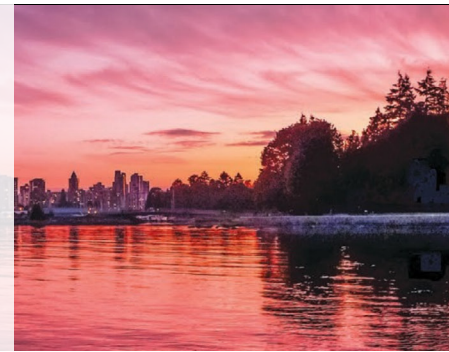




SOUNDING BOARD



THE OFFICIAL PUBLICATION OF THE GREATER VANCOUVER **BOARD OF TRADE** AND ITS MEMBERS | **December 2023** | VOLUME 63 / ISSUE 11 | **BOARDOFTRADE.COM**

Reinvest in B.C. by making carbon tax revenue neutral again

OPINION | Rising costs squeezing B.C.'s smaller businesses and an action is the need of the hour

Businesses and British Columbians alike are facing headwinds not seen in.

Higher interest rates, persistent inflation and a slowing economy put upward pressure on the cost of goods, borrowing and virtually every other expense associated with owning and operating a business.

Meanwhile, economic indicators suggest a downturn as early as 2024, and unfortunately, many are already feeling the pinch.

The well-being of people and local businesses is intricately intertwined, each relying on the other to establish an affordable environment conducive to unlocking their full potential. It's a virtuous cycle in which a thriving local economy attracts increased investments, empowering businesses to create more well-paying jobs, thereby enabling British Columbians to channel their abilities to bettering their communities and contributing to growing our local economy.

This is why it's paramount that heading into the new year, all levels of government work with the

private sector to create a competitive and attractive business climate that fosters productivity, innovation and entrepreneurship while addressing the affordability hurdles facing so many British Columbians and businesses.

How do they do this?

Our report — [Counting the Costs: Assessing Economic Challenges for Businesses in British Columbia](#) — offers comprehensive first steps.

Our report found that between 2022 and '24, the provincial government will saddle B.C. businesses with an additional \$6.5 billion in direct costs — only compounding the effects of the affordability crisis. The largest of these costs encompass increases to a new payroll tax, carbon tax and corporate income tax.

Small businesses employ 1.1 million British Columbians and make up 33 per cent of the provincial GDP. Worryingly, over half expect a decrease in profitability over the next three months. Despite record population growth, our provincial economy is expected to underper-

form most other provinces and our southern neighbours.

To alleviate these pressures, we recommend increasing the payroll tax threshold for small and mid-size enterprises, introducing PST exemptions on business inputs like software and equipment to help drive innovation investment, going back to a revenue-neutral carbon tax that reinvests back into local technology and businesses, and actively seeking opportunities to reduce costs for businesses, especially small- and mid-size ones.

We must continue to lower emissions, but we can't do it by shifting those emissions to other jurisdictions.

Every dollar saved is a dollar that local businesses can inject back into the local economy. For businesses operating on razor-thin margins, this relief can be a game-changer, enabling growth, expansion and the ability to weather economic headwinds.

Increasing the payroll tax threshold can ensure that local businesses aren't taxed when they seek to in-

crease their payroll, raise wages or hire more staff. Reducing the cost of technology and equipment fosters innovation. Adjusting the PST on technology would stimulate province-wide economic growth, and help businesses adopt technology.

When introduced in the early 2000s, the carbon tax was revenue-neutral for businesses. Fast forward to 2023-24 and we expect the business share of carbon tax revenues will near \$1 billion and continue climbing. According to estimates, the carbon tax has been a net tax to business of nearly \$2 billion in just three years.

Instead of imposing a tax on businesses that risks driving investment out of the province, we believe that the tax should return to its original purpose — driving clean investment in our economy, while protecting industries that sell on the international market.

By recycling the revenues back into local, made-in-B.C. technology and emissions reduction efforts, we can ensure that B.C.'s business sector is primed to propel us toward a



sustainable and prosperous future.

Entrepreneurs are optimistic by nature, and they'll often find a way through to achieve their goals. In today's conditions it needs to be a priority for all levels of government to ensure our economy works for people and remains an attractive place to invest and grow a business.

Together, we can build a province that isn't just ready to face the future, but is also equipped to shape it. **BA**

Read the latest op-ed in [Vancouver Sun](#) by GVBOT President and CEO Bridgitte Anderson on the rising costs for businesses.

EVENTS | Looking ahead to 2024

	Members' Experience: Building Connections on the Ice	12 JAN		Economic Outlook Forum 2024 Presented by Scotiabank	26 JAN
17 JAN	Impact Series - Navigating the Social Media Landscape		01 FEB	ESG Fundamentals Microcredential: Design your ESG action plan	
	Members' Social: GRETA Bar	18 JAN		2024 State of the City Address with Mayor Ken Sim	01 FEB
22 JAN	Diversity and Inclusion Training: IDEA Essentials 1.0		21 FEB	Trade Accelerator Program - Greater Vancouver Cohort	

Strategic Industries Analytics Project

INVEST VANCOUVER | Filling the data gaps and setting the foundation for new investment attraction

Lejla Uzicanin

Vice President, Data, Research, & Policy
Invest Vancouver

Invest Vancouver's latest report identifies the rising stars with previously unavailable critical regional datasets to advance regional prosperity and amplify opportunities.

The Metro Vancouver region is not only the third largest metropolitan region in Canada, but is the economic centre of British Columbia, and is uniquely positioned as the intersection of commerce with Europe, Asia, and North America. Our region offers a competitive, globally connected business-friendly environment, exceptional quality of life, and a highly skilled and diverse workforce. All of this combined translates into an advantageous regional economy that sets businesses and people up for success. Still, there is a need for a better understanding of the underlying trends in our regional economy.

Data-Driven Understanding

The composition of our regional economy has changed over the past twenty years, reinforcing that we need to be flexible and adapt to market changes. When there is a gap in granular, region-specific data, which we have experienced, it becomes more challenging to identify opportunities for growth and stay competitive in a rapidly changing global economy.

Our latest report, Strategic Industries Analytics Project: Discovering Opportunities in the

Metro Vancouver Region's Export-Oriented Industries is a deep-dive exploring twenty years of economic trends in some of the key export-oriented industries in the Metro Vancouver region.

Our Region's Rising Stars

The findings of the report identified Digital Media and Entertainment, Life Sciences, and High-tech Services as Metro Vancouver's rising stars among Invest Vancouver's key industries. Understanding the industries that are growing, and which components are the driving forces, is critical to inform our strategic investment initiatives to guide investment attraction. Underlying all of our region's industries is our Transportation & Logistics industry. While growing in line with the overall economy and underpinning economic growth across industries, Transportation & Logistics is a major employer with our region's strategic location amplifying the competitive advantage of ocean, rail, and air transport.

Content production is the beating heart of the region's flourishing Digital Media & Entertainment industry. In addition, motion picture and television production, post-production (including visual effects and animation), video game design and development, and video game publishing, are all driving growth in that industry in the Metro Vancouver region. High-tech Services is the largest source

of employment among the selected industries and has been growing rapidly, adding jobs nearly twice as fast as the economy as a whole.

The long-term trend in Life Sciences has been growth in

employment and contribution to GDP, with all four industry components having grown at least 2.5 times in the last two decades. Invest Vancouver published its Strategic Industry Analytics project

findings related to Life Sciences in its April 2023 report: Life Sciences in Metro Vancouver: Shaping a Globally Prominent R&D Hub. The report provided an analysis of the data and recommendations to promote further growth in the industry.

Informing Investment Attraction

The Strategic Industries Analytics Project fills the need for region-specific, granular data that was not previously available, creating a starting point. It sets the foundation for further investigation of the fastest-growing components of the region's key industries and enables Invest Vancouver to conduct further analysis, understand the components driving growth and make recommendations to advance investment attraction.

The Metro Vancouver region has driven employment growth in the province, but in the global context, the regional economy is still small. Our size heightens the importance of promoting more coordinated efforts in economic development to amplify opportunities and deliver prosperity to the region's 2.8 million residents. [LU](#)

Lejla Uzicanin, Vice President, Data, Research & Policy at Invest Vancouver.

About Invest Vancouver

Invest Vancouver is Metro Vancouver's economic development leadership service for the region.



Paper Planes Café By PAFN Now Brewing At YVR

YVR | Advancing Inclusive and Accessible Travel And Employment Experiences



In a groundbreaking move towards fostering inclusivity and accessibility in the travel industry, Vancouver International Airport (YVR) and the Pacific Autism Family Network (PAFN) have joined forces to unveil the Paper Planes Café. This innovative addition to YVR’s reimagined food and beverage offerings marks a significant milestone as the first-of-its-kind inclusive coffee bar at a Canadian airport.

At YVR – everyone belongs

Situated in Domestic Arrivals, Level 2 at YVR, Paper Planes Café aims to transcend the conventional airport setting by embracing diversity and providing meaningful employment opportunities. What sets this café apart is its commitment to inclusivity, with a dedicated team of individuals from the neurodiverse community. The Paper Plane Café team, comprising baristas with varying abilities, will not only prepare and serve a delightful array of coffee, hot drinks, and quick snacks but will also contribute to creating a more inclusive atmosphere for the millions of passengers, employees, and guests passing through YVR.

“We are thrilled to welcome Paper Planes Café to YVR in partnership with Pacific Autism Family Network. Paper Planes Café is more than just a coffee shop, it is a place where adults with diverse abilities can gain

training, paid employment, and valuable work experience. Travellers at YVR will have an opportunity to enjoy quality food and beverages while also supporting employment opportunities for individuals across the neurodiverse community in a safe and empowering place.”

- Tamara Vrooman, President & CEO

Training, employment and beyond

Integral to the Paper Planes Café concept is a comprehensive training program spanning up to six months. This program equips staff with essential skills and expertise relevant to the restaurant and service industry, including

barista talents, safe food handling and preparation, and customer service. As individuals complete their training, they are not only gaining valuable experience but also preparing for seamless integration into the broader job market, thereby empowering them to succeed in the workforce.

“I’m looking forward to this opportunity, finding a job and work nowadays can be challenging, especially if you apply online. Sometimes employers respond to you, sometimes they don’t. And if you say you’re on the autism spectrum, they might be a bit iffy about it. Here at Paper Planes Café, they are supportive of people with

autism.”

- Liam Gimenez, one of the first enthusiastic employees at Paper Planes Café

When discussing the topic of neurodiversity and employment, Sergio Cocchia O.B.C. LL.D. (Hon), Board Chair & President of Pacific Autism Family Network underscored the transformative potential of Paper Planes Café and its impact on the first set of trainees.

“We truly believe this will give program participants an opportunity to experience real employment, these experiences, of being responsible for yourself and responsible for showing up to work on time, getting paid, and deciding how you’re going to spend your own money, this is what life is like. YVR is a leader on inclusion, understanding of equality, and recognition of people and their distinct differences. Paper Planes Café is a location where we can celebrate that diversity, we can make our customers aware of neurodiversity, and work towards everyone being more accepting of it.”

- Sergio Cocchia O.B.C. LL.D. (Hon), Board Chair & President of Pacific Autism Family Network

tangible illustration of YVR and PAFN’s shared vision to make travel accessible & enjoyable for everyone. The partnership, initiated in 2021, reflects a commitment to creating a welcoming, inclusive, and accessible travel experience for individuals of all abilities.

This initiative & the longstanding partnership behind it aligns with Beyond Accessibility, a 3-year plan building on YVR’s long-standing work and commitment to creating an accessible airport.

For your next cup of coffee

Paper Planes Café is open seven days a week from 8:00 a.m. to 8:00 p.m. and its strategic location in the Domestic Arrivals area ensures it becomes a focal point for travellers seeking a welcoming and inclusive space to unwind. **YVR**

Vancouver International Airport (YVR) is a diverse global hub that connects people, cargo, data, and ideas and serves as a platform for the community to come together and thrive.

Pacific Autism Family Network is a centre of excellence and a network of support for individuals with Autism Spectrum Disorder and their families across the province. Over 15k people have found resources on PAFN’s national knowledge network, and they organize 10+ unique annual sensory-inclusive events.





What’s Your Coffee Order?

<p>The Honourable Janet Austin LIEUTENANT GOVERNOR OF BRITISH COLUMBIA</p>	<p>Decaf Latte, Almond Milk</p>
<p>Tamara Vrooman PRESIDENT AND CEO, VANCOUVER AIRPORT AUTHORITY</p>	<p>Oat Milk Latte</p>
<p>Wendy Lisogar-Cocchia C.M., O.B.C., LL.D. (HON). CO-FOUNDER, PACIFIC AUTISM FAMILY NETWORK</p>	<p>Cappuccino with Almond Milk and a shake of cinnamon</p>
<p>Liam Gimenez EMPLOYEE, PAPER PLANES CAFÉ</p>	<p>Instant coffee OR rich and creamy hot chocolate with marshmallows</p>
<p>Sergio Cocchia BOARD CHAIR & PRESIDENT, PACIFIC AUTISM FAMILY NETWORK</p>	<p>Large, extra shot, skim milk, dry, cappuccino</p>
<p>Eric Pateman CHIEF EXPERIENCE OFFICER AND VP, PASSENGER JOURNEY, VANCOUVER AIRPORT AUTHORITY</p>	<p>Oat Milk Latte</p>

Vision for an accessible and inclusive airport of the future

The philosophy of Paper Planes Café extends beyond providing great service; it is a

Vancouver's other land crisis

OPINION | A new focus on the industrial land needs in the Greater Vancouver region

Astronomical costs of land, rock bottom vacancy rates and a meagre supply which are driving prices skyward making it difficult to make ends meet or even choose Vancouver to begin with.

Are you about to read another op-ed on Vancouver's housing crisis? No, you're not - but that is where the good news ends. Instead I seek to shed some light on the lesser-known parallel crisis facing Metro Vancouver's industrial lands.

Do you remember those "Alberta is calling" ads? The ones we all chuckled at politely, then went about our day, wondering who would want to trade beautiful B.C. for the flat landscapes and frostbitten winters of our eastern neighbours.

Well, just like the housing crisis is pricing out many Vancouverites and leaving them with no choice but pack up and move east, our latest economic impact study reveals that as the industrial land shortage inches closer to a crisis point, Greater Vancouver teeters on the brink of losing its appeal a prime investment destination.

In fact, just in the last 4.5 years, an estimated 5.1 million sq. ft. of space has been taken up by firms in Calgary rather than Metro Vancouver. This includes

firms that have left the region and others that preferred to invest in Vancouver but instead chose Calgary. The economic repercussions are staggering: The study estimates that our loss of 6,300 direct jobs, \$477 million in wages, and nearly \$500 million in GDP is Calgary's gain.

These are family-supporting jobs - with wages 10 per cent higher than the national average - which would substantially increase local production, manufacturing, and support local industries. Because despite only making up four per cent of Metro Vancouver's land mass, industrial land generates one-third of the region's GDP and one in four jobs.

And as our economy evolves more and more new businesses are looking for industrial space, but with vacancy rates hovering below one per cent they are not finding it. From breweries and chocolatiers to film studios and biotech labs as well as many critical to the running of a city like recycling depots.

The rise of e-commerce means there is growing and substantial demand from the logistics and shipping industry as companies that manage the flow of goods become essential, and they need space. Almost half of the shipping container coming in and out of Canada do so through the Port of Vancouver, but

this crisis is forcing many companies to establish distribution centres in Calgary. This means that goods are shipped into our port, sent to Calgary, and then trucked back to Vancouver.

In short, not only are we failing to take full advantage of the massive economic benefits that come with being a port city but we're trading away local well-paying jobs and investments in our region in exchange for more GHG emissions and congestion in our streets.

We are seeing governments announce bigger and bigger deficits while families, individuals and businesses continue struggling to make ends meet, with economic indicators threatening a recession as early as the beginning of 2024. In an intensely competitive global arena, British Columbia and the Metro Vancouver area must proactively seek out investments and create an environment conducive to the growth and prosperity of our local economy.

This isn't an impossible task, our competitors like Seattle have set aside five per cent of their land for local production by adopting an Industrial and Maritime Strategy - ensuring they do not lose more of this productive and sought after land.



The gateway to the western trade corridor, Vancouver plays a crucial role in Canada's reliability as a trading partner and by addressing the industrial lands shortage, we can lower transportation costs and increase benefits here at home. In fact, according to the study, for every one-per-cent increase in land available for jobs and production, an additional 126,100 jobs are created, and \$12.2 billion in GDP is generated for B.C.

To achieve these goals, we must adopt a holistic approach that refocuses

regional land use planning to prioritize local housing, local food production, and the creation of local jobs, as recommended in our latest report. And we must do so with urgency; government at all levels need to figure out where to streamline processes and bring land to market that can house the next generation of investment and jobs. In doing so we will deliver better results for British Columbians and B.C. businesses. BA

[Read the original piece on the BIV Website.](#)

IN FOCUS | Our favourite photos from November 2023

