to the transition to green energy. While traditional timelines could historically stretch to 15 years, partly due to the often overlapping and onerous review and permitting process, the 2022 Critical Mineral Strategy commitment to ‘one project, one assessment’[100] is a heartening one that the government might consider implementing across all major projects.

The Western Transportation Advisory Council’s 2024 Compass Report collected the thoughts, plans and expectations of Canada’s transportation executives. Over half (52%) of respondents perceive a deterioration in the business investment climate over the past 12 months. They attribute this largely to regulatory hurdles, high costs and government policies. A majority of these leaders (57%) rated the regulatory environment as poor, with concerns centred on restrictive regulations and long approval processes. One survey respondent, representing a railway operator, said, “It is tough to invest in a geography that has unpredictable rules. At any minute, things could change, and it never seems like they change to help business.” [101]

Other nations have provided powerful examples of governments using novel regulatory tools to mobilize the private sector to finance the massive construction of clean energy facilities. In particular, Germany provided an example of how feed-in tariffs can help accelerate the build-out of wind and solar facilities to contribute to major energy systems. [102]

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[98] https://climateinstitute.ca/wp-content/uploads/2022/05/Electric-Federalism-May-4-2022.pdf
[99] https://www.canada.ca/en/department-finance/programs/financial-sector-policy/sustainable-finance/sustainable-finance-action-council/taxonomy-roadmap-report.html
[100] https://www.canada.ca/en/campaign/critical-minerals-in-canada/canadas-critical-minerals-strategy.html
[101] https://www.westac.com/application/files/8817/0727/1688/Compass_Report_2024.pdf
[102] https://www.futurepolicy.org/climate-stability/renewable-energies/the-german-feed-in-tariff/

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

Canada's current regulatory environment presents significant challenges to economic prosperity and our global reputation for investment. However, by adopting a more balanced approach to regulation across all sectors —one that protects public interests while promoting economic competitiveness—Canada can reverse its declining productivity and investment trends.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Implement an economic competitiveness mandate in regulatory decision-making to balance economic growth with public interest protections.
2. Conduct regular reviews of BC's regulatory framework, leveraging technology for regulatory design and review, with a focus on efficient implementation and identifying areas of regulatory overlap and duplication.
3. Establish clear and predictable timelines for regulatory approvals to reduce uncertainty for businesses and investors.
4. Expand the "one project, one assessment" model beyond critical minerals to all major infrastructure and energy projects to expedite responsible development.

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

A REDUCTION OF INTERPROVINCIAL TRADE BARRIERS IN CANADA PROTECTS THE BC ECONOMY

Issue

International economic pressures are affecting British Columbia (BC), and these pressures stem from various global challenges. These external pressures shape BC’s economic outlook, affecting everything from local employment to provincial revenues. Reducing interprovincial trade barriers in Canada can help protect the BC and Canadian economy from external economic uncertainty by making the domestic market more resilient and less reliant on foreign trade.

Background

International economic pressures are affecting British Columbia (BC), and these pressures stem from various global challenges:

- **US Economic Policies:** The economic relationship with the U.S. is a key factor for BC, particularly in trade, tourism, and labour mobility. Changes in U.S. economic policies, such as tariffs, taxes, and regulatory shifts, can directly affect BC's exports, particularly in industries like agriculture, technology, and forestry.
- **China's Economic Slowdown:** China is one of BC's largest trade partners, especially for exports such as wood products, minerals, and agricultural products. A slowdown in China's economy, or changes in its demand for these goods, can significantly impact BC’s export markets. Additionally, geopolitical tensions between China and other countries, including Canada, can add uncertainty to trade relations.
- **Geopolitical Tensions and Trade Wars:** Tensions between major economies, such as the U.S.-China trade war and Russia’s invasion of Ukraine, create global uncertainty. BC, being an export-driven province, faces risks from changes in trade flows, sanctions, or shifts in international market demand.
- **Global Supply Chain Disruptions:** Ongoing global supply chain issues, exacerbated by the COVID-19 pandemic and geopolitical tensions, are impacting BC. These disruptions affect industries such as manufacturing, construction, and retail, as BC imports key goods, including electronics, machinery, and raw materials, from countries like China, the U.S., and others.

These external pressures shape BC’s economic outlook, affecting everything from local employment to provincial revenues. However, despite these external pressures, many challenges, barriers, and irritants exist within Canada that stifle free trade amongst our provinces and territories. These “interprovincial trade barriers” add complexity, cost, and administrative burden onto those businesses that do try to sell products or services across provincial or territorial boundaries, and effectively dissuade many others from attempting to.

Restrictions on the types of products that can be sold and shipped between provinces, requirements for duplicate regulatory registrations, unique packaging and labelling requirements, and refusals to recognize out-of-province professional credentials are examples of frustrating and costly interprovincial trade barriers.

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

By reducing interprovincial barriers, Canada creates a more robust internal market that can better withstand external disruptions, making the entire country's economy more resilient to global economic uncertainty. Reducing interprovincial trade barriers in Canada would have several positive effects on businesses and the economy.

1. **Increased Market Access for BC Businesses:** Interprovincial trade barriers create unnecessary costs and inefficiencies for BC businesses trying to expand into other provinces. These barriers can include differing regulations, tariffs, and administrative burdens. By reducing these obstacles, BC businesses could access a larger market, leading to more growth opportunities, job creation, and greater economic diversification. This would also help BC businesses become more competitive on a national scale.
   "Access to Larger Markets: Reducing barriers would allow businesses, particularly small and medium-sized enterprises (SMEs), to expand their market reach across Canada without facing different provincial regulations or tariffs. A more unified market makes it easier for businesses to scale up operations and reach more consumers, which can increase revenues." [103]
2. **Improved Supply Chain Efficiency:** Many businesses in BC rely on goods and services from other provinces, and vice versa. Interprovincial trade barriers can slow down the movement of goods, increase costs, and cause disruptions. Lowering or removing these barriers would streamline supply chains, making the movement of goods and services more efficient across Canada. This, in turn, could lower costs for consumers and businesses, promoting a more dynamic and interconnected national economy.

Reducing interprovincial trade barriers in Canada could lead to significant financial benefits, both in terms of economic growth and cost savings for businesses and consumers. Some of the main financial advantages are:

1. **Increased GDP and Economic Growth:** Potential Increase in GDP: Removing trade barriers between provinces could boost Canada's GDP by unlocking the full potential of interprovincial trade. According to a 2019 report by the C.D. Howe Institute, eliminating these barriers could increase Canada's national income by $50 billion annually.[104]
2. **Reduced Business Costs and Increased Productivity:** Lower Compliance Costs: Businesses face substantial costs when complying with varying regulations across provinces. Simplifying and harmonizing regulations can reduce administrative burdens, thereby lowering operating costs. For example, a Conference Board of Canada study estimated that reducing barriers could save businesses $14 billion annually.[105]
3. **Cheaper Goods and Services:** Price Reduction for Consumers: When businesses face fewer trade barriers, they can offer more competitive prices by sourcing goods and services from different provinces without additional costs like tariffs or regulatory hurdles. According to the Canada West Foundation, removing barriers could lower consumer prices by an estimated $3.5 billion annually.[106]

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[103] Source: Government of Canada, "Advancing the Canadian Economy by Removing Barriers to Trade". (2021). [Government of Canada] (https://www.canada.ca/en)
[104] Source: C.D. Howe Institute. "The Economic Case for a Single Canadian Market: Eliminating Interprovincial Barriers to Trade". (2019). [C.D. Howe Institute Report] (https://www.cdhowe.org)
[105] Source: Conference Board of Canada. 'The Cost of Interprovincial Trade Barriers in Canada'. (2017). [Conference Board of Canada] (https://www.conferenceboard.ca)
[106] Source: Canada West Foundation. 'Breaking Down Barriers: The Case for Free Trade in Canada'. (2020). [Canada West Foundation] (https://cwf.ca)

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

4. **Boosting Investment and Innovation:** Attracting Investment: A unified and barrier-free market makes Canada a more attractive place for both domestic and foreign investments. With fewer regulatory hurdles, investors are more likely to see Canada as a stable and efficient place to do business. The Fraser Institute found that removing trade barriers could lead to a 7% increase in investment in the Canadian economy.[107]
5. **Job Creation:** Increased Employment: As businesses grow and expand due to better access to markets, more jobs could be created, especially in sectors that rely heavily on interprovincial trade. The Canadian Centre for Policy Alternatives reported that the removal of trade barriers could lead to the creation of over 80,000 jobs across various industries.[108]

THE CHAMBER RECOMMENDS

That the Provincial and Federal Governments:

1. Commit to removing interprovincial trade barriers by:
    a. Adopting a Mutual Recognition Framework with the Other Provinces of a National Regulatory Framework to allow goods, services and professional credentials that meet the regulatory requirements in one province to be considered compliant in all provinces and territories.
    b. Bolster the existing Canadian Free Trade Agreement (CFTA) and embrace the spirit of the agreement by removing as many exemptions as possible that have been imposed by BC and advocating for the removal of those imposed by other provinces or territories, which serve as continued impediments to interprovincial free trade.
    c. Identify and remove, in consultation with business and industry groups, any other regulatory or other mechanisms that functionally serve as barriers and irritants to BC companies attempting to sell products or services in other provinces or territories, and advocate for other provincial and territorial governments to do the same.

[107] Source: Fraser Institute. "The Economic Impact of Interprovincial Trade Barriers". (2018). [Fraser Institute] (https://www.fraserinstitute.org)

[108] Source: Canadian Centre for Policy Alternatives. 'The Economic Benefits of Removing Trade Barriers in Canada'. (2017). [CCPA] (https://www.policyalternatives.ca)

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

INCREASING CRITICAL INDUSTRIAL LAND SUPPLY

Issue
There is a shortage of industrial land, creating barriers for BC businesses to grow and reducing economic competitiveness. It's critical that we find ways to protect existing industrial land, use it more efficiently, and unlock more for economic development.

Background
According to the Greater Vancouver Board of Trade, industrial lands make up just four per cent of the total landmass in the region but result in over 450,000 direct and indirect jobs, $50.1 billion in GDP, and an overall output of $92.5 billion. Given that industrial land generates a third of regional GDP and more than one-in-four jobs (27%) are located on industrial lands, the shortage of industrial land is a major economic inhibitor for regional economic development.

In that same report according to NAOIP Vancouver, "Industrial lands are some of the most productive in the region based on economic output, jobs and wages. Priority needs to be placed on the addition of more industrial lands to Metro Vancouver and the Fraser Valley to continue to support the movement of food and goods and to create and maintain jobs in our region. With the critical shortage of industrial zoned and serviced land, industrial businesses have relocated to other regions due to land shortages, impacting economic benefits locally and this trend will continue unless all three levels of government make an effort to address the issue."

A recent report from Metro Vancouver[109] and a subsequent Vancouver Sun article[110] point out that industrial jobs pay above-average wages and that we are losing some of these well-paying jobs to other regions, including Alberta.

A local example is the City of Abbotsford, which conducted a comprehensive study to assess opportunities for future industrial growth. The Industrial Land Supply Study aimed to provide a clear picture of Abbotsford's current and future capacity for industrial development. In the 2016 Official Community Plan (OCP), Special Study Areas A and B were identified as key locations for future industrial expansion. These areas were chosen due to their convenient access to Highway 1, Abbotsford International Airport (YXX), rail lines, and existing industrial zones.

The study examined Abbotsford's role in both local and regional industrial markets, determining which areas should be considered for removal from the Agricultural Land Reserve (ALR) to meet growing industrial demand and support local employment. Special focus was given to Special Study Areas A and B, as outlined in the OCP. Since these areas are currently within the ALR, any non-agricultural use requires approval from the Agricultural Land Commission (ALC). The City carefully evaluated factors such as infrastructure, traffic impact, agricultural suitability, and buffering, alongside existing industrial land supply. These findings helped shape the City's decision to apply for ALR exclusion in support of industrial growth.

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[109] https://metrovancouver.org/services/regional-planning/Documents/economic-impact-of-industrial-lands-in-metro-vancouver.pdf
[110] https://vancouversun.com/business/real-estate/industrial-land-businesses-jobs-metro-vancouver-report

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

Vibrant communities evolved over time. Often, industrial lands are "up-zoned" to retail or residential uses, but with the imposition of the Agricultural Land Reserve (ALR), there is no mechanism to designate new industrial land. The ALR was intended to protect good-quality agricultural land from being lost to development. The ALC has been successful in protecting valuable agricultural land, however also preventing land that is not productive from an agricultural perspective from being used productively.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Undertake a review of underutilized agricultural land with an eye to unlock more Industrial land.

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

PROTECTION OF INDUSTRIAL LANDS FOR FUTURE PROSPERITY

Issue
With a growing population and increasing housing demand in Metro Vancouver and other cities around the province, industrial lands have been significantly decreased through both absorption and rezoning over the last 30 years. Much of the land base is lost to market pressure to convert industrial lands to uses such as multi-family residential and commercial developments. The challenge is that valuable, employment-generating industrial lands located near airports, rivers and roadways, are being lost forever and this will stifle our future economic growth.

With forecasts that the Metro Vancouver region, for example, will run out of industrial space within the decade, the provincial government needs to make preserving industrial land a top priority, and work with local and regional governments to protect and increase the supply of industrial land available for future economic activity.

Background
Industrial land use is an important issue across the province as populations continue to grow and there are competing demands on available lands. Vancouver's Lower Mainland is most at risk given its limited size, projected population growth and its strategic border/port location. Various municipalities in the region have rezoned more than 3,000 hectares worth of industrial land to other uses in just the past 30+ years.

Industrial land is vitally important to our economic performance in Metro Vancouver and across the province. Based on analysis conducted for Metro Vancouver in 2019 with data available from the 2016 Census, there were an estimated 364,100 jobs on industrial lands in the Metro Vancouver region. Over 200,000 (or approximately 55%) of these jobs occur in industrial sectors defined by Metro Vancouver [111] (i.e., production, distribution, repair, public infrastructure & administration and trade-enabling). However, the supply is quickly running out. There is continued demand for industrial lands in the region, with projections from Metro Vancouver showing that demand will very quickly outpace supply, and total supply of industrial lands would be absorbed between 2035 and 2047 (effective supply would be reached by 2035).[112]

An additional million people are expected to move into the Metro Vancouver region by 2040. To accommodate this growth, there needs to be a strong local economy, which will require readily available high paying employment generating industrial lands. Lands zoned for industrial use typically generate jobs that pay double the average annual compensation rate per person. Retaining centrally-located industrial land is important for long term sustainability for local communities as it ensures high paying employment within the city core and contributes significantly to municipalities by subsidizing the residential tax base. For every $1 paid in taxes, industrial lands typically receive on average only $0.25 in services.

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[111] Metro Vancouver (2020) Regional Industrial Lands Strategy
[112] Economic Impact Study of the Critical Shortage of Industrial Land in Metro Vancouver –September 2023 Intervistas Urban systems GVBT NAIOP

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

For industrial businesses involved in trade, transportation, e-commerce, warehousing storage, and logistics, proximity to highways, ports, rail yards and airports are of vital importance. However, this location and access to transportation networks also make industrial lands very attractive for other forms of development, increasing the pressure to redevelop them into commercial, retail or residential developments. While this would be a mistake, and would undercut future economic performance, many municipalities are allowing non-industrial uses such as office space, retail malls, and residential developments to creep onto industrial lands.

Metro Vancouver, a corporate entity that delivers regional services on behalf of 24 local municipalities and authorities, tried to protect industrial lands through a land-use plan called the Regional Growth Strategy (RGS) which requires that municipalities get approval from the Metro Vancouver Board before rezoning any industrial land. However, approximately 1/3 of the region's remaining industrial land is designated as 'mixed employment lands' which allows rezoning to commercial uses without approval.

In June 2020, Metro Vancouver delivered on their Regional Industrial Lands Strategy, [113]which help support the management of the supply of industrial land until 2050. This is a promising opportunity to advance the cause of retaining and augmenting industrial lands in the region, and to build on the original intents of the Regional Growth Strategy.

Due to the severe shortage of industrial lands in Metro Vancouver, preservation of the existing stock cannot be accomplished by local governments alone---it will require regional cooperation and provincial leadership. The province can help regional and local governments to prevent further depletion of critical industrial parcels and to ensure the replacement of lost industrial lands and a potential increase in the size of the industrial land base.

While most pressing in Metro Vancouver, this strategy could be adopted where needed across the province in areas that face land use pressure from residential, commercial or infrastructure development.

This is an important investment in the future of the province of British Columbia in order to ensure industrial lands are preserved to accommodate growth without inducing further sprawl, and ensure a balanced, sustainable economy for ongoing local job security and prosperity for future generations. It is important that the provincial government maintain preserving and protecting industrial land as a top priority.

[113] https://metrovancouver.org/services/regional-planning/Documents/regional-industrial-lands-strategy-report.pdf

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Create a BC Industrial Land Reserve (ILR) that protects and preserves existing industrial lands in areas of BC that face land use pressure from residential, commercial or infrastructure development.
2. Identify inventory of critical industrial land and marine trading corridors of regional, provincial or national significance.
3. Work with and support Metro Vancouver and other municipal governments in:
    a. Completing the Regional Industrial Lands Strategy.
    b. Implementing and enforcing an Industrial Land Reserve (ILR).
    c. Identifying and alleviating:
        i. constraints on using industrial lands to their full potential (13% of the region's industrial lands are vacant or not fully used, for example).
        ii. limiting factors to industrial land intensification (i.e., multi-story industrial).
    d. Preserves the integrity of industrial land in each municipality, including recognition of the associated and supporting light-industrial and commercial employment lands.
    e. Ensuring zoning proximity of non-industrial development, activities or uses (residential, commercial, entertainment, etc.) does not jeopardize the ability of the industrial land use to be used to its fullest competitive potential in both scope and scale.
    f. Ensuring industrial land use is reserved for the development, production, or movement of physical goods that demand industrial infrastructure.

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

STRENGTHENING BRITISH COLUMBIA'S BACKBONE: ENSURING ROBUST SUPPORT FOR SMALL BUSINESSES FOLLOWING THE COLLAPSE OF SMALL BUSINESS BC

Issue

The unexpected bankruptcy of Small Business BC (SBBC) in December 2024 has left a significant gap in the support system for small businesses across the province. Small businesses account for 98% of all businesses in British Columbia, employing over 1.1 million people. Without tailored and robust support, this vital sector faces heightened challenges, which could impact the province's overall economic health and competitiveness.

Background

Small businesses are the backbone of British Columbia's economy, contributing to job creation, community vibrancy, and economic resilience. According to recent data, small businesses in BC represent:

- 98% of all businesses in the province.
- Over one-third of all private-sector employment.
- Significant contributions to innovation and local economic ecosystems.

Small Business BC, a non-profit organization established in 2002, provided essential resources such as one-on-one consultations, workshops, mentorship, and access to grants. While SBBC received $2.7 million in federal funding, it also received provincial funding, which contributed to the delivery of its wide range of services. Despite this support, SBBC declared bankruptcy in December 2024, raising concerns about oversight and the continuity of these critical services.

SBBC had a number of notable programs that have not yet been replaced. These included local delivery of training programs on topics like marketing, sales, finance, and export readiness; low-fee consulting and mentoring programs; and support for services like market research and grant discovery. Chambers of Commerce and Boards of Trade across the province were often engaged as local delivery partners for SBBC's programming, offering these services at a reduced rate in their communities.

SBBC also supported or managed key initiatives, including the Export Navigator program, the Small Business BC Awards, and partnerships with organizations like WeBC,[114] and provided centralized resources related to incorporation, business structure, and startup information.

The provincial government currently offers programs such as:

- Small Business Programs: Resources like BizPaL for permits and licences, as well as support for mobile business licences.
- Indigenous Small Business Resources: Support tailored to Indigenous entrepreneurs.

While these initiatives are beneficial, they do not fully address the personalized support and comprehensive services previously provided by SBBC. Small businesses need a coordinated and enhanced support structure to navigate challenges like inflation, labour shortages, and market competition.

[114] https://we-bc.ca/

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Strengthen partnerships and leverage the existing strong and robust chamber of commerce network to deliver advisory consultations, educational workshops, mentorship programs, and networking opportunities, leveraging their established networks and expertise.
2. Implement clear governance frameworks for small business support initiatives, ensuring financial oversight, measurable outcomes, and accountability in service delivery.
3. Increase access to grants, low-interest loans, and financial incentives designed to foster innovation, resilience, and sustainable growth, with a streamlined application process that prioritizes small businesses.
4. Fund targeted training programs in partnership with chambers and business associations to equip small business owners and employees with essential skills such as digital literacy, financial management, and strategic planning.

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

SUPPORTING ALL BC BUSINESSES TO DIVERSIFY THEIR EXPORT MARKETS AND GROW ALL BC

Issue
In context of the threat of US tariffs and their potential impact on the BC economy, the provincial government has a role to play in helping small and medium businesses (SMEs) to diversify their markets beyond the US, developing go-to-market strategies for not only international but inter-provincial trade as well, and tackling obstacles to export growth through new dedicated provincial programming built on previous successful models that augment existing federal programs.

Background
BC businesses are well-positioned to be strong exporters. Our placement on the eastern edge of the Pacific Rim region allows us physical access to the markets of Asia, Oceania, South and Central America, and the United States. We are also home to a diverse, educated and skilled workforce and a dynamic business community that produces the products and services that are desired worldwide.

BC has room to grow its export of goods and services and diversify its exports beyond the US. While BC represents about 13% of Canada's population and nearly 14% of the national GDP, it only accounts for 7.6% of all Canadian exports. And while BC is less reliant on the US market than most other provinces, it still accounts for 52.8% of BC exports[115] at a time when access to that market is no longer reliable.

Further, BC has room to build on our export success with energy and forestry products by supporting growth in other sectors, as currently over 55% of BC merchandise exports are forestry or energy products, a rate "higher than the comparable share for Canada and for most other advanced economy jurisdictions."[116]

The opportunities for exports are there for the seizing, along with the much-needed economic growth, business activity and tax revenue that will come from expanding BC's sale and exportation of goods and services outside our borders. And exporting is not only a path to growth — it drives innovation as businesses that expand into new markets are more likely to adopt new technologies, improve their operations, and diversify their customer base.

Challenges to Exporting
While exporting can represent significant opportunities for small and medium businesses, many struggle with the substantial challenges it can also present. Supply chain challenges, financial and cash flow barriers, a lack of market knowledge or expertise, and a lack of relevant contacts can all hinder businesses from pursuing export opportunities, even where demand may exist. Navigating the complex web of regulations, logistics, currency risk, and foreign business practices required to establish a foothold in a new market can be too daunting for many businesses.

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[115] Annual BC Origin Exports, BC Stats, February 5, 2025. Accessed online: https://catalogue.data.gov.bc.ca/dataset/ca3ad618-b023-4f22-b3f2-e9de1bee92d3/resource/596619b7-990f-44c1-a5cd-7753f3a3a540/download/exp_annual_bc_exports.pdf
[116] Opinion: B.C.'s economy is increasingly reliant on resource products, Ken Peacock & Jock Finlayson, BC Business Council, July 16, 2024. Accessed online: https://www.bcbc.com/news/e25m9fn37hxo460366iv3fnpzhe3es

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

Exporting requires upfront investments in compliance, transportation, and production scaling, all of which can be costly, especially for smaller businesses. Additionally, accessing new markets may require extensive networking and market research—tasks that many businesses lack the resources or expertise to undertake effectively themselves.

Smaller businesses, particularly those located outside of major urban centres, often face unique barriers when seeking to enter new markets, including more limited access to capital, in-house expertise, and external supports, in addition to logistical challenges from potentially being further afield from trade infrastructure.

BC could help address all of these challenges with a new provincial support program that would help small and medium businesses to both access the knowledge and expertise they need to compete internationally, but to also actually take the actions necessary to do so by contributing real dollars towards those actions, at a scale accessible for those businesses.

<u>Complementing Existing Programs</u>
Current support programs in BC, such as Export Navigator, provide businesses with guidance, plans, and advice on what steps to take to develop their export strategy. This kind of guidance is critical and should be supported and expanded. However, new programming should go further with dedicated funding to help SMEs actually take those actions such as developing new formulations, creating new packaging, attending international trade shows, or conducting tailored market research.

Additionally, while federal trade programs, notably the CanExport Grant, do provide support for businesses looking to expand internationally, a BC-specific export support program would complement and enhance this program for businesses in our province.

A provincial program could fund early-stage export preparation, such as market research and business development, positioning companies to later access CanExport funding for larger initiatives. Additionally, a BC-led program could support efforts towards interprovincial trade -- which is not eligible under the CanExport program-- helping businesses grow within Canada as well as abroad.

Finally, focusing exclusively on BC businesses would be more accessible for local businesses than waiting to compete during the competitive, once-annual application period of the national program, which is significantly over-subscribed. In the 2024–25 fiscal year alone, the CanExport program received over 4,400 applications, yet only 36% were approved.

<u>Building On Successful Models</u>
There are models of targeted funding programs that support small businesses with generous cost-sharing, which could be used as templates for this new export program.

For example, the CanExport Grant offers cost-sharing of 50% of the project costs. In BC, during the COVID pandemic, the Launch Online Grant successfully helped BC businesses expand their digital presence by covering 75% of eligible expenses[117] for building websites and e-commerce sites, ensuring that businesses had the financial support they needed while still requiring them to invest in their own success.

[117] Up to a maximum of $7,500 per business

MINISTRY OF JOBS, ECONOMIC DEVELOPMENT AND INNOVATION

Using these cost-sharing models as examples, a new, broad-based, cost-sharing program could be established to help small and medium businesses take tangible actions to advance export activity. By using these proven and generous cost-share models – of between 50% and 75% cost-sharing- BC can create a high-impact program that ensures that government investment translates into real, lasting business growth for businesses of all sizes and sectors.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Prioritize investment towards creating a new export diversification program that delivers direct funding to businesses, including at an appropriate scale for small and medium-sized businesses, using a cost-sharing model that supports go-to-market strategies and the undertaking of other tangible business activities that further international and inter-provincial exports.

MINISTRY OF LABOUR

AMENDING PAID SICK LEAVE IN BC

Issue

Since 2022, BC employers have been required to provide at least 5 days of paid illness or injury leave, otherwise known as 'sick leave,' to all employees. While laudable in its aim to support workers and protect workplaces, this new obligation represents an unnecessary intrusion by the government into the employer-employee relationship, creates a financial and administrative burden on businesses, and reduces BC business competitiveness.

Background

Following a brief consultation period, the provincial government announced on November 24, 2021, that less than 6 weeks later all employers would have to implement a new paid sick leave program for all employees – including part-time, full-time, and casual.

This created a new cost for businesses of all sectors and sizes, but particularly those for whom a sick employee requires another shift to backfill the position. Unfortunately, this includes the retail and hospitality sectors which were deeply impacted by both the pandemic which preceded the sick leave legislation, and the inflation-driven economic challenges which followed it.

Since 2022, businesses of all sizes and sectors have voiced their concerns about the cost of the paid sick leave to chambers of commerce across the province, as they have had to weather declining economic performance in BC and handle the challenges of increased costs at all turns.

Over the past number of years, BC's GDP growth rate has tumbled. From a real GDP growth rate of 6.1% in 2021, that declined to 3.6% in 2022, 1.6% in 2023, and has been forecast to be 1.1% or 1.2% in 2024, which would be the worst performing province in Canada.[118] [119]

During that time, business outlook has also lagged as costs pressures mounted. Business sentiment in BC was behind the national average in 10 out of the last 12 quarters, and in the most recent *Canadian Survey on Business Sentiment* by the Canadian Chamber of Commerce and Statistics Canada, costs-related challenges were named as the biggest obstacles for Canadian businesses, with those in BC being second-most likely to cite rising input costs (of which labour is a part) as a barrier to their success.[120] These rising costs take their toll on the bottom-line. In 2023, of all province and territories in Canada, BC saw the second-highest increase in business insolvencies with a 65% increase in the year before[121] and in the first three quarters of 2024 bankruptcies rose again in BC by 19%.

Following this time of economic uncertainty and challenge, BC businesses deserve to see changes that support their bottom-line viability and competitiveness, and directly reducing their labour costs through paid sick leave is one way to accomplish this.

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[118] Provincial Economic Forecast, TD Economics, December 16, 2014.https://economics.td.com/provincial-economic-forecast

[119] Amid global uncertainty, minister meets with economic forecast council, Ministry of Finance – Government of BC, January 31, 2025. https://news.gov.bc.ca/releases/2025FIN0004-000072#:~:text=At%20their%20annual%20meeting%20with,and%20domestic%20forces%2C%20including%20federal

[120] Business Insights Quarterly – Q4 2024, Canadian Chamber of Commerce | Business Data Lab. https://businessdatalab.ca/wp-content/uploads/2024/12/2024_Q4_CSBC_Report_EN_FINAL.pdf

[121] Insolvency Statistics in Canada — 2023, Office of the Superintendent of Bankruptcy - Innovation, Science and Economic Development Canada. https://ised-isde.canada.ca/site/office-superintendent-bankruptcy/en/statistics-and-research/insolvency-statistics-canada-2023

MINISTRY OF LABOUR

Reducing the Burden on Employers by Providing for 3 Paid Sick Days

During the development of this sick leave requirement, the government considered three options of either 3, 5, or 10 days.

The provincial government's own surveys during the consultation found that 50% of BC workers had paid sick leave already, and of those, most did not even use all of those paid sick days they already had. The government's own survey of employers found that "50% or less of their employees use all of their allotted paid sick days in a typical year, and that employees typically used between one and five sick days per year." One government survey noted that "nearly three-quarters of respondents…reported that they typically *do not* use all their allotted paid sick days each year." Importantly, even among workers who receive only 1-2 paid sick days a year, 49% *still* reported that they do not use them all! [122] [123] Clearly, given the government's own data at the time the three-day model would have been the most targeted and appropriate allotment.

Further, when government must step into the free market to provide minimum standards, its intervention arguably should be in as limited a fashion as possible. If the government wished to regulate this area, the focus should have been on establishing a minimum, base standard only, which allowed businesses to build upon that if they wished. Thus, government should have opted for the least prescriptive model available: 3 days.

As changing the required number of sick days to be provided means a revision to regulations only - not entirely new legislation - a revision to reduce provided days to three should be implemented, reducing the burden and cost on employers already struggling with high labour costs, the impacts of high inflation on the cost of inputs, lacklustre consumer spending, and the looming threat of a tariff-induced recession.

It is important to note that this legislation creates only minimum standards; businesses and employers can – and many do – offer paid sick leave benefits over and above the minimum required, and many others allow some level of carry-over of unused days to the following year, making the actual number of days available higher.

Implementing Further Eligibility Criteria for Casual and Part-Time Employees

In addition to the number of days, the breadth of the application of the paid sick leave causes challenges for businesses. In BC, paid sick leave is extended to not just full-time employees, but all part-time and casual employees as well, with very little in terms of limitations on their eligibility for the leave. It is important to note that for many businesses, when part-time or casual employees are unable to work, employers must bring in replacement staff to cover that shift, creating a second layer of cost beyond the initial paid sick day.

As government has already included casual and part-time employees in the legislation, instead of removing them entirely, implementing further eligibility criteria in the form of a minimum-hours-worked requirement would be beneficial. Currently, if an employee works or earns any amount in the 30 days

[122] Paid Sick Leave in BC – What We Heard Report, R.A. Malatest & Associates prepared for the BC Ministry of Labour, December 2021, Accessed online: https://engage.gov.bc.ca/app/uploads/sites/121/2022/02/What-We-Heard-Report-Paid-Sick-Leave-Final-20211208.pdf

[123] Paid Sick Leave for Employees in BC – Panel Survey Report, R.A. Malatest & Associates prepared for the BC Ministry of Labour, September 2, 2021, Accessed online: https://engage.gov.bc.ca/app/uploads/sites/121/2022/02/Panel-Survey-Report-Final-Revised-September-81.pdf

preceding a sick day, they are eligible for the day to be paid. Alternatively, to be eligible for paid sick days a part-time employee should be required to have worked a minimum number of hours in the 30 days preceding the sick day in question, such as 48 hours (approximately three half-shifts or 1.5 full days a week). This would be like the model already used by employers in BC to gauge whether employees are entitled to statutory holiday pay and would limit this new paid obligation to workers with a more consistent tie to the employer.

Allowing for Pro-Rating of Paid Sick Leave Requirements

Under the current paid sick leave regime employees are entitled to 5 days of paid sick leave after 90 consecutive days of employment with an employer. Employees who start employment part way through a year are entitled to the full 5 paid days despite not being employed for the full year. Under current legislation, an employee who begins works as late as September 27 would technically be eligible for the full 5 days paid sick leave by the end of December – which hardly seems like an objectively fair application of the law.

In most other business and personal circumstances where someone is owed a benefit or incurs a cost mid-way through a defined time period, pro-rating is the fair way of ensuring that one only pays for—or receives—the equivalent value given the reduced time involved. As paid sick days do not accrue and cannot be portioned out in fractions, a pure pro-rating based on the number of months or weeks left in the calendar year may be impractical. Instead, a mid-year eligibility criterion should be established whereby employees who start employment on or after July 2 (halfway through the year) would only be eligible for up to 3 paid sick days instead of 5.[124] This change would be fairer for both employers and employees who work the full year, while still providing paid sick day coverage.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Amend the Employment Standards Act Regulations to reduce the number of paid sick days required to be provided to three.
2. Implement a minimum-hours-worked requirement for paid sick days eligibility, similar to the model used for determining eligibility for statutory holiday pay.
3. Allow for pro-rating of the paid sick days required for employees who commence employment after halfway through a calendar year.

[124] This is equal to half the full allotment of 5 days, rounded up to the next full day. Should the overall paid sick leave requirement be reduced to 3 days as per recommendation 1 below, the pro-rated amount would be 2 – half of the full allotment, rounded up to the next full day.

MINISTRY OF LABOUR

MAXIMIZING TAXPAYER DOLLARS ON PUBLIC INFRASTRUCTURE PROJECTS AND DEFENDING THE RIGHTS OF BC COMPANIES AND WORKERS

Issue

To maximize the benefits of taxpayer dollars spent on public infrastructure projects, especially as overall construction costs continue to rise and BC faces a substantial deficit, and ensure that all qualified BC companies and employees can work on and benefit from these projects, an open and fair tendering must be the process by which governments implement public projects.

Background

In July 2018, the BC Government announced a new approach to "Community Benefit Agreements" (CBA) that employ prescriptive approaches to public infrastructure projects. This CBA approach unfairly restricts BC companies and employees from competing for and working on public infrastructure. Commercial agreements that deliver community benefits are the norm in the industry, but they should be constructed in ways that are inclusive and competitive rather than exclusive and anticompetitive. The current CBA approach that BC has taken has been demonstrated to drive up costs of public infrastructure, burdening taxpayers.

There is significant evidence demonstrating that restrictive tendering, such as those Project Labour Agreements (PLAs) and CBAs that have been adopted in BC, can result in a 20% to 30% cost increase for bids on public infrastructure projects.[125] These agreements are now in place for major construction projects, including the Pattullo Bridge replacement, the Massey Tunnel replacement, and the Broadway Subway line. By implementing these agreements, the BC Government prevented most construction industry workers from participating in these projects while driving up the costs to taxpayers. For example, in 2019 the government admitted that the projected costs for the Kicking Horse Canyon Project had increased by over $150 million dollars, and a significant portion of this overrun is due to the attached CBA.[126] Similarly, the Cowichan District Hospital Replacement Project, which fell under the CBA, saw its projected costs climb from an initial estimate of $350 million to $1.446 billion—an increase of $559 million in just two years.[127]

An important element is understanding how restrictive PLAs/CBAs force businesses to adopt foreign business models, decreasing efficiencies and stifling innovation. The most recent example, and one that has been used a model for future projects in BC, is the Vancouver Island Highway Project (VIHP). The VIHP used restrictive PLAs. Two separate government crown corporations were set up to manage the project: (1) VIHP would manage and the contracts for engineering, procurement, and construction of the project, while (2) Highways Contractors Ltd (HCL) was created to be the 'employer' of the workers and would supply all contracts with their labour. HCL entered into a collective agreement with British Columbia Highway and related Construction Council – essentially the unions who were part of the BTU. Anyone who wanted to work on the VIHP would have to join the BTUs and would be allocated by HCL. Any companies who bid for work on VIHP would have to accept BTU terms and work arrangements.

[125] https://www.cardus.ca/research/work-economics/research-report/hiding-in-plain-sight-evaluating-closed-tendering-in-construction-markets/
[126] https://vancouversun.com/opinion/columnists/vaughn-palmer-fudging-highway-cost-overruns-by-applying-curious-math-to-cbas-impact
[127] https://www.cardus.ca/research/work-economics/reports/benefits-for-whom/

MINISTRY OF LABOUR

For instance, in the BTU model, each 'craft' (electrician, plumber, etc.) is a separate jurisdiction with exclusive right to perform various tasks, i.e. only pipefitters can carry pipe. These jurisdictional barriers create significant inefficiencies. Moreover, many companies work in 'wall-to-wall' or 'all employee' bargaining arrangements that do not have these artificial boundaries and only restrict what tasks and worker can do based on safety. So, electricians in wall-to-wall companies don't have to wait for a labourer to move that lumber on the floor before they can start work. This is one of many innovations non-BTU companies have been able to adopt that increase efficiencies, productivity and make them more competitive. By forcing these companies to work under BTU arrangements, they are forced to not use their existing business model. To say that 'all companies can bid on these projects, but they cannot bring their business model' is to essentially restrict them from bidding in the first place.

Against the backdrop, construction costs have risen significantly in recent years. Since they start of the pandemic, residential construction costs have increased by 51%[128], while non-residential construction have seen nearly a 40% increase in regions like Vancouver.[129] Meanwhile, BC is facing a substantial deficit, with rising debt levels. In this economic climate, it is more important than ever to ensure that public infrastructure projects are delivered efficiently and cost-effectively.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Maintain or reinstate a fair and open tendering process for all Public Infrastructure projects.

[128] https://thoughtleadership.rbc.com/proof-point-soaring-construction-costs-will-hamper-canadas-homebuilding-ambitions/

[129] https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810027602&pickMembers%5B0%5D=2.7&pickMembers%5B1%5D=3.1&cubeTimeFrame.startMonth=04&cubeTimeFrame.startYear=2024&referencePeriods=20240401%2C20240401

MINISTRY OF LABOUR

REBALANCING BC'S LABOUR CODE TO SUPPORT ECONOMIC COMPETITIVENESS

Issue
BC's Labour Relations Code governs the relationship between employers, employees, and trade unions in BC. While the Code plays a crucial role in ensuring fairness and stability in workplaces, it must also support economic growth, competitiveness, and avoid undermining investment confidence. To remain effective, it should balance the rights and responsibilities of both employers and employees, without unduly favouring one side or imposing burdens that hinder business viability.

However, several regulatory changes in recent years have upset this balance and undercut BC's competitiveness. Therefore, the provincial government should make several changes to the Code – and provide certainty against other proposed changes – to ensure BC remains competitive and our businesses and workplaces successful.

Background
The Labour Relations Code governs labour relations between provincially regulated employers, their workers and trade unions, and the rules for issues related to collective bargaining, such as how workers join unions, how employers and unions interact, and how labour disputes are resolved.

However, recent changes, including those made outside of the legislated review process, have created increased labour and compliance costs on business, an increased risk of labour disruptions, and decreased economic competitiveness.

<u>Commitment to Working Within the Legislation Review Process</u>
Subsection 3 of the Labour Relations Code requires the BC Minister of Labour to, every 5 years, appoint a committee of special advisors to review the Code and requires that committee to conduct consultations when undertaking its review.

Most recently, starting in January 2024, this legislated review of the BC Labour Relations Code was conducted by the Labour Relations Code Review Panel with it delivering its final report to the provincial government on August 31, 2024. Before this, a similar review was conducted in 2018, with recommendations received by the provincial government on August 31, 2018. This process is expected, regular, and operates with a set process that ensures fair participation by employers, employees, labour groups and others

However, despite this robust, regular process, the provincial government has acted outside of this process twice recently. First, in 2022 with the *Labour Relations Code Amendment Act, 2022* and again in 2024 with the *Miscellaneous Statutes Amendment Act, 2024.* These acts made significant changes to labour regulations in BC, including eliminating the need for a vote to certify unionization in some instances, and broadening the ability for unionized employees to refuse to cross pickets and shut down business operations, respectively.

These changes were made with little to no input from employers, often in haste, and without clear rationale or impetus. The provincial government should refrain from these types of irregular, ad hoc changes.

MINISTRY OF LABOUR

Reinstate the Requirement for a Union Certification Vote

As noted above, in 2022 the government removed the requirement for unionization efforts to be certified by a vote of the workers in certain instances. This change was not only made outside of the normal process, but against the previous recommendation of the government's own Labour Relations Code Review Panel.

Under the previous rules, a two-step process was required for a union to be certified and formally established including both "card check" – where at least 45% of workers in a proposed bargaining unit had to sign union membership cards – and then a ratification vote by secret ballot which required majority support for unionization.

The 2022 amendments created a single-step certification process whereby if 55% of workers sign union membership cards, no vote is needed.

The secret ballot is a democratic way of determining the will of people and has been a long-standing, trusted method. It allows workers to voice their true wishes free of coercion, fear, or pressure from anyone – employer or union. Replacing this vote with only a card-check system removes this democratic right. Under card-check, there is no way of knowing if a worker has chosen to sign -- or not sign -- a union membership card of their own volition, without outside pressure from coworkers, union representatives, their employer, or others. The requirement for a union certification vote in all circumstances should be reinstated.

Ensure Employer's Right to Communicate During Union Organization Campaigns

Prior to changes made in 2019, Section 8 of the Code allowed for broad communication from employers to employees during union organization and certification efforts, acknowledging an employer's ability to oppose those efforts in a respectful, fact-based manner. In 2019, the provincial government made changes to this section to restrict this ability.

Employers should retain the right to present factual information and articulate legitimately-held beliefs in a respectful manner. The specific removal of language around the freedom to communicate regarding unions and union activity is a significant encroachment upon the speech of employers, and unduly curtails employers' opportunities and rights to engage in the process. In addition, limiting an employers' ability to communicate with their employees may prevent employees from making informed decisions based on a full understanding of the implications of unionization.

Providing More Time for Businesses to Respond to Unionization Efforts

As part of changes to the Code in 2019, the timeline for holding a certification vote was shortened from 10 days to 5 business days – a tighter timeline largely seen as beneficial to unionization methods. This should be re-examined.

In many cases, employers don't even learn there is a union organizing effort at their business until the application has been filed. When this happens, if the employer wishes to remain union-free they will only have the 5 business days allowed between the filing and the certification vote to communicate its perspective to employees. In addition, employers seeking legal counsel to ensure they do communicate with employees in a manner consistent with the Code have very limited time to seek out that advice and may make inadvertent contraventions as a result.

MINISTRY OF LABOUR

The 5-day timeline hampers the ability of employers to participate, communicate or comply with Board rules or orders and should be returned to the previous timeline of 10 days.

Re-examining the Prerequisites for Remedial Certification of Unions
Broad powers are granted to the Labour Relations Board under Section 14 of the Code to automatically certify a union when unfair labour practices are found, even where no vote is held or even without meeting the requirement for signing union membership cards, a process known as “remedial certification.”

In 2019, the provincial government increased these powers further by repealing the part of the Code which required a union establish it would likely have obtained the support of the majority of employees but for the unfair labour practices of the employer. Now, the Employment Standards Board has broad discretion as to whether to allow remedial certification, as illustrated in its decision in *the 2020 Salade Etcetera! Inc* case.[130]

When combined with the aforementioned restrictions on employer speech and the 5-day timeline for certification votes, this creates a regulatory imbalance that disadvantages employers. The language in Section 14 of the code that allows remedial certification only where the union would have most likely have succeeded in the first place should be returned.

Repeal the Expansion of Secondary Picketing
In 2024, through the *Miscellaneous Statutes Amendment Act, 2024,* the provincial government changed the definition of a “strike,” which allows for an expansion of ‘secondary picketing’, or picketing at a location or workplace that may or may not have anything to do with a labour dispute. This change specifically allows provincially regulated unionized workers to legally refuse to cross the picket line of a striking union which is regulated federally or by another province. Previously, this act would have been deemed an illegal job action or strike.

For example, if federally-regulated unionized workers at an airport were to go on strike, provincially-regulated unionized workers employed by unrelated third-party businesses, such as shipping, security, or cleaning companies which work at the same job site -- could now legally refuse work, with little recourse for the impacted unrelated businesses.

This will broaden the negative economic impacts and disruptions of future strikes and will erode investment and economic confidence as businesses are at risk of being subject to picketing over disputes in which they are not directly involved.

[130] In the *Salade Etcetera Inc v UFWC 1518 2020 BCLRB 109* decision, the Labour Relations Board automatically certified a union at Salade Etcetera Inc’s workplace when only one employee of the more than 80 had signed a union membership card, because the employer had fired two of the union organizers.

MINISTRY OF LABOUR

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Commit to respecting the legislated Labour Relations Code review process, and refrain from making changes and reforms outside of that process, unless required by significant emergent circumstances.
2. Amend the Labour Relations Code to require again a representation vote - using a secret ballot - to certify a union, including in workplaces where 55% or more employees have joined the union.
3. Return specific language to Section 8 of the Labour Relations Code that clearly enshrines the employers' rights to communicate around unions and union activity without being deemed as violating the Code or conducting unfair labour practices.
4. Increase the timeline for holding a certification vote following an application from the current 5 business days to 10 business days.
5. Return language to Section 14 of the Code that allows remedial certification to be considered only where the union most likely succeeded in unionization in the first place.
6. Repeal the 2024 changes to the definition of "strike" in the Code that expanded the definition to include bargaining units regulated by federal laws or the laws of other provinces.

MINISTRY OF LABOUR

WORKSAFE BC – REFUND OVERFUNDED SURPLUS TO EMPLOYERS

Issue

The BC WorkSafe Board of Directors has set a target funding level of assets over liabilities at no less than 130%. However, the current policy lacks an upper limit, leading to a significant surplus over the years. As of December 31, 2023, WorkSafeBC's funding ratio was approximately 147% (down from 161% in 2020), with an unappropriated surplus of $1.95 billion and reserves of $5.1 billion. A structured refund mechanism is necessary to ensure these excess funds benefit employers while maintaining system stability.

Background

WorkSafe BC is a provincial agency entirely funded through mandatory employer premiums and investment earnings. These funds support workers' recovery from injuries, ensuring their return to safe and productive employment while providing equitable compensation. Employers finance the system through payroll levies, and WorkSafeBC also generates revenue from a diversified investment portfolio to cover future claims obligations.

The insurance fund was established to financially support workers' recovery from injury and restore them to safe and productive employment and/or access to equitable compensation. The employers provide the funding based on a fee levied on their payroll. Revenues are also earned from a diversified investment portfolio held to meet future obligations on existing claims.

Measured by assessable payrolls, WorkSafeBC is the third-largest workers' compensation board (WCB) in Canada. Over the past five years, WorkSafeBC's funded level has consistently exceeded those of other major WCBs, including Ontario, Quebec, Alberta, and Saskatchewan. Only Manitoba, a smaller WCB, reported a higher funded level in 2023 and 2022.

Table 1: Comparative Analysis of Funding Levels

Year	BC	Ontario	Quebec	Alberta	Saskatchewan	Manitoba
2023	142.1	122	120	107	126	160
2022	141.6	110	107	108	128	145
2021	165.7	122	121	121	133	150
2020	161.1	113	115	121	131	144
2019	155.1	114	113	119	138	147

WorkSafeBC's funding ratio remains significantly higher than most other provincial and territorial boards in Canada:

- Saskatchewan's WCB targets a funding range of 100% to 140%. When exceeding 122%, surplus funds are returned to employers.
- Manitoba's WCB in a 2023 funding level of 160%, the board refunded $118 million in 2024.
- Ontario's WSIB targets 115% to 125%, %. In February 2025, Ontario's WSIB refunded $2.0 billion to Schedule 1 Employers, following a $1.1 billion rebate in 2022.

These boards demonstrate proactive measures to return excess funds while maintaining financial health. In contrast, WorkSafeBC's overfunding position—exceeding its 130% target—has not been systematically addressed.

MINISTRY OF LABOUR

WorkSafeBC reported that its 2025 average base premium of 1.55% remains below the expected cost rate of 1.78%. Between 2019 and 2025, WorkSafeBC projects that $2.5 billion in surpluses will have been used to stabilize premium rates, averaging $357 million per year.

While maintaining premium stability is a prudent approach, WorkSafeBC still had over $800 million in excess unappropriated surplus as of December 2023. A structured policy is necessary to manage these excess funds effectively.

Table 2: Funding Ratio Analysis (Excess Over 130% Target)

Year	Funded Level	Assets ($M)	Liabilities ($M)	Reserve Fund at 30% Liabilities ($M)	Business Unappropriated Surplus ($M)	Excess Surplus Over 130% ($M)
2023	142.1	24,178	17,009	5,103	2,663	861
2022	146.5	23,664	16,142	4,843	3,313	1,579
2021	154.7	22,199	14,352	4,306	3,817	2,364
2020	153.2	20,022	13,023	3,922	3,129	2,209

WorkSafeBC Board of Directors and management have a responsibility to the employers to revise its current funding ratio policy. What is required is an upper limit value. With a new upper limit set, a rebate policy should be included in the policy that allows the Board of Directors, at its discretion, to make direct payments to employers when that ratio limit is exceeded.

If due to the recognition of its large excess of Funds, WorkSafeBC made direct payments to employers, these funds could put to productive use, including investing in new and safer equipment, growing their business, and creating jobs.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Regularly disclose the rationale for funding range adjustments and surplus management strategies to stakeholders.
2. Create an upper limit value for excess funds.
3. Introduce a framework for direct surplus distribution to employers when funding levels exceed the policy range.

MINISTRY OF MINING AND CRITICAL MINERALS

SUPPORTING BC'S STEELMAKING COAL INDUSTRY

Issue
British Columbia's steelmaking coal industry makes a significant contribution to the provincial economy through employment, tax revenue and contribution to provincial GDP. BC steelmaking coal mining and export contributed $6.3 billion in GDP to the province in 2022 and accounted for almost 12,800 jobs in the province and 30,500 jobs across Canada.

There is a long history of environmental responsibility in the mining and transportation of steelmaking coal internationally. BC's port industry operates under strict environmental regulations that are among the highest in the world, ensuring no health risks for those who live near or work at steelmaking coal terminals.

In 2022 alone, the industry spent $1.4 billion on goods and services from over 900 suppliers in municipalities throughout the province.

Industry opponents have consistently made misleading and false claims about coal transportation in BC and have lobbied municipal governments to take action. This has resulted in some municipalities considering or taking policy positions against coal transportation in their communities and opposing the continued mining and export of steelmaking coal from our province. In fact, the industry contributes to BC's export growth strategies and ensures critical upgrades are made to terminal facilities to improve and mitigate environmental and residential impacts. It is essential that BC's steelmaking coal industry have access to international markets.

Restricting the province's steelmaking coal supply chain will result in the loss of livelihood for a significant number of families in many parts of BC that are reliant on and supported by the coal industry and will reduce BC's global competitiveness, at a time when economic recovery from inflation is a priority and BC and Canada are living with threatened US tariffs.

It is important that BC protect the economic benefits of this sector by informing the public and municipalities about BC's steelmaking coal industry and corresponding global demand for steel, and ensure its transportation is not inhibited at critical points in the supply chain.

Background
Over 95 percent of the coal produced in British Columbia is steelmaking coal. In 2022, that amounted to approximately 27 million tonnes of steelmaking coal. This coal is sourced from four mines in the southeast Kootenay region and two mines in the Peace River coalfield of northeastern BC.

BC has 12.9 billion tonnes of mineable coal reserves, of which 8 billion tonnes are in the southeast region and 4.9 billion tonnes are northeast. Restricting the availability of Canadian coal will have limited impact on the world market but will severely impact our domestic economy.

Coal continues to be BC's most valuable mined commodity, with most of the coal exported to Japan, South Korea, and China for steel production. Of the bulk commodities exported through the Port of Vancouver in 2022, coal accounted for 40 percent, with steelmaking coal accounting for almost a quarter of all exports.

MINISTRY OF MINING AND CRITICAL MINERALS

The two steelmaking coal mines in British Columbia's NE Peace River region:

- Contributed over $100 million in government revenues (federal, provincial, municipal)
- Produced 3.64 million tonnes of steelmaking coal mined for export in 2022.

The four steelmaking coal mines in British Columbia's SE Kootenay region:

- Contributed $1.5 billion in government revenues (federal, provincial, municipal)
- Produced 21.5 million tonnes of steelmaking coal mined for export in 2022.

These mines generated direct work for a wide array of professional service providers including engineers, technical contractors, iron workers, pipefitters, environmental experts and employees in legal, real estate, insurance and financial roles.

BC's steelmaking coal is vital to everyday life around the world. It is used to build major projects like bridges, rapid transit systems, wind turbines, high rises and everyday consumer products like cars, bicycles, tools, lawn equipment and household appliances. It is also one of the most recycled products. Steelmaking, like many industrial processes, does create some emissions. Steelmaking coal, also known as metallurgical coal, is an essential part of a chemical reaction needed to create new steel. It is not used to generate power. [131] [132] [133]

Steelmaking coal is inert. It can be handled with bare hands. It is not considered a dangerous or hazardous material by Transport Canada, and it is safely handled by thousands of workers every day. BC's port industry operates under strict environmental regulations that are among the highest in the world, ensuring no health risks for those who live near or work on port terminals.

Rail is the most efficient mode of transport to move commodities and has been shown to be two to five times more fuel-efficient than truck transportation depending on the commodity.

As the population continues to grow, residential neighbourhoods have expanded and, in some areas, are closer to port terminals. In some communities where rail lines connect with port terminals, public debates have been held in the media and with their municipal representatives, calling for the elimination of coal transportation through communities where rail lines have been located for decades, in most cases long before the residential neighbourhoods were built around them.

Conclusion

Steel is vital for the world's advancement. Coal exporting is a major economic contributor for Canada, and British Columbia's ports play a critical role in transporting Canadian steelmaking coal to important international markets.

The provincial government has an important role to play in supporting expansion and infrastructure improvements in this important industry and protecting exports from being inhibited at critical distribution points.

[131] https://coalalliance.ca/
[132] https://www.teck.com/media/Teck-Resources-Economic-Contribution-Study-FINAL%20(1).pdf
[133] http://cmscontent.nrs.gov.bc.ca/geoscience/PublicationCatalogue/InformationCircular/BCGS_IC2021-02.pdf

MINISTRY OF MINING AND CRITICAL MINERALS

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Promote the productive and environmental benefits of high-quality Canadian steelmaking coal to international markets.
2. Work with industry to enhance sound regulatory, public and economic policies that foster BC's steelmaking and coal mining industry and attract global investment.
3. Support educational opportunities to educate and inform people of the province's steelmaking coal resources, its contribution to meeting global demand for steel production and the corresponding economic prosperity through high paying jobs for tens of thousands of families, to BC's small businesses through local procurement, through tax generation and the related economic spinoff.

MINISTRY OF MINING AND CRITICAL MINERALS

SUPPORTING URANIUM AND THORIUM EXPLORATION FOR BC'S ECONOMIC PROSPERITY

Issue
The Federal Government of Canada is investing heavily in critical minerals that include uranium extraction for the purposes of Small Modular Nuclear Reactors[134]. Climate change reduction policy based on targets has been implemented on an international scale. The BC Government has created a plan to become net-zero in terms of emissions produced in BC by 2050. Globally, the energy sector's carbon emissions grew by more than 40% over the past 18 years. Countries like France and Germany are trying to diversify their energy production by utilizing a method that is both emission-reducing and safe – nuclear power. BC currently has unexplored uranium and thorium deposits that can be exported to other provinces and countries, which will create economic prosperity in the province.

Background
In 1980, the British Columbia government introduced a seven-year ban on uranium and thorium exploration and mining. This ban was renewed until 2009 when the BC Government established a "no registration reserve" under the Mineral Tenure Act for uranium and thorium. The ban ensured that no thorium and uranium deposits would be mined or explored.

The 1980 moratorium on uranium mining was also instituted as a result of poor underground working conditions at the time, and occupational diseases, which are addressed through other pieces of legislation.

Canada is the world's second-largest producer of uranium, with 15% of global production, has 20% of the world's deposits, and exports nearly 84% of its uranium product. The value of uranium produced is approximately $1.2 billion. The majority of uranium processing and the nuclear industry is centred in Ontario and Quebec.

Due to the climate crisis, many governments are endeavouring to reduce emissions. Since 2019, the BC Government has undertaken an initiative to become carbon neutral. On the international level, renewable energy contributed to 36% of the power delivered to German consumers and 34% of the power delivered to United Kingdom consumers.[135] The difference is that the German government shut down its nuclear power stations, resulting in higher CO2 emissions, whereas the U.K. maintained its nuclear capacity.3 Compared to other energy sources, uranium mining had less environmental impact than hydro or coal projects.

Nuclear power can be a way to reduce reliance on high-emission products such as oil and gas.[136] The Convention on Nuclear Safety was adopted in Vienna in June 1994, which asks each participating state to provide a report outlining the measures in place to assure the safe operation of nuclear power plants. In Canada's seventh report, it was outlined that various measures are in place, including a robust nuclear regulatory framework, a mature and effective regulator, and licensee organizations that are fully committed to nuclear safety.[137] As a result of the Fukushima incident, Canada highlighted an action plan to improve safety based on lessons learned from the Fukushima Daiichi nuclear accident in 2015.

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[134] https://www.nrcan.gc.ca/our-natural-resources/energy-sources-distribution/nuclear-energy-uranium/canadas-small-nuclear-reactor-action-plan/21183
[135] https://world-nuclear.org/information-library/nuclear-fuel-cycle/mining-of-uranium/world-uranium-mining-production
[136] https://www.world-nuclear.org/information-library/safety-and-security/safety-of-plants/safety-of-nuclear-power-reactors.aspx
[137] https://api.cnsc-ccsn.gc.ca/dms/digital-medias/Canadian-National-Report-for-Convention-on-Nuclear-Safety-Seventh-Report-eng.pdf/object

MINISTRY OF MINING AND CRITICAL MINERALS

It is notable that the construction of large-scale nuclear power plants is not cost effective. Innovative renewable energy projects are exponentially invested in and are the waves of the future; however, Canada has seen many designs for small modular reactors (e.g., Candu) that could provide safe, clean, and economic energy.[138]

Small modular reactors (SMRs) are an effective mechanism of reaching carbon-neutrality. Nuclear CO2 emissions over the lifetime of a plant have a mean value of 66 tonnes CO2e/kWh.139 Comparatively, coal, oil, and natural gas emission rates means come in at approximately 888, 733, and 499 tonnes CO2e/kWh.[140]

SMRs may be located on sites that differ from where traditional nuclear power plants have been built. For example, SMRs may be established on small grids where power generation needs are usually less than 300 megawatt electric (MWe) per facility and at edge-of-grid or off-grid locations where power needs are small – in the range of 2 to 30 MWe.[141]

While SMRs may not be effective for BC, which is a province that can utilize solar, wind, and hydro resources to generate green energy, other countries and provinces use nuclear. In order to generate nuclear energy, thorium and uranium are critical. BC has these critical materials, however, due to the moratorium, we are unable to export this natural resources.

Electrical utilities, industry groups and government agencies throughout the world are investigating alternative uses for SMRs beyond electricity generation such as producing steam supply for industrial applications and district heating systems and making value-added products such as hydrogen fuel and desalinated drinking water.

To drive the economy forward, we need to look at utilizing our existing natural resources. Without the ability to explore uranium and thorium deposits, we are missing out on a large revenue source that is being used by other countries. In 2014, the BC Chamber of Commerce had advocated for a policy requesting that the BC Government lift the ban on the exploration of uranium and thorium and reduce our reliance on carbon-emitting products such as oil and gas. The BC Chamber has been a proponent for uranium, which is a key fuel for nuclear electricity. Ontario and New Brunswick already utilize uranium[142] and Saskatchewan has most of Canada's reserves.[143] The Canadian Chamber of Commerce supports the critical materials needed for nuclear energy and sees value in nuclear technology.[144] It is important not only from an energy standpoint, but also from its application in the medical field.[145]

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Lift the ban on uranium and thorium exploration.

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[138] https://www.aecl.ca/science-technology/small-modular-reactors/

[139] Sovacool, Benjamin, K. "Valuing the greenhouse gas emissions from nuclear power: A critical survey." *Energy policy,* vol. 36, no. 8, 2008. https://doi.org/10.1016/j.enpol.2008.04.017.

[140] https://www.world-nuclear.org/uploadedFiles/org/WNA/Publications/Working_Group_Reports/comparison_of_lifecycle.pdf

[141] https://www.cnsc-ccsn.gc.ca/eng/reactors/smr/

[142] https://bcchamber.org/policy-search/supporting-uranium-and-thorium-exploration-bcs-economic-prosperity-2022

[143] https://natural-resources.canada.ca/energy-sources/nuclear-energy-uranium/uranium-canada

[144] https://chamber.ca/news/nuclear-energy-plays-a-key-role-in-meeting-canadas-net-zero-goals/

[145] https://www.cdc.gov/radiation-health/data-research/facts-stats/nuclear-medicine.html

MINISTRY OF POST-SECONDARY EDUCATION AND FUTURE SKILLS

SUPPORT FOR THE DEVELOPMENT OF MICROCREDENTIAL PROGRAMS

Issue
Life-long learning has never been more important, as new technologies and emerging sectors require employees to have up-to-date knowledge and skills. As the economy continues to evolve, many British Columbians will seek opportunities to upskill and retrain to stay competitive. Microcredentials (short-duration, high-value, competency-based credentials) are great options for many mid-career employees and represent a significant opportunity for employers and government to collaborate on efforts in building a more agile, future-ready workforce.

Background
Colleges & Institutes Canada defines a microcredential as: 'a certification of assessed competencies that is additional, alternate, complementary to, or a component of a formal qualification.'[146] These post-secondary programs are short, competency-based courses. They are designed to quickly teach new skills or upgrade existing ones in a targeted area, using more flexible instructional strategies (online, evenings, etc.). As a result, these programs are well-suited to both building up a resume or advancing a career and are often more accessible to non-traditional learners, especially mid-career professionals who would only have to take little or no time off work to pursue a microcredential. Many microcredentials provide post-secondary credit and can be used, or stacked, toward completion of longer post-secondary programs such as certificates or diplomas.

Given the changing nature of the workforce, employers and governments are interested in enabling workers to upskill on an ongoing basis. Recent economic shifts have further catalyzed these changes, and many workers have taken advantage of new opportunities to pursue career changes or additional training. There are projected to be an exceptional number of job openings in the next ten years, especially due to retirements. According to the BC Jobs Outlook, BC is expected to have 998,000 job openings between 2023 and 2033, and nearly 75% of these job openings will require some form of post-secondary education or training.[147]

Recognizing the increasing demand for such programs, the BC Government has already demonstrated significant support for microcredential programs across the province. In February 2021, the BC Government announced funding for 15 public post-secondary institutions to provide microcredentials for more than 2,000 British Columbians.[148] In September 2021, the government announced funding for an additional 35 microcredential programs to be delivered to 7,500 learners over a three-year period.[149] In 2024, the government launched the Future Skills Grant program, providing British Columbians with access to over 300 short-term training programs, including microcredentials, to help them build new skills and advance their careers.[150]

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[146] Microcredentials: https://www.collegesinstitutes.ca/colleges-and-institutes-in-your-community/benefit-college-institute-credential/national-framework-for-microcredentials/
[147] B.C. Labour Market Outlook: 2023 Edition: https://www.workbc.ca/sites/default/files/2023-11/MPSEFS_11803_BC_Jobs_LMO_2023_FINAL..pdf
[148] Micro credentials fast track to high-demand jobs: https://news.gov.bc.ca/releases/2021AEST0012-000225
[149] Micro-credentials a gateway to support B.C. workers: https://news.gov.bc.ca/releases/2021AEST0060-001869
[150] https://www.educationplannerbc.ca/future-skills-grant

MINISTRY OF POST-SECONDARY EDUCATION AND FUTURE SKILLS

According to the Micro-Credential Framework released by the government, one of the guiding principles for the development of microcredentials in BC is the importance of ensuring that employers and industry sectors are actively engaged in the process of developing and expanding microcredentials that support their workforce needs.[151]

This guiding principle is key to the success of microcredentials. Having an industry voice involved in the development of microcredential programs will help ensure the program is relevant, targeted and recognized by current and future employers in the sector.

In 2021, the Higher Education Quality Council of Ontario (HEQCO), with the support of the Business + Higher Education Roundtable (BHER), surveyed 201 Canadian employers about their perception of microcredentials.[152] Overall, the employers who participated in the survey saw potential for microcredentials to play an important role in lifelong learning. About two-thirds of respondents said they would see a microcredential as highly favourable if it were directly related to the job at hand, competency-based, and or/accredited. Nearly 70% said that they would have a highly favourable view of competency-based microcredentials. Lastly, 54% of employers said they were open to working with post-secondary partners to deliver micro credentials.

New Zealand has recently introduced microcredentials as a part of its regulated education and training system. One of the requirements for microcredentials is to have "strong evidence of need from employers, industry, and/or community."[153]

In January 2022, the Greater Vancouver Board of Trade, in partnership with the British Columbia Institute of Technology (BCIT), launched a new Environmental, Social and Governance (ESG) Fundamentals Microcredential. The ESG Fundamentals Microcredential provides 24 hours of training from BCIT instructors and industry experts over a five-week period. This innovative offering, along with the almost two dozen other microcredentials available at BCIT, is a good example of an industry voice working with a post-secondary institution to deliver a short-term upskilling opportunity that meets the needs of employees and employers and the changing nature of industry. Since 2022, 115 graduates have completed the program and have implemented ESG Action Plans within their organizations.

Expanding the availability of these short-term credentials across the province will ensure employees have the skills they need to succeed in the current and future labour force, and respond swiftly to the needs of employers for a workforce with up-to-date and relevant skills. Incorporating the industry perspective in the development of these programs will ensure they are comprehensive, relevant and recognized by employers.

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[151] Micro-Credential Framework for B.C.'s Public Post-Secondary Education System: https://www2.gov.bc.ca/assets/gov/education/post-secondary-education/micro-credentials/mc_framework.pdf

[152] Pichette, J., Brumwell, S., Rizk J., Han, S. (2021) *Making Sense of Microcredentials.* Toronto: Higher Education Quality Council of Ontario. https://heqco.ca/pub/making-sense-of-microcredentials/

[153] New Zealand Micro-credentials: https://www.nzqa.govt.nz/providers-partners/approval-accreditation-and-registration/micro-credentials/#heading2-0

MINISTRY OF POST-SECONDARY EDUCATION AND FUTURE SKILLS

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. In collaboration with post-secondary institutions and the private sector, continue to increase the number of microcredential programs offered, focusing on in-demand occupations with a near-term skills gap.
2. Recognizing the importance of embedding microcredential programs in the industrial and workforce contexts of their fields, continue existing efforts to work with more of the BC Chamber Network to help connect post-secondary institutions with industry partners to develop programs that meet the needs of employers.
3. Implement ways to provide new incentives for employers to offer microcredential programs to their employees, as well as support for students to pursue them.
4. Ensure there is value for taxpayers' money by reviewing and ensuring only in-demand and needed microcredential programs receive financial support.

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL

ENABLING BC'S CANNABIS ECONOMY

Issue
BC's Cannabis industry is facing severe economic challenges due to excessive taxation, burdensome regulations, and a lack of enforcement against illicit operators.

It's estimated that in 2024, sales of regulated cannabis reached or exceeded $6 billion[154] and BC is already home to some of the industry's most celebrated brands. Despite significant growth and early optimism, BC's best operators remain unprofitable. The reasons for this are numerous and complex but can be summarized as:

- Excessive taxation
- Illicit Market Pricing
- BCLDB's 15% "Proprietary Fee"

The federal government legalized cannabis to increase public safety, displace the illicit market, and stimulate the economy. The challenges currently facing BC's regulated cannabis industry directly undermine those goals. To ensure BC's regulated cannabis industry survives and becomes a meaningful contributor to the provincial economy, new policies are urgently needed.

Background
Taxes & Fees
The federal excise tax structure of $1 per gram was established with the assumption that the average wholesale price would be $10 per gram. However, the average retail price in 2024 was $4.82 per gram, meaning the industry is taxed at more than 3 times the intended rate. This presents a significant financial challenge for cannabis producers while making it harder to remain competitive with an illicit market that competes primarily on price.

The BCLDB introduced their Direct Delivery program with the stated intention of helping BC's small cannabis producers. This program allows qualified producers to sell products directly to retail stores, effectively bypassing the wholesale function of the BCLDB. Unfortunately, in lieu of the 15% wholesale markup they normally collect, the BCLDB collects a 15% "Proprietary Fee". By allowing smaller producers to perform the role of a wholesaler without allowing them to be paid for it, they put smaller producers at a disadvantage and undermine the program's goal.

International Markets
As international markets like Australia, Germany, and Israel continue to open and expand, international buyers are finding their way to BC's best producers and offering top dollar. Export sales aren't subject to excise tax, meaning every gram of cannabis that's exported is $1 in excise tax not collected. If the international market continues to offer the best pricing and excise tax policies remain unchanged, producers will continue to prioritize the international market[155] and fewer total dollars will be collected via excise tax.

154 https://stratcann.com/news/cannabis-sales-and-inventory-figures-through-june-2024/
155 https://www.statista.com/statistics/1183129/canada-export-dried-medical-cannabis-amount/

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL

Financial Services

Despite legalization, many cannabis businesses still face difficulties obtaining standard financial services, including everyday banking, loans, and payment processing. Where financing is available, it often comes with higher interest rates and fees, sometimes referred to as a "cannabis tax." Meanwhile, insurance options remain limited and costly, leaving operators underinsured and at risk.

Vaping

The manufacturing, distribution, and sale of inhalable cannabis products are already highly regulated for public safety and youth protection. The additional 20% tax on cannabis vape products—introduced in response to nicotine vape concerns—unintentionally encourages illicit sales by inflating legal prices. Overall, regulations, bylaws, and taxes drive up costs for licensed cannabis businesses in BC to the point where the infrastructure needed to support multiple stores may outweigh their profits.

Retail Access

Some BC municipalities effectively block private cannabis retailers by refusing to pass zoning bylaws or imposing restrictive rules that only government-run stores can meet. A province-wide zoning framework—respectful of First Nations and Indigenous participation—would ensure equitable access for private operators, while requiring communities with existing bylaws to permit reasonable private retail.

Health & Safety

In 2023, Health Canada launched a Cannabis Data Gathering Program[156] to help generate baseline data on total THC levels, heavy metals, mycotoxins, pesticides, and microbial contaminants for cannabis products from both sides of the Canadian market. Results were published in February '25 and included several important findings. Nearly all (94%) of illicit samples tested positive for multiple pesticides with the most common being myclobutanil. In comparison, only 2 licit products showed trace amounts. Illicit samples were found to have significantly higher levels of microbial (mould) contamination, often exceeding European Pharmacopeia limits. The report also showed 6 of the illicit samples tested contained mycotoxins while none were found in licit products.

These findings demonstrate the importance of regulated cannabis products, especially as it relates to product testing and product quality. They also emphasize the shortcuts being used by illicit producers and how these shortcuts have become a direct risk to public health and safety.

Illicit Market Pricing

One of the biggest obstacles to the viability of the regulated cannabis industry is the illicit market's ability to undercut the regulated market on price. Operating outside the legal and regulatory framework, illicit producers, processors, and retailers avoid taxes, provincial markups, and other regulatory burdens, allowing them to offer significantly lower prices for potentially harmful products while diverting customers away from the regulated market.

[156] https://www.canada.ca/en/health-canada/services/publications/healthy-living/data-gathering-program-comparison-legal-illegal-dried-cannabis-products.html

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL

A study by the University of Montreal[157] on the acceptance of cryptocurrencies by online cannabis retailers in Canada revealed that most illicit operators preferred e-transfers, despite the digital trail such transactions leave. Researchers attributed this practice to a lack of enforcement, suggesting that illicit businesses perceive the risk of enforcement to be low.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Remove the 15% "Proprietary Fee" charged by the BCLDB on orders placed and delivered within BC's Direct Delivery program. Doing so will allow BC's small producers to be paid for providing the services of a wholesaler while encouraging an improved ecosystem for producers and retailers.
2. To date, the BC Government has collected more than $396M in cannabis excise tax. Allocate a small portion of this income to fund a BC Cannabis Jobs Tax Credit that will let BC's cannabis industry hire some much-needed help while creating skilled, stable jobs in rural communities across the province.
3. Declare support for the recommendation made by the Federal House of Commons Standing Committee on Finance to move excise tax to a 10% ad valorem rate. Excise tax remains the federal government's responsibility, but clear support from our provincial government is needed for the federal government to act quickly.
4. Increase enforcement of illicit production and sales to ensure their lower costs can't be used to undercut the regulated market on price with products that are a proven risk to public health. If monitoring and enforcement of the regulated industry continues to exceed that of the unregulated industry, the unregulated industry will continue to thrive.

That the Federal Government:

5. Adopt the recommendation made by the Federal House of Commons Standing Committee on Finance to move the excise tax rate to a 10% ad valorem rate. If the intention is to create a regulated cannabis industry that is economically viable, without question, this is the single most important policy change.
6. Adopt a single excise stamp across all provinces. Doing so would help streamline operations and inventory management, reducing the regulatory burden without compromising the requirements or benefits of Canada's excise tax program.

[157] https://stratcann.com/news/expand-legal-market-compete-illegal-sales-research/

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL

ROAD RESCUE COMPENSATION

Issue
The lack of compensation for road rescue services in rural areas creates an unsustainable burden on volunteer organizations, jeopardizing response times and the efficacy of emergency services. While it's impossible to assign a specific monetary value, the economic repercussions of road closures in rural communities are significant and undeniable. Trucks drive our economy, literally. Extended road closures disrupt the flow of goods and people across our province, leading to financial losses for businesses and increased costs to customers and, potentially, compromising livelihoods.

Acknowledging this impact underscores the urgent need for adequate support and compensation for road rescue services, as their timely response is essential, not only for saving lives but also for maintaining the economic vitality of the province, especially in rural areas. Investing in these services is crucial for ensuring community resilience during emergencies. As communities face increasing demands without adequate support or funding, it becomes crucial to find a way to implement a fair compensation model that acknowledges the vital role volunteers play, and by extension, their employers or employees, who have to leave work to respond to highway accidents.

Background
There are approximately 300,000 motor vehicle accidents in BC every year.[158] Most occur within response areas where, if necessary, fire, police and ambulance respond. Approximately 2,000 of those accidents occur outside of response areas. In these situations, about 150 fire departments voluntarily respond with apparatus, equipment, and personnel. In addition, many communities have developed road rescue societies, and some search and rescue groups have added road rescue to their skills.[159]

The bustling nature of our roads and highways is critical not only for business supply chains but also for attracting tourists and their financial contributions to local economies. Therefore, having well-trained road rescue services and response teams is essential for ensuring the safety of individuals involved in accidents. Prompt and effective emergency responses not only protect lives but also help maintain the flow of traffic and commerce, preserving the vitality of communities reliant on both economic activity and tourism. Investing in these services is not just a matter of safety; it's an investment in the community's overall economic health and resilience.

Many communities, like Sicamous,[160] are fortunate to have dedicated volunteers who selflessly respond to road rescue situations, often crossing outside municipal boundaries to safeguard public safety. However, the commitment to providing these vital services extends far beyond just responding to incidents; it encompasses the significant investment of countless hours spent in training and preparation, as well as the ongoing costs associated with equipment and operations. Acknowledging and supporting these efforts is crucial, as it ensures that volunteers are adequately equipped and trained, ultimately enhancing the effectiveness of road rescue services and reinforcing the safety and well-being of the entire community.

[158] https://www.icbc.com/about-icbc/newsroom/Statistics
[159] https://www2.gov.bc.ca/gov/content/safety/emergency-management/local-emergency-programs/volunteers/road-rescue
[160] https://www.saobserver.net/local-news/shuswap-resident-raises-alarm-over-need-for-local-road-rescue-service-7330684

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL

Rural communities heavily depend on volunteers for roadside rescue services, but the financial burden of leaving work can deter individuals from stepping up, leading to a shortage of available personnel. This potential loss of earnings can discourage volunteers from participating and employers from allowing their employees to leave the work site, especially when they are also tasked with the need for ongoing training and emotional support after responding to incidents. Addressing these challenges is critical; providing compensation or incentives for volunteers, along with necessary training and mental health resources, can foster a more resilient volunteer base and ensure continued effective emergency response in rural areas. By fostering a culture of volunteerism and supporting their staff's involvement in such vital roles, business owners can help safeguard their operations, maintain customer trust, and contribute to the overall resilience of the community's economy.

A provincially funded, sustainable compensation for road rescue providers would ensure that responders (municipalities or external non-profit societies) have the necessary resources to continue protecting lives. Such a funding model should comprehensively address training expenses, equipment upgrades and operational costs, ensuring equitable support across jurisdictions. By alleviating financial pressures on local governments and rescue organizations, this model would enhance response capabilities and improve safety outcomes for all road users.

In rural communities, the relationship between road rescue services and local businesses is deeply interconnected, as road closures resulting from accidents can have profound economic implications alongside the tragic impact on human life. When supplies and staff are delayed due to blocked roads, businesses may struggle to operate effectively, leading to financial losses and potential staffing shortages. Additionally, an influx of visitors during peak times can overwhelm local resources, creating challenges for accommodation and food services. Importantly, many incidents involve non-residents, yet local taxpayers bear the financial burden of funding, upwards of 50% in some cases, for the emergency services required to address these situations. While community support for these essential services is unwavering, it's vital to recognize that these costs ultimately impact the economic health and sustainability of rural areas. Addressing funding and support for road rescue services is not just a matter of public safety; it is also essential for protecting the economic vitality of the community where we all live, work, and play.

As road traffic continues to increase daily, communities are actively exploring options to enhance roadside services. In 2024, the BC Government allocated only $335[161] per hour for road rescue apparatus, a figure that falls significantly short of covering the actual costs incurred by these vital services. Local Governments across the province have also been advocating for a more equitable provincial approach to financing and supporting road rescue operations, this includes, the Bulkley-Nechako Regional District, the Village of Chase, and the District of Barriere as a few examples.[162]

[161] https://www.castanet.net/news/Salmon-Arm/486826/New-Sicamous-fire-chief-talks-about-taking-on-road-rescue-services
[162] https://www.eaglevalleynews.com/local-news/sicamous-road-rescue-group-asks-to-dissolve-integrate-with-fire-department-7301747

MINISTRY OF PUBLIC SAFETY AND SOLICITOR GENERAL

These collective efforts highlight the urgent need for a structured, province-wide solution to address the growing demands on road rescue services. The statistics speak for themselves: ICBC reported[163] 41,291 vehicle crashes in the Southern Interior in 2023 alone, with 5,818 of those resulting in casualties. This alarming data reinforces the critical importance of ensuring that our road rescue services are adequately funded and equipped to respond effectively to this increasing number of incidents. A comprehensive funding strategy is essential for the safety and well-being of our communities, and we urge the provincial government to take immediate action toward establishing a fair and consistent support system for road rescue services across British Columbia.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Establish a Sustainable Funding Model for Roadside Rescue Services for rural communities to compensate providers for their response efforts, training, equipment maintenance, and operational costs.

[163] https://public.tableau.com/app/profile/icbc/viz/QuickStatistics-Crashandcasualtycrashes/CrashesCasualtyCrashes

MINISTRY OF TRANSPORTATION AND TRANSIT

A SUSTAINABLE APPROACH FOR TRANSIT AND MAJOR ROAD FUNDING IN BC

Issue
Access to public transit and safe roads is critical for businesses and individuals across British Columbia, supporting local and inter-regional travel. However, the current funding model relies on a patchwork of property taxes, gas taxes, and user fares, which are becoming unsustainable. To meet provincial climate goals, ensure safe and efficient travel, and reduce roadway congestion, it is essential to adopt a more sustainable and reliable funding mechanism.

Background
Robust public transportation is not only essential to its direct users, who may hop on a bus to get to work, to school, or home safely from a night out; it is critical for every road user – from the truck driver bringing lumber to the ports, to the daily single occupant vehicle commuter. Public transit alleviates congestion within cities and regions, while providing a means of workforce, consumer, and social participation for those who do not drive. Investments in public transit reduce commute times, enabling greater labour market participation and enhance productivity. [164]

The BC Chamber network and other business organizations have long recognized the vital connection between a robust public transit system and business success. Existing BC Chamber of Commerce policy proposals—"Transportation Demand Management Solutions for BC's Industrial Areas and Business Parks" (2024) and "Protecting Public Transit in BC as an Essential Service" (2024)—have already made the case for sustainable transit investment across the province, including routes that primarily serve employment centres.

Further reinforcing this argument, an economic impact analysis by the American Public Transportation Authority found that a sustained increase in public transit investment yields significant economic benefits. Over a 20-year period, every $1 billion invested annually is projected to generate approximately $5 billion in additional GDP, including $3 billion from productivity gains and cost savings and $1.8 billion from direct investment spending. At current wage rates, this translates to roughly 49,700 jobs per $1 billion invested in public transportation. [165]In the Metro Vancouver region, the South Coast British Columbia Transportation Authority (commonly known as TransLink) publishes ridership data. In October 2024 alone, an estimated 21, 840, 000 bus boardings occurred[166]. What would our roads look like if those millions of journeys took place in single passenger vehicles instead? Outside of the urban area, we see the decline in safety and access that can occur when public transportation is not adequately funded. British Columbia's infamous 'Highway of Tears' was inadequately served by transit for many years, leading people to hitchhike along the stretch of Highway 16 between Prince George and Smithers. After the disappearances of at least 18 women, and over a decade of advocacy by indigenous communities, a route was finally opened in 2017[167].

[164] C.D. Howe Institute. (2013). Cars, Congestion and Costs: A New Approach to Evaluating Government Infrastructure Investment. C.D. Howe Institute.
[165] https://www.apta.com/wp-content/uploads/APTA-Economic-Impact-Public-Transit-2020.pdf
[166] https://www.translink.ca/plans-and-projects/data-and-information/accountability-centre/ridership#boardings-by-service-type
[167] "A Long Time Coming: Highway of Tears Gets 2 New Bus Routes," *CBC News*, June 19, 2017, https://www.cbc.ca/news/canada/british-columbia/a-long-time-coming-highway-of-tears-gets-2-new-bus-routes-1.4166749.

MINISTRY OF TRANSPORTATION AND TRANSIT

As public transit is so impactful to a region's economic and social health, surely it is funded appropriately. Unfortunately, that is not the case. Public transit funding models vary throughout the province. In Metro Vancouver, TransLink is primarily funded through a mix of taxes, including a regional 18.5 cent/ litre gas tax, parking tax, property taxes, and fares. In most of the rest of BC, transit service is provided through a partnership between BC Transit, local government and a contracted transit operating company. Regional transit system service levels and budgets are approved each year by local government, who also set fares and local property taxes to pay their contribution of transit costs. [168]In both examples, a significant percentage of transit funding is subject to political motivation, including the willingness (or lack thereof) to raise local property taxes.

In Metro Vancouver and Greater Victoria, where a gas tax (18.5 cents and 5.5 cents per litre respectively) supports the public transit network (and major road network maintenance), road users are paying for road use. However, zero-emission vehicle (ZEV) adoption has already curtailed that source of revenue, even as the population grows, and congestion increases. With the CleanBC Roadmap target that 100% of new vehicles sold in BC will need to be ZEVs by 2035, revenue will continue to drop, ultimately nearing zero.

However, the notion that road users should pay for road maintenance, and initiatives that reduce congestion is supported by the research. All road users benefit from the reduced congestion that public transportation provides (including those driving ZEVs).

For TransLink, which serves over 50% of all British Columbians[169], this shortfall is being felt acutely. In summer 2024, the organization projected an estimated $600 million operating deficit for their year-end, which modelling showed could result in a 50% reduction in bus service, 30% reduction in SeaBus services, 30% reduction in SkyTrain service, and a complete cessation of the West Coast Express in 2026, if the deficit was not supported by additional funding. [170] Despite rising costs of labour, energy, and equipment, TransLink fares have remained below inflation since 2020 at the direction of the province.

In areas without a gas tax, which are more reliant on property taxes, all property owners can see large increases to support public transit services (even if they never leave their homes in a car or a bus). The 2025 provisional budget for the City of Kamloops includes a 9.67% property tax increase, amounting to about a $241 increase for the average household. Much of this increase has been attributed to rising costs in contracted services, including those related to BC Transit. [171]

[168] BC Transit. "Funding and Governance: Regional Transit Systems." BC Transit. Accessed January 17, 2025. https://www.bctransit.com/about/funding-and-governance/regional.

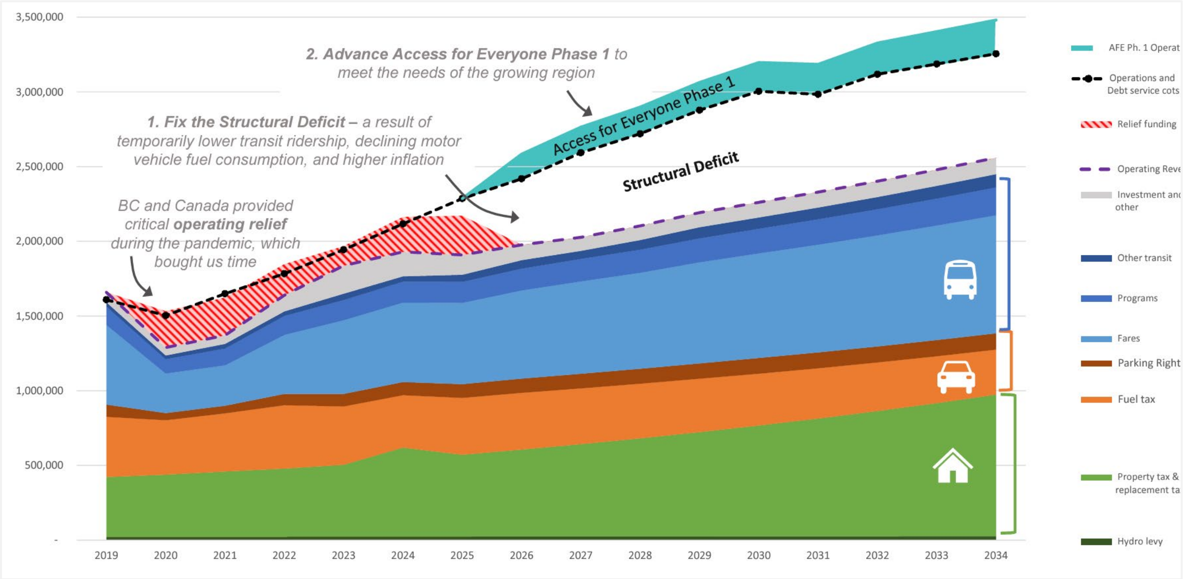
[169] Government of British Columbia. "British Columbia Population." *Environmental Reporting BC*. Accessed January 17, 2025. https://www.env.gov.bc.ca/soe/indicators/sustainability/bc-population.html

[170] TransLink. *Potential Transit Impacts on the Public.* July 2024. https://www.translink.ca/-/media/translink/documents/about-translink/governance-and-board/council-minutes-and-reports/2024/july/report_2024-07_potential_transit_impacts_public_mc.pdf.

[171] Castanet Kamloops. "Provisional City of Kamloops Budget Includes 9.67% Tax Hike, $241 for the Average Home." Castanet Kamloops. December 10, 2024. https://www.castanetkamloops.net/news/Kamloops/518293/Provisional-City-of-Kamloops-budget-includes-9-67-tax-hike-241-for-the-average-home

MINISTRY OF TRANSPORTATION AND TRANSIT

Figure 1



The Interior region of BC also displays a patchwork of public transit coverage ranging from inadequate to non-existent. Yet, there are post-secondary institutions throughout the province; there are many who require public transit to get to medical appointments, shop, see friends, and get to work. Taxis and Uber are not the answer. One example is that Kelowna has been the fastest-growing CMA (census metropolitan area) in Canada for five years, yet transit is woefully inadequate to serve its growing population and busy tourist economy. These challenges exist throughout the province.

It's clear that British Columbians need a funding mechanism for public transit that is consistent and equitable across all road users, while eliminating the patchwork of taxes that can leave some areas inadequately funded or facing volatile cost increases. One solution for this would be an annual vehicle levy, paid alongside a driver's annual ICBC renewal, with revenues supporting major road maintenance and public transit operations within the region where the vehicle is registered. Tying revenue to region is critical, as a driver in the Kootenays certainly should not be subsidizing the Canada Line in Richmond and Vancouver. This would also allow local governments and regional bodies to address critical needs and bus routes necessary to serve their communities, while continuing to incentivize the move away from personal vehicles toward transit use. It would also acknowledge the disparity in service and costs that exist in various regions of BC.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Begin a phased approach to eliminate the gas taxes used for the funding of public transit and major road maintenance in applicable regions.
2. Direct the Insurance Corporation of British Columbia (ICBC) to implement appropriate vehicle levies (which may be rated for kilometres driven per year and/or different classes of vehicles), in consultation with the transit authorities, for the funding of regional major road maintenance and public transit operations.
3. Empower regional transportation authorities to raise rider fares in alignment with inflation.

MINISTRY OF TRANSPORTATION AND TRANSIT

INVESTING IN HIGHWAY INFRASTRUCTURE IN NORTH-CENTRAL BC

Issue

Highways 97 and 16 are the two longest highways in British Columbia,[172] serving as essential north-south and east-west corridors across the entire length and width of the province, respectively. With that in mind, the Ministry of Transportation and Transit needs to update its long-term capital plans to incorporate specific priorities for north-central BC highway projects.

Background

In Budget 2025, the provincial government said, "taxpayer-supported infrastructure spending is forecast to be $45.9 billion over the three-year financial plan."[173] While the Province has made some significant investments and improvements to the highways across north-central BC over the past two decades[174], much of this spending has been emergency responses to damage caused by wildfires, flooding, and erosion.[175]

Additional highway infrastructure investments are required on the Highways 16 and 97 corridors to accommodate greater traffic demands, support regional economic growth and ongoing reconciliation efforts with First Nations, and maintain safe driving conditions[176] on these important provincial supply chain routes.

The reduction in the number of logging trucks on north-central BC highways has been more than replaced by vehicles moving equipment, supplies and people for the exploration and development of more than a dozen major regional mining projects[177]. Many of those projects will provide critical minerals needed for high technology and all of them have significant participation by partnering First Nations providing employment opportunities and ongoing revenue generations for their communities.

Enbridge's proposed Sunrise expansion project to add additional natural gas transmission capacity from the Peace through the Central and Southern Interior to the Huntingdon/Sumas meter station will also bring more traffic to area highways.[178]

A large majority of the highways across north-central BC are two-lane roadways. This creates significant safety and efficiency issues as growing levels of both passenger and commercial traffic share space within dangerously restricted laneways. Higher clearances are also required in most areas of the highway corridor to enable direct and less expensive transport of large equipment.

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[172] https://en.wikipedia.org/wiki/List_of_British_Columbia_provincial_highways
[173] https://www.bcbudget.gov.bc.ca/2025/pdf/2025_Budget_and_Fiscal_Plan.pdf
[174] https://news.gov.bc.ca/factsheets/making-roads-safer-in-northern-bc
[175] https://canada.constructconnect.com/joc/news/infrastructure/2023/08/two-highway-improvement-projects-coming-to-cariboo-region
[176] https://www.princegeorgecitizen.com/local-news/petition-for-safety-improvements-to-highway-16-reaches-milestone-10049642
[177] https://www.canadianminingjournal.com/news/canada-and-b-c-invest-195m-in-critical-minerals-infrastructure-in-b-c/
[178] https://www.enbridge.com/projects-and-infrastructure/projects/sunrise-expansion-program

MINISTRY OF TRANSPORTATION AND TRANSIT

Two aging Highway 97 bridges at Quesnel and Taylor[179] are showing visible decline and require urgent replacement. Finally, substantial rerouting of some portions of the regional highway system needs to be undertaken to remove commercial traffic and dangerous goods from downtown and residential areas in Quesnel[180], Prince George[181], and other area communities.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Conduct a needs assessment of Highways 97 and 16 to identify high-priority areas for upgrades and improvements to support growing commercial traffic demands.

[179] https://www2.gov.bc.ca/gov/content/transportation-projects/other-transportation-projects/taylor-bridge-crossing
[180] https://www2.gov.bc.ca/gov/content/transportation-projects/other-transportation-projects/quesnel-north-south-interconnector
[181] https://www.princegeorgecitizen.com/local-news/prince-george-needs-a-ring-road-mayor-says-6485240

MINISTRY OF TRANSPORTATION AND TRANSIT

STRATEGIC INVESTMENT IN BC PORTS AND TRANSPORTATION CORRIDORS

Issue

Global tariff disputes, the worldwide pandemic, climate change and major weather events such as those experienced across British Columbia in the summer and fall of 2021 have turned a spotlight on supply chain vulnerabilities and the devastating economic impacts of temporary closures of critical transportation routes to the provincial and national economy. There is a need to implement solutions for the safe and timely movement of goods and people, and food security is critical for businesses, communities, and citizens across Canada.

Background

In 2021, significant extreme weather events, including flooding and fires, significantly impacted the province's trade corridors with the rest of Canada and North America, exposed supply chain vulnerabilities and caused disruptions for many businesses. These issues compounded the supply chain challenges the province and country were already experiencing as a result of the pandemic, and more recently, the US-driven global tariff disputes. Combined, these events brought into sharp focus the vulnerability of our supply chains.

As a vital link in our trade infrastructure, BC's ports must have the capacity and resiliency to support our businesses in the future. They have long been recognized for their importance to the overall health of the economy.

There are four Canadian port authorities (CPA) located in BC: the Vancouver Fraser Port Authority (Port of Vancouver), the Prince Rupert Port Authority, the Nanaimo Port Authority and the Port Alberni Port Authority.

Accountable to the federal Minister of Transport, CPAs are mandated under the Canada Marine Act to enable Canada's trade, while protecting the environment and considering local communities. Port authorities manage federal lands and waters in support of national trade objectives that benefit Canadians. This is accomplished by leasing federal lands to independent terminal operators who handle trade and by providing marine, road and other infrastructure to support growth and maintain Canada's supply chains.[182]

CPA operations are not financed by tax dollars. Instead, Ports receive revenues from terminal and tenant leases as well as harbour dues and fees charged to shipping companies that call the Port.

Marine ports are substantial economic generators, serving as key nodes to the country's transportation infrastructure and facilitating the movement of goods and people through corridors. The Port of Vancouver is comprised of a wide network of businesses and organizations whose operations support a large share of economic activity in Cananda. This is reflected in the estimated 47,700 full time equivalent (FTEs) of employment that are directly involved in Port Operations and the $6.8 Billion directly contributed to Canada's Gross Domestic Product (GDP).[183]

[182] https://www.portvancouver.com/about-us/

[183] https://www.portvancouver.com/sites/default/files/2024-08/2021-Port-of-Vancouver-Economic-Impact-Study-EXEC-SUMMARY-25Jun2024.pdf

MINISTRY OF TRANSPORTATION AND TRANSIT

CPA themselves are major employers. Approximately 71,000 Canadians are directly employed by ongoing day to-day activities as terminal operators and longshoremen, as well as in operations related to tugging, shipping, rail transportation, trucking, and freight forwarding.[184] CPAs also generate additional employment along the supply chain, with 90,000 jobs in industries that supply port operations and another 53,000 in induced employment created by port employees' spending in the economy. Canadian ports generate $53 billion in economic output, $25 billion in GDP and $2 billion in taxes annually. In addition, our ports facilitate the trade of billions more dollars across multiple sectors who employ hundreds of thousands of workers across the nation.

Several critical port authority led infrastructure projects have been proposed in BC that will make Canada's west coast more resilient to future supply chain challenges such as the disruptions, congestion and major highway closures experienced in BC in November 2021.

In April 2025, the Nanaimo Port Authority recently celebrated a groundbreaking event in partnership with the Snuneymuxw First Nation and DP World to expand the existing container terminal located at Duke Point in Nanaimo. This $105M project will bring high-paying jobs to the area and provide much needed resiliency in the network to address backlogs at the Port of Vancouver and some of the challenges outlined above.[185]

In January 2025, the Prince Rupert Port Authority and Metlakatla Development Corporation (MDC) announced a partnership to develop the South Kaien Import Logistics Park (SKILP). This $100M Indigenous-led joint venture will enable long-term economic benefits and new employment opportunities for local indigenous workers, while bolstering intermodal trade through the Prince Rupert Gateway.[186]

In June 2024, the Port Alberni Port Authority received commitments from the Province of BC by way of a grant from the BC Ministry of Agriculture and Food for the Dock + project, a partnership with Nova Harvest Ltd. and Huu-ay-aht First Nations Fisheries LP marking a significant step forward in the continued development of a thriving seafood hub on Vancouver Island to ensure food security and regional economic development in the years to come.[187]

The need for strategic investments in the growth and expansion of BC's Ports is critical to our ability to meet the demands of an increasing population, meet the expectations of our trading partners who purchase our goods and natural resources, and ensure we reduce congestion on our roadways and eliminate unnecessary greenhouse gas emissions.

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[184] https://acpa-aapc.ca/our-impact/economy/
[185] Duke Point Terminal Expansion Groundbreaking Ceremony Marks the Strengthening of Canada's Global Supply Chain https://npa.ca/7227-2/
[186] https://www.rupertport.com/prpa-and-metlakatla-development-corporation-partner-to-develop-new-import-logistics-project/
[187] https://papa-appa.ca/the-dock-secures-grant-funding-for-expansion-project-in-collaboration-with-nova-harvest-ltd-and-hfn-fisheries-lp/

MINISTRY OF TRANSPORTATION AND TRANSIT

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Invest in and support critical infrastructure supply chain projects that will mitigate congestion, reduce bottlenecks and decrease GHG emissions at BC Ports.
2. Work with the BC port authorities, industry stakeholders and Indigenous Peoples to research and fund feasibility studies to address future port capacity needs.
3. Work with the federal government to identify more efficient regulatory processes for future port expansion projects to be considered to reduce the time, investment and costs required to move a project through from concept to completion.

That the Federal Government:

4. Invest in green infrastructure Port and Rail projects that aim to address future supply chain demands with dedicated supply chain corridors and assist Canadian Port Authorities with mitigating challenges such as access to land and capital borrowing.

MINISTRY OF TRANSPORTATION AND TRANSIT

WHY IS IT SO HARD TO MOVE PEOPLE & GOODS THROUGH AND WITHIN BRITISH COLUMBIA?

Issue

For years, the highway infrastructure of BC has lagged behind population growth. With that growth has come an explosion of rubber tire traffic: in Kelowna and the Central Okanagan; significant population growth within the region potentially reaching 690,000 in 20 years[188] plus trucks and increased residents moving around as the north has opened up to oil & LNG projects, mining projects and supply chain growth as commercial outlets have grown exponentially. Up and down the interior's north-south corridors, especially, this growth is causing municipalities and districts to wrestle with the downstream effects (Prince George, Quesnel).[189]

Safety is an issue; adequate roadways and maintenance are issues; capacity is an issue; and accessible emergency response and evacuation routes particularly in the case of wildfires and flood are now a permanent issue throughout the province.

Background

Historically, roadway planning has been addressed in ten-year cycles.[190] Updating that planning has fallen victim to party and mandate changes, further delaying comprehensive fiscal plans to match existing or in progress plans made at Ministry level.

A given when discussing infrastructure (and Proportional Representation voting) has historically quoted the "Urban-Rural divide." The divide refers to voting patterns, which in turn impact funding decisions, as MLAs in the governing parties seem traditionally positioned to argue for funding for their ridings. Money follow votes – it's a reality. At present, the lower mainland attracts much of the transportation and transit projects – bridges, tunnels, light rapid transit. The interior of the province lags behind. Yet, the resource heavy interior requires heavy-duty highway infrastructure to transport lumber, mining and petroleum/LNG equipment. The popularity of tourism in the interior also puts automobiles on highways, and of course, transiting the province from east to west also places heavy requirements on the connecting highways.

Governments at all levels have a clear and ongoing responsibility to address safety and evacuation routes, particularly in light on changing climate conditions, and increases in interface wildfires which threaten populations and business infrastructure, as well as highway and bridge infrastructure throughout the province. This will protect BC's infrastructure management and make a positive contribution to food security for the province as it better ensures effective and timely food shipments.

As rail usage has declined due to multiple factors, roadway infrastructure is increasingly vital to many areas of the province, especially those underserved or not served at all by rail service.

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188 https://www.castanet.net/news/Kelowna/469943/Thompson-Okanagan-population-projectedto-explode-over-next-20-%20years

189 https://www.castanet.net/news/Kelowna/543645/Population-growth-estimates-for-Kelowna-scaled-back

190 Advice from meetings with Ministry of Transportation and Kelowna Chamber of Commerce, dating to 2018.

MINISTRY OF TRANSPORTATION AND TRANSIT

Policy on roadway changes begins at a micro local level. There has been only a faint desire in Victoria to fund an overall BC roadway master plan, which would include the north, the Island, the lower mainland, the Thompson Okanagan, and everywhere else. In the Okanagan, COITS (Central Okanagan Integrated Transportation Strategy)[191] is meant to address forward planning, but is very limited in its scope of meeting future commercial and population predictions.

Looking at one region – the Thompson Okanagan – the following characteristics are notable:

- Dearth of evacuation routes in the case of wildfire or floods.
- Infrequent water crossings, and redundancy (Kootenay Lakes ferry; Okanagan Bennett Bridge).
- Majority of roadways two-lane.
- Two-lane and four-lane roadways lack median barriers.
- Lack of appetite for detailed 20- 40- year growth plan despite exploding population forecasts, and exponential population growth in past ten years.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Revisit the last ten years of published transportation plans for the Thompson-Okanagan region, including the 2014 Second Crossing report, COITS (Central Okanagan Integrated Transportation Study), and review and fast-track not-yet-completed government recommendations.
2. Re-engage with business communities and municipalities/regional districts within the Thompson-Okanagan catchment area and Highway 97 north to determine relevancy and need from uncompleted recommendations above and newly emerging transportation requirements to 2045.
3. Utilize up-to-date research, particularly regarding population statistics.

[191] https://www2.gov.bc.ca/gov/content/transportation/transportation-reports-and-reference/reports-studies/okanagan/central-okanagan-integrated-transportation-strategy

MINISTRY OF WATER, LAND AND RESOURCE STEWARDSHIP

STREAMLINING PERMITTING FOR LARGE NATURAL RESOURCE DEVELOPMENT PROJECTS

Issue
The Province of BC has announced measures to streamline permitting of certain major projects deemed urgent[192]. The regulatory process for major projects in British Columbia uses a comprehensive approach as related to environmental and safety standards yet lacks a strategy that adequately incorporates the economic aspect of sustainability. The process lacks fulsome consideration of the economic benefits of these projects, including their contributions to economic reconciliation with First Nations, GDP, job creation (particularly but not limited to rural regions of the Province), and government revenues. As a result, unnecessary delays in permitting large-scale industrial and infrastructure projects impact economic growth, investor confidence, and the province's ability to maintain a balanced budget.

Background
British Columbia's economy relies significantly on industries such as mining, forestry, natural gas, and major infrastructure projects. These sectors provide high-paying jobs, generate government revenues, and are essential to funding critical public services such as healthcare, housing, education, and transportation.

The natural resource sector alone:

- Contributes more than $45 billion to BC's economy, accounting for 11% of the province's GDP.
- Accounted for $40.3 billion in exports in 2023, making up 70% of BC's total exported goods.
- Directly supports more than 137,000 high-paying jobs, representing 5% of BC's total employment.[193]

Despite these contributions, large projects often face long, unpredictable permitting processes that do not adequately weigh the broader prospective economic impacts, including their role in stabilizing government finances. These delays also hamper the significant progress made by the provincial government and major industry players to partner with First Nations through innovative ownership, employment and revenue-sharing agreements associated with these projects.

A more efficient regulatory framework—one that facilitates timely approvals while maintaining rigorous environmental and social standards—is essential to supporting BC's economic resilience and sustaining public revenues. Furthermore, it would support Premier Eby's efforts to fast-track 18 resource projects to reduce the level of reliance on the United States as a trading partner.[194]Streamlining permitting by transitioning select projects to the BC Energy Regulator, an agency that has delegated authority to oversee certain regulatory responsibilities on behalf of other agencies, is one step the Province has announced.[195] A considerable step towards streamlining permitting for all major projects would be realized through a structured, transparent economic impact assessment at the regional and strategic level. This would allow an inclusive and proactive process to facilitate that major projects contributing to BC's economic and fiscal stability are not unduly delayed in the project-specific approval process. This would enhance business confidence, attract investment, and improve the province's ability to maintain a balanced budget.

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[192] https://news.gov.bc.ca/releases/2025ECS0002-000014
[193] https://www.globenewswire.com/news-release/2025/01/16/3011022/0/en/Joint-Statement-on-the-Future-of-B-C-s-Resource-Sector.html
[194] https://www.cbc.ca/news/canada/british-columbia/davd-eby-resource-projects-fast-tracked-united-states-1.7450160
[195] https://news.gov.bc.ca/releases/2025ECS0002-000014

MINISTRY OF WATER, LAND AND RESOURCE STEWARDSHIP

The BC Environmental Assessment Act (BCEAA) requires major projects to undergo an environmental assessment (EA) that includes consideration of economic, environmental, social, cultural, and health effects. The Act mandates that project proponents assess:

- The potential economic benefits and adverse effects of a project.
- The effects on local communities, employment, and business opportunities.
- The project's contribution to regional and provincial economic development.[196]

Despite these provisions, the economic assessment within the BCEAA process has several limitations, including:

- An inadequate weighing of economic benefits with environmental and social concerns
- An incomplete evaluation of the cumulative economic impact of multiple projects across a region or industry
- Lengthy permitting timelines and regulatory uncertainty, which discourage final investment decisions, leading to lost economic opportunities; and
- Limited consideration of how projects will contribute to First Nations and provincial government revenues (e.g., corporate taxes, royalties, and employment taxes) and how these funds support public services and a balanced budget.

While the BCEAA does require economic assessments, it does not allow for economic impacts to be systematically weighed in permitting and regulatory decisions. Strengthening the role of economic impact assessments would help streamline approvals, attract investment, and enhance BC's long-term stability.

THE CHAMBER RECOMMENDS

That the Provincial Government:

1. Mandate that all major land-based and natural resource-related projects include an economic impact assessment to evaluate the expected contributions to GDP, job creation, economic reconciliation with First Nations and government revenues.
2. Integrate economic impact considerations in decision-making for major projects to balance environmental stewardship and social inclusion with economic growth.
3. Commit to transparent and predictable regulatory timelines to provide certainty for businesses and investors while maintaining rigorous environmental and social standards.

[196] https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/18051

SECTION II: POSITIONS ON SELECT FEDERAL POLICIES

EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

PROTECTING ECONOMIC GROWTH BY BRINGING BACK EXPRESS ENTRY LMIA POINTS

Issue

The recent changes to Canada's Express Entry system, specifically the removal of additional points for job offers supported by Labour Market Impact Assessments (LMIAs), are aimed at reducing fraudulent practices within the immigration system.[197] While well-intentioned, this policy shift has raised significant concerns about its broader implications for skilled workers, employers, and the overall economic landscape of Canada.

The issue revolves around two primary areas:

1. The removal of LMIA points could exacerbate existing labour shortages, particularly in sectors that rely on highly skilled foreign workers. Employers, already facing challenges in filling critical roles, may struggle further to attract the talent necessary to maintain competitiveness and drive economic growth.
2. For skilled workers, particularly those with significant international experience, the LMIA points often make the difference in meeting Comprehensive Ranking System (CRS) thresholds. Without these points, many qualified individuals may find it more difficult to achieve permanent residency, and as a result, potential candidates will not immigrate to Canada and choose countries where they can achieve permanent residency.

Background

Canada's immigration system has traditionally sought to balance two key objectives: fostering economic growth through skilled migration and ensuring the integrity of the system by preventing fraudulent activity. The introduction of the Comprehensive Ranking System (CRS) as part of the Express Entry program was a critical step in streamlining the process for skilled workers seeking permanent residency. One of the major components of the CRS is the awarding of points for job offers supported by Labour Market Impact Assessments (LMIAs).[198]

LMIAs are used to demonstrate that a foreign worker's employment will not negatively affect the Canadian labour market. They are required by employers who wish to hire foreign workers for certain roles and are often seen as a key tool in addressing labour shortages in sectors where there are skill gaps. LMIA-supported job offers have been instrumental in facilitating skilled migration to Canada by:

- Facilitating Skilled Migration: The CRS recognizes the value of skilled foreign workers and ensures they are prioritized for permanent residency. LMIA-supported job offers are one of the most significant factors in earning points within the CRS, ensuring that workers with specialized skills are aligned with Canada's economic needs, With the current high CRS cutoff for the Express Entry, Canadian Experience Class[199], a large number of candidates require these points to ensure a secured future.

[197] https://www.canada.ca/en/immigration-refugees-citizenship/news/2024/12/canada-takes-action-to-reduce-fraud-in-express-entry-system.html
[198] https://www.canada.ca/en/immigration-refugees-citizenship/services/immigrate-canada/express-entry/check-score/crs-criteria.html
[199] https://www.canada.ca/en/immigration-refugees-citizenship/corporate/mandate/policies-operational-instructions-agreements/ministerial-instructions/express-entry-rounds.html#wb-auto-4

EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

- Meeting Labour Market Needs: Many sectors in Canada, such as technology, engineering, construction and more, are experiencing acute labour shortages.200 Employers in these fields rely on the LMIA process to bring in skilled workers who can fill critical roles. This not only supports business growth but also helps to maintain Canada's competitiveness in the global economy.
- Encouraging Genuine Applications: The LMIA system helps verify that foreign workers are coming to Canada to fill real job vacancies, which helps ensure the legitimacy of their immigration applications. By requiring employers to undergo a rigorous process to prove the need for foreign labour, Canada is able to attract individuals who are not only qualified but also have a secure job waiting for them upon arrival.

However, despite the clear benefits of this system, concerns about fraudulent activities have led to significant changes. Fraudulent or non-genuine LMIA applications—often used to sell approvals for profit[201]—have prompted the government to remove CRS points for LMIA-supported job offers. While the intent of this change is to strengthen the system's integrity, it may unintentionally create barriers for skilled workers and employers, hindering Canada’s ability to address critical labour shortages and reducing the country’s attractiveness as a destination for top-tier global talent.

In October 2024, the Canadian government took steps to reduce the number of permanent residency invitations[202], following stricter restrictions on LMIAs and TFW introduced in August[203]. These simultaneous measures risk overwhelming the system, making it difficult to assess which policy is effective and which might have adverse effects. Furthermore, implementing several restrictions at once creates the perception that Canada is closing its doors to immigration.

To address these challenges, the government should adopt a more measured approach and include consultation with First Nations governments, employers, and stakeholders to create adaptive immigration policies. After implementing a new policy, it should allow time to assess its outcomes and gather feedback from citizens before introducing additional restrictions. This would provide clarity on the effectiveness of each measure and prevent unnecessary disruptions to Canada’s economy.

Advanced verification processes could ensure the authenticity of LMIA-supported job offers without eliminating the associated CRS points. These measures might include:

- Routine checks, including on-site visits to businesses.
- Interviews with both employers and employees to verify job offers.
- Verification of submitted Canada Revenue Agency (CRA) documents to confirm the legitimacy of employers.

Additionally, the government could adopt stricter requirements that prioritize the quality of LMIA applications. For instance, requiring candidates to meet a specific Canadian Language Benchmark (CLB) score to claim CRS points would demonstrate their ability to adapt to life and work in Canada. Furthermore, increasing fines for employers found guilty of fraudulent activity would serve as a deterrent, preventing repeated abuse of the system.

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200 https://www.benefitscanada.com/news/bencan/88-of-smes-experiencing-challenges-finding-skilled-talent-survey/
201 https://www.cbc.ca/news/investigates/cbc-ijf-lmia-ads-investigation-1.7350596
202 https://www.canada.ca/en/immigration-refugees-citizenship/news/2024/10/government-of-canada-reduces-immigration.html
203 https://www.canada.ca/en/employment-social-development/news/2024/08/minister-boissonnault-reducing-the-number-of-temporary-foreign-workers-in-canada.html

EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

This shift underscores the need for a careful re-evaluation of how Canada can maintain the integrity of its immigration system while ensuring it remains flexible and responsive to the evolving needs of the economy. By prioritizing verification, transparency, and targeted adjustments, Canada can continue to attract top global talent without compromising the integrity of its immigration framework.

THE CHAMBER RECOMMENDS

That the Federal Government:

1. Implement advanced verification processes to ensure the authenticity of LMIA-supported job offers, such as routine checks and employer verification.
2. Test fraud-prevention strategies, such as real-time LMIA monitoring, before making permanent changes, while enforcing penalties and restricting future access for employers who submit fraudulent applications.
3. Implement a minimum Canadian Language Benchmark requirement in the language test to review the candidate's adaptability.

GLOBAL AFFAIRS CANADA

SAFEGUARDING CANADA'S ECONOMIC INTERESTS IN AN EVOLVING TRADE ENVIRONMENT

Issue
Unpredictable trade policies, shifting international alliances, and the rise of protectionist measures—particularly from key trading partners such as the United States—pose significant and ongoing challenges to Canadian industries. For BC businesses, whose success is deeply tied to global trade, the uncertainty surrounding tariffs and market access discourages investment and undermines economic growth. Canada must adopt a proactive, flexible, and strategic approach to secure its economic interests, reduce dependency on volatile markets, and support domestic industry resilience.

Background
Global trade dynamics are becoming increasingly complex, with geopolitical shifts and domestic policy changes in major economies frequently altering the trade landscape. One such risk includes the imposition of tariffs or non-tariff barriers that can severely impact Canadian exports, particularly in manufacturing, agriculture, construction, and transportation. Businesses that rely on international markets are left vulnerable to sudden policy changes that disrupt operations, increase costs, and reduce competitiveness.

BC businesses—especially those exporting to the U.S.—have voiced serious concerns about the potential for restrictive trade actions. A recent regional survey highlighted that 64.5% of local businesses anticipate significant challenges due to cross-border trade uncertainties. Manufacturing firms, in particular, are already reporting strategic shifts such as downsizing, delaying investments, or exploring relocation to more stable markets. The risks are not isolated; the ripple effect extends into consumer spending, employment, and community-level economic health.

Beyond the threat of tariffs, Canadian businesses are increasingly constrained by domestic regulatory burdens and high taxation, limiting their ability to adapt and grow. Interprovincial trade barriers and a slow pace of regulatory modernization further weaken Canada's competitive position in the global marketplace.

To thrive in this environment, Canada must adopt a whole-of-government approach that focuses on trade diversification, regulatory competitiveness, and targeted support for vulnerable sectors. Canada must also remain prepared to respond with strategic and measured actions when confronted with unfair trade practices, without exacerbating harm to Canadian businesses or consumers.

Canada’s strength lies in its role as a reliable trading partner and supplier of critical goods and services. Our strategic assets—including natural resources, technology, and a skilled workforce—must be leveraged to build resilient supply chains and deepen global partnerships. Strategic engagement with international stakeholders, including governments, legislators, and consumers, should be prioritized to counter protectionist narratives and support stable trade relations.

Diplomatic collaboration on shared security, environmental, and economic priorities can serve as a platform for constructive negotiation and long-term alignment. Domestically, all levels of government must take bold steps to reduce regulatory duplication, streamline interprovincial trade, and support SMEs through modernization initiatives.

GLOBAL AFFAIRS CANADA

In an increasingly unpredictable global economy, Canada must act with foresight and agility. By supporting its businesses, diversifying trade relationships, and reducing internal economic barriers, Canada—and especially BC—can weather global uncertainty and remain a competitive, resilient player in international markets.

THE CHAMBER RECOMMENDS

That the Provincial and Federal Governments:

1. Support supply chain diversification and reduce reliance on politically sensitive markets by creating a database of Canadian suppliers across key sectors.
2. Provide export training, market diversification support, and targeted tax relief for small and medium-sized enterprises facing revenue disruptions due to trade barriers.
3. Prioritize the removal of interprovincial regulatory and logistical obstacles to strengthen the internal market and improve national economic efficiency.
4. Expand and deepen trade relationships beyond North America to mitigate exposure to single-market dependencies.
5. Conduct regular consultations with affected sectors to inform responsive and forward-looking trade and regulatory policies.
6. Freeze new taxation or regulatory changes that would increase costs for businesses, particularly those in export-driven and high-growth sectors.
7. Prepare a suite of proportionate retaliatory options that uphold Canadian interests without inflicting undue harm on domestic industries.
8. Prioritize policies that reduce business costs, improve access to talent and technology, and accelerate innovation in trade-exposed sectors

FEDERAL IMMIGRATION POLICY CHANGES AND THEIR IMPACTS ON CANADA'S WORKFORCE AND POST-SECONDARY INSTITUTIONS

Issue

Recent changes to federal immigration policy are threatening Canada's ability to address critical workforce shortages, sustain the competitiveness of its post-secondary education system, and uphold its global reputation as a premier destination for international education. These changes disproportionately impact the country's ability to attract and retain international talent, particularly graduate students, who play a central role in Canada's research, innovation, and economic development.

Background

International education has been a cornerstone of Canada's economic and social development, contributing $22 billion annually to the economy and supporting over 170,000 jobs. International students enrich Canada's academic institutions, fill critical workforce gaps, and serve as a pipeline for skilled immigration.

However, recent policy changes, including study permit caps, processing delays, and reduced eligibility for post-graduate work permits (PGWPs), have created significant challenges for students, institutions, and the broader economy:

- Permit Processing Delays: Canada's lengthy and inconsistent processing times leave students and institutions in limbo, undermining confidence in Canada as a study destination.
- Study Permit Caps**:** Restrictions on graduate student permits jeopardize research and innovation priorities, particularly in fields critical to Canada's economy.
- Lack of Policy Clarity: Abrupt and poorly communicated policy changes damage Canada's reputation and hinder institutional planning.

These challenges have resulted in declining international student enrolment, particularly in graduate programs, and increased uncertainty for students and institutions. Addressing these issues is critical to maintaining Canada's global competitiveness and ensuring its immigration system supports national and regional priorities.

The Post-Graduation Work Permit Program (PGWPP) is a key tool for retaining international talent trained in Canada, allowing graduates of eligible institutions to gain Canadian work experience and pursue permanent residency. However, current eligibility excludes part-time students—many of whom are already active in the workforce—and limits participation from private institutions, despite their capacity to quickly respond to labour market needs.

Public institutions often face multi-year curriculum approval timelines, while private institutions can more rapidly develop industry-aligned programs, especially in rural areas where public options are limited. Expanding access to the PGWPP would encourage more international graduates to settle in underserved regions and contribute to local economic development.

IMMIGRATION, REFUGEES AND CITIZENSHIP CANADA

Accordingly, the Chamber urges the federal government to make several changes to address the shortfalls in this important area of public policy. Potential changes should include:

- Empower Provinces to Align PGWP Eligibility with Regional Economic Needs**:** Grant provinces and territories the authority to designate programs eligible for PGWPs, enabling them to address regional labor market priorities while maintaining national immigration standards.
- Enhance Permit Processing Standards and Efficiency*:* Establish globally competitive service standards for study and work permit processing and expedite processing for institutions with strong academic standards and ethical recruitment practices. Implement seamless transition mechanisms for students transferring between institutions or programs. Implement measures to ensure that international students affected by processing delays or policy changes are not left in precarious situations.
- Adjust Graduate Student Permit Caps to Align with Canada's Research and Innovation Priorities*:* Collaborate with provinces, territories, and post-secondary institutions to review and adjust graduate student permit caps, prioritizing programs contributing to Canada's economic growth, innovation, and workforce development.
- Develop a National Vision for International Education*:* Establish a clear, cohesive strategy for international education that aligns with Canada's economic and research goals by coordinating efforts between federal, provincial, and institutional stakeholders. Conduct and publish an independent transparent assessment of the economic and social effects of recent immigration policy changes, particularly on post-secondary institutions, regional economies, and Canada's innovation ecosystem. Avoid further disruptive policy changes until the full impact of recent reforms has been evaluated.
- Establish a Clear Pathway to Permanent Residency for Graduates*:* Create a structured pathway to permanent residency for graduates holding PGWPs to ensure Canada retains skilled talent trained in its institutions.

THE CHAMBER RECOMMENDS

That the Federal Government:

1. Undertake a coordinated policy response to safeguard the international education system, strengthen Canada's workforce, and ensure immigration reforms reflect long-term economic and regional priorities.
2. Expand the Post Graduate Work Permit program's eligibility to include students from part-time programs, rural campuses, and students in accredited private post-secondary institutions.

NATURAL RESOURCES CANADA

MAXIMIZING CANADA'S ENERGY POTENTIAL FOR ECONOMIC GROWTH AND GLOBAL COMPETITIVENESS

Issue

Canada's energy sector is a key driver of economic prosperity, providing jobs, investment, and revenue for governments. However, regulatory uncertainty, including the Impact Assessment Act[204] (administered by the Impact Assessment Agency of Canada) and processes under the Canadian Energy Regulator, infrastructure constraints, and policy barriers have hindered the sector's ability to compete globally. Without decisive action, Canada risks losing its competitive advantage in oil and natural gas production. To ensure sustainable economic growth and energy security, the government must implement policies that facilitate investment, expedite project approvals, and promote responsible resource development.

Background

The Canadian oil and natural gas industry generates over $94.5 billion in government revenues and supports nearly 900,000 jobs. Canada is a leading producer of oil (5.7 million barrels per day) and natural gas (18.4 billion cubic feet per day), yet investment in major energy projects has declined due to regulatory and policy barriers. Canadian Oil and Gas investment peaked at $81 billion in 2014 and starting 2015 approximately $280 billion worth of energy projects have been canceled, including LNG terminals, pipelines, and refineries, leading to only $32 billion investment in 2021-2022[205]. These projects included:

- Energy East Pipeline (2017) - $15.7 Billion: TransCanada (now TC Energy) terminated the Energy East Pipeline Project citing changing regulatory circumstances.[206]
- Pacific NorthWest LNG (2017) - $36 Billion: The Pacific NorthWest LNG Project was canceled due to market conditions and Regulatory Delays.[207]
- Grassy Point LNG (2018) - Undisclosed Investment: Woodside Petroleum withdrew from the Grassy Point LNG project, marking the fifth LNG project cancellation in British Columbia within a year. Reasons cited include market shifts and regulatory delays.[208]
- Teck Frontier Oil Sands Project (2020) - $20.6 Billion: Teck Resources withdrew its application for the Teck Frontier Oil Sands Project, expressing concerns about the broader policy context and Regulatory Delays.[209]
- TotalEnergies & Other Foreign Divestments (2023) - Multi-Billion Exits: TotalEnergies completed its exit from Canadian oil sands projects, selling its interests to ConocoPhillips and Suncor Energy, citing Regulatory Burdens and Higher Costs in Canada. [210]And many more.

While multiple projects have been cancelled, it is important to note that Canada still has significant ongoing energy investments. In British Columbia alone, multiple LNG projects (LNG Canada, Woodfibre LNG, Ksi Limis LNG, Cedar LNG, Tilbury LNG-Before BCUC for approval, and more[211]) are in various stages of development and investment, amounting to billions of dollars. The $22 billion Trans Mountain

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[204] https://laws.justice.gc.ca/eng/acts/i-2.75/page-1.html#h-1160170
[205] https://www.cer-rec.gc.ca/en/data-analysis/energy-markets/market-snapshots/2022/market-snapshot-historical-trends-canadian-oil-gas-investment.html
[206] https://www.tcenergy.com/announcements/2017/2017-10-05-transcanada-anounces-termination-of-energy-east-pipeline-and-eastern-mainline-projects
[207] https://globalnews.ca/news/3623401/36-billion-pacific-northwest-lng-project-dead
[208] https://www.ogj.com/pipelines-transportation/lng/article/17295692/woodside-exits-grassy-point-lng-project-in-canada
[209] https://www.teck.com/news/news-releases/2020/teck-withdraws-regulatory-application-for-frontier-project
[210] https://jpt.spe.org/totalenergies-exit-of-canadian-oil-sands-business-complete
[211] https://www.bc-er.ca/what-we-regulate/major-projects/

NATURAL RESOURCES CANADA

Pipeline (TMP) expansion is a critical oil export infrastructure project that is nearing completion that will bring increased market access and export capacity, but we also need to consider their lowered forecast due to the unwillingness by oil companies to pay higher tolls that the government-owned Trans Mountain has been charging customers.[212]

Canada's regulatory environment, particularly the Impact Assessment Act and the Canadian Energy Regulator review process and application approval timeline[213] is considered unpredictable, deterring investors and slowing the development of energy infrastructure. The uncertainty in federal assessments and delays in project approvals have constrained energy investment, which has allowed competing nations, such as the United States, to surpass Canada in LNG exports and other energy-related investments. As global energy demand continues to grow, Canada must act swiftly to capitalize on its resource potential and strengthen its position as a reliable energy supplier to international markets.

Furthermore, global energy demand is expected to rise significantly, driven by population growth and industrialization in emerging economies. Canada must act swiftly to strengthen its position as a reliable energy supplier to international markets. However, Considering U.S. Energy Information Administration (EIA), Demand for Oil and Natural gas is projected to peak in 2030-2033[214] and with the growing global population, Canada must consider the transition in global energy requirement. British Columbia plays a crucial role through its LNG exports and more than 44,000 KM pipeline infrastructure[215], which are essential to connect with the international markets. Canada's vast energy reserves, coupled with its strong environmental and safety standards, position it as a key player in meeting this demand. However, failure to expand market access and invest in infrastructure could result in lost opportunities for economic growth and job creation. Additionally, energy security has become a critical geopolitical concern, with countries seeking stable and responsible suppliers to reduce dependence on unreliable or hostile regimes. By expanding its energy exports, Canada can play a vital role in ensuring global energy stability while strengthening its economic and diplomatic standing.

Despite efforts to transition to renewable energy, a balanced approach is needed. Oil and natural gas will remain essential components of the global energy mix for the foreseeable future. However, Canada must also support the growth of renewable energy and supply diversification to ensure long-term sustainability even under unpredictable threats. Currently, over 80% of country's electricity generation is non-GHG emitting[216], and renewable accounts for over 50% of all new electricity generation[217]. British Columbia alone has over $6 billion in wind power investment [218]and is also seeing increasing private sector investment in solar and geothermal projects, making Canada not only a fossil fuel supplier but also an innovative leader in clean energy. The industry has also made significant strides in reducing greenhouse gas emissions (GHG) through advancements in technology and efficiency. Supporting these innovations while ensuring a competitive business environment will enable Canada to balance economic growth with environmental responsibility.

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[212] https://www.reuters.com/business/energy/canadas-trans-mountain-pipeline-lowers-forecasts-amount-oil-it-ships-2025-04-02/
[213] https://www.energylawfoundation.ca/timelines-completion-risk-and-federal-project-reviews/
[214] https://www.eia.gov/outlooks/aeo/
[215] https://www2.gov.bc.ca/gov/content/industry/natural-gas-oil/lng
[216] https://www.climatescorecard.org/2024/09/82-of-canadas-electricity-came-from-non-greenhouse-gas-emissions-emitting-sources-in-2022/
[217] https://apnews.com/article/climate-renewable-energy-electricity-european-union-us-china-5a681606856e7b23f669a519fdc70ee2
[218] https://news.gov.bc.ca/releases/2024ECS0048-001643

NATURAL RESOURCES CANADA

Moreover, Indigenous communities have taken leadership roles in Canada's energy sector. In British Columbia and other provinces, Indigenous nations have equity partnerships (Coastal GasLink Pipeline219), co-management agreements (Indigenous Impact Assessment Co-Administration Agreement Regulations[220]). And full ownership in LNG terminals, pipelines and renewable energy projects (Cedar LNG Project, Ksi Lisims LNG221). Their efforts must be acknowledged and supported to ensure long-term economic benefits for Canada's energy industry and for reconciliation agenda.

Enabling Actions

- Amend the Impact Assessment Act to create a predictable and efficient "one project, one assessment" approach, ensuring that infrastructure projects can proceed without unnecessary delays and with respect for provincial jurisdiction.
- Expedite the federal review process for key infrastructure projects, particularly LNG terminals and pipelines, to attract investment and strengthen energy security, and position Canada as a reliable supplier.
- Encourage innovation in carbon capture, methane abatement, and other emissions reduction initiatives by providing incentives and ensuring provinces retain control over their own emissions policies.
- Lift the West Coast tanker ban (Bill C-48) and remove restrictions that hinder Canada's ability to energy exports such as oil and gas to international markets. Strengthen trade relationships and develop new international markets for Canadian energy.
- Introduce policies that attract private-sector investment in energy projects, focusing on economic competitiveness as reliable energy supplier, avoiding emissions caps and restrictive trade measures that discourage investment and shift support toward sectors where Canada can lead in a changing global energy market.

THE CHAMBER RECOMMENDS

That the Federal Government:

1. Undertakes all enabling actions to ensure the responsible development of Canada's energy resources by the private sector, positioning Canada strategically in global markets and ensuring strong economic contributions that benefit all Canadians.

[219] https://www.coastalgaslink.com/whats-new/news-stories/2022/2022-03-10-indigenous-groups-sign-historic-equity-option-agreements-with-tc-energy-on-coastal-gaslink

[220] https://www.canada.ca/en/impact-assessment-agency/programs/participation-indigenous-peoples/indigenous-cooperation-agreement-regulations.html

[221] https://www.canadaaction.ca/ksi-lisims-lng-indigenous-involvement

PUBLIC SERVICES AND PROCUREMENT CANADA

ENHANCING TRANSPARENCY AND FAIRNESS IN FEDERAL PROCUREMENT PRACTICES

Issue

The Office of the Procurement Ombud (OPO) has a mission to promote fairness, openness and transparency in federal procurement. In their most recent annual report, the OPO outlined multiple concerns with government procurement processes in Canada, such as overly complex processes, restrictive evaluation criteria, and a lack of transparency, debriefs and documentation. These issues hinder the competitiveness of the procurement process, create barriers for businesses, particularly small and medium-sized enterprises (SMEs), and reduce public trust in how taxpayer dollars are spent. Addressing these challenges is essential to ensure a fair, efficient, and transparent procurement process that supports a diverse range of suppliers.

Background

Federal procurement represents a significant opportunity for businesses across Canada, involving billions of dollars in contracts annually. However, the process has faced long-standing criticisms, including complex processes, restrictive criteria, and a lack of transparency in contract awards. In 2023-2024, the OPO reviewed 582 cases – an increase of nearly 23% from the previous year. Procurement issues result in reduced competition, which can limit opportunities for innovative solutions and cost savings that a competitive market typically offers. To address these concerns, it is important to delve into the specific challenges businesses face when engaging with federal procurement processes.

One of the key concerns of businesses engaging in federal procurement is the transparency around how decisions are made. When evaluation criteria are unclear or overly restrictive, or when documentation of decisions is inadequate, it creates uncertainty for businesses. This lack of transparency can deter potential suppliers, especially SMEs, from participating in federal bids, fearing that their efforts may be wasted. In addition to transparency, the complexity of the procurement process poses another significant challenge for businesses.

The complexity of federal procurement is a significant barrier for many businesses, especially those with limited resources to navigate bureaucratic processes. Simplifying procurement procedures would reduce administrative burdens on businesses and ensure that a wider range of suppliers can compete for contracts. This would be especially beneficial for small businesses that bring unique innovations to the market but may lack the resources to engage in lengthy bidding processes. Addressing these structural challenges can also be supported through targeted programs that foster accountability and performance.

The OPO recommends establishing a Government-Wide Vendor Performance Management Program to improve procurement outcomes. By tracking supplier performance across federal departments and using this information in the award of future contracts, the government would incentivize high-quality work and accountability among suppliers. For businesses, this would create a trusted system, encouraging a focus on quality and reliability. Yet, for such programs to be effective, there must be leadership that can oversee and standardize the processes.

PUBLIC SERVICES AND PROCUREMENT CANADA

The creation of a Federal Chief Procurement Officer would bring centralized oversight and consistency to procurement practices across departments. This role could standardize procurement rules, reduce discrepancies, and ensure that policies are consistently applied, which would make the process more predictable and accessible for businesses. Additionally, this leadership could drive professionalization and capacity-building initiatives within the procurement sector, ensuring that both government buyers and suppliers have the skills and knowledge needed for effective contracting. The OBO also notes the need for a fairer procurement system that provides more opportunities for diverse businesses, including Indigenous and minority-owned businesses, as essential for promoting economic equity. A Chief Procurement Officer could assist in addressing restrictive practices and enhance recourse mechanisms to create a more inclusive process that benefits all suppliers. This not only aligns with the broader goals of economic reconciliation but also ensures that the federal government has access to a wider range of perspectives and solutions.

Streamlined procedures and enhanced transparency would reduce barriers for businesses of all sizes and backgrounds, leading to a more inclusive market. It is recommended that there be an establishment of clear performance management systems and the appointment of leadership to oversee procurement policies, as well as stronger regulatory frameworks to improve accountability and transparency.

THE CHAMBER RECOMMENDS

That the Federal Government:

1. Implement a Vendor Performance Management Program to track supplier performance, improve accountability, and ensure contracts are awarded based on quality, reliability, and cost effectiveness.
2. Establish the role of a Federal Chief Procurement Officer to centralize oversight, standardize procurement practices, simplify procedures, and lead professionalization efforts within federal procurement.

bcchamber.org | 705–750 West Pender Street, Vancouver, BC V6C 2T8 | bccc@bcchamber.org | (604) 683-0700

BC Chamber of Commerce