BC BUDGET A MISSED OPPORTUNITY TO SUPPORT SMALL BUSINESSES AS TARIFF IMPACTS SET IN

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Vancouver, BC – As retaliatory tariffs were announced today, the Business Improvement Areas of BC (BIABC) had hoped for an innovative and responsive budget from the Province of BC. Unfortunately, Budget 2025 fails to provide meaningful support for small and medium-sized businesses to ensure their viability during this period of economic turbulence.

For months, the provincial government has known about the impending threat of US tariffs, which should have clearly signaled the need for meaningful support for small and medium-sized businesses which make up more than 98% of all businesses in the province.

Today, the Premier addressed the formal adoption of tariffs by the US government. In many ways, his statements mirrored the budget with a 'hold the line' approach. The Premier offered some inspiration to the province, suggesting his government will be turning this "attack into a source of strength" and that the province "will fight like hell" to provide a positive path forward. However, this is where the Premier's words diverged from the budget. In discussion with a number of other industry leaders within the budget lock up, it was the lack of innovation and the 'stay the path' budget that resonated.

Finance Minister Brenda Bailey noted a desire to support the community and business, but there is little in Budget 2025 to back up the business side of the statement, and very little in the Provincial budget to specifically support small business.

The loss of the Securing Small Business rebate program is very disappointing with over 50% of the original funds or about $6 million, being returned to general revenue. There may be other opportunities to explore programming, however, the budget takes a conservative approach to the provincial economy and the pathway forward for small business is unclear.

Small businesses will bear some of the greatest impacts from these tariffs, due to supply chain challenges, poor capacity within the workforce to support stability or growth, and significant taxation and costs of operating. These needs are not addressed in today's budget.

BIABC was seeking evidence of concrete investments that support a humane solution to the complex issues of mental health and addictions, including a comprehensive plan for youth and adults with a range of targeted and meaningful investments. This may be realized

through dedicated funding for the *Heart and Hearth program,* but BIABC will be seeking further details.

BIABC was also pleased to see an enhancement of community safety modelling but remains concerned that this funding is focused on policing and does not include street level community servicing.

"Overall, we are significantly concerned that small business in BC is not being prioritized," says Jeremy Heighton, President of BIABC. "The lack of specific programs to support small business, in addition to the loss of the Securing Small Business Grant, will create a very difficult path forward for business."

BIABC has advanced a number of priorities to government, including the following, and will be reviewing Budget 2025 further to identify if/how they may be addressed:

- Creating a stronger domestic marketplace by establishing local sourcing opportunities and expanding the Buy BC Program to support local businesses, producers, and suppliers.
- Working to remove interprovincial trade barriers.
- Supporting businesses in identifying domestic and international market opportunities.
- Creating avenues for business to access capital so they can potentially expand and/or tap into market opportunities, within Canada and internationally.
- Advocating for the millions of dollars remaining in the Securing Small Business Rebate Program, to stay within the Ministry of Jobs, Economic Development and Innovation and be re-allocated for its intended purpose - to help small businesses remain viable.
- Establishing a direct link between the small business community and the provincial government through a minister of state or parliamentary secretary, to give voice to the largest private sector employer in the province. The creation of such a role would address unique issues requiring provincial support, including the financial burden of the mandatory five-day sick leave policy which not only requires a business owner to pay the employee, but also the costs associated with backfilling that position.
- Addressing in concrete terms, the significant issue of chronic violent and non-violent offenders through stronger bail and sentencing conditions.

BIABC remains steadfast in its advocacy for policies that will contribute to the long-term economic sustainability and resiliency of the small business sector.

About BIABC:
The Business Improvement Areas of BC (BIABC) is the provincial champion of strong, vibrant, and successful downtowns, main streets, and commercial districts throughout our province. Members represent more than 70 business districts that employ hundreds of thousands of retail, service, and office employees within defined business districts.

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