BIABC and NCDA Urge Province to Scrap PST Expansion, Warning Government is "Taxing Safety" for Businesses

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The Business Improvement Areas of British Columbia (BIABC) and the New Car Dealers Association of BC (NCDA) say the planned expansion of the Provincial Sales Tax (PST) to essential services - including security - effectively punishes businesses for taking necessary steps to respond to growing public safety pressures in commercial areas across the province.

Both organizations are strongly in support of the Greater Vancouver Board of Trade's Stop the Squeeze campaign and say one of the most troubling aspects of the expanded application to security services is that it comes at a time when businesses are already being forced to spend significantly more to respond to retail crime, vandalism, street disorder, addiction-related challenges, repeat offending, and broader public safety concerns in commercial districts throughout British Columbia.

The associations say many businesses feel the government has not effectively addressed rising homelessness, addiction and mental health crises, repeat non-violent offending, and escalating disorder in commercial areas - leaving businesses or in some cases, BIAs, increasingly responsible for absorbing the costs of responding to these challenges through private security, patrols, monitoring systems, cleanup efforts, safety infrastructure, and crime prevention initiatives.

BIABC and NCDA argue the PST expansion effectively adds insult to injury by imposing additional taxation on many of the very services businesses have had to implement simply to help keep employees, customers, storefronts, and communities safe.

"Across BC, businesses are being forced to spend thousands of dollars on security, monitoring systems, and additional safety measures simply to protect their employees, customers, and storefronts from rising crime and disorder," said Jeremy Heighton, President of BIABC. "Now, government is effectively taxing businesses for trying to keep people safe."

"There is a profound contradiction when government has failed to adequately address public safety issues – leaving businesses to do more to protect their staff, customers, and properties - while simultaneously taxing the very services they rely on to do it," said Blair Qualey, President and CEO of the NCDA.

Both Heighton and Qualey said applying PST to security amounts to "taxing safety" and unfairly increases costs for businesses already absorbing growing operational pressures tied to crime, disorder, and economic uncertainty.

The impact of expanding the PST extends beyond safety services. The tax will also apply to universally required professional services such as accounting, payroll, and compliance support — costs every business must incur to meet regulatory and tax obligations.

BIABC and the NCDA are calling on the province to scrap the planned PST expansion to professional services and work collaboratively with the business community on a more balanced approach to revenue generation, affordability, and long-term economic competitiveness.

About BIABC: The Business Improvement Areas of British Columbia (BIABC) is the provincial champion of strong, vibrant, and successful downtowns, main streets, and commercial districts throughout the province. Its members represent more than 80 business districts, employing hundreds of thousands of retail, service, and office workers.

About the NCDA: The New Car Dealers Association of BC (NCDA) represents over 400 new car and truck dealers throughout British Columbia who provide 30,000 family supporting jobs and are responsible for close to $17 billion in retail sales in the province. The Association speaks on behalf of the retail automotive industry and advocates on legal, environmental, and consumer issues relating to vehicle sales in British Columbia.

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