



What the Survey Says: Doing Business in BC in 2019-20

Julie Lawlor
Executive Director, WestShore Chamber of Commerce

As January rolls around each year, there is an opportunity to review on the year that has passed and plan for the year ahead. For BC businesses, this can include the *2019/20 Collective Perspective Survey Report* released by the BC Chamber of Commerce in December. This report is based on an online survey which took place between October 8th to November 4th and was completed by 1,555 business leaders from across the province. This is a significant jump on the 2018/19 survey, which was completed by 883 people.

The good news is that individual business optimism has remained reasonably steady year over year. However, this optimism is based on the fact that business leaders believe that they and their team members can do what they need to do in order to grow and support their businesses. The bad news is that confidence in the BC economy has declined in 49% of businesses since 2017 and has stayed at around the same levels in 2018 and 2019. "BC businesses have less confidence in the Canadian and Global economy. Trade headwinds with the United States and China lead as the drivers of global concern this year – old, reliable trade partners and new potential partners are both destabilizing the global order. As a small open economy, BC is feeling that the world is less settled and less predictable." Over half of those surveyed still favour trade with China but are cautious given China's approach to Canada and Canadian business over the last year.

It will also come as no surprise to any business owner on southern Vancouver Island that "[l]abour availability is a huge issue – led by the shortage in housing for workers. As a result of labour challenges, BC business owners are making personal sacrifices to preserve their businesses – with 56% saying they are working longer hours before cutting output, laying off staff, reducing wages/benefits. Twenty-five percent of businesses report that labour shortages have affected their profitability." Cost of labour and availability of workers are a key factor in business owners continuing to find that the cost of doing business in BC is unreasonably high.

Business owners see climate change as both a challenge and an opportunity and are largely supportive of incentives government could offer to help combat climate change. 73% of those surveyed support "incentives to switch to cleaner energy" while a further 22% would be willing to accept such an incentive. There was also more than 60% support for "subsidies for retrofits," "e-vehicle infrastructure" and "incentives to use e-vehicles." Interestingly, there was 26% opposition for this last option while opposition for the other three options was only in single digits.

We live in interesting times! You can learn more by going to bcchamber.org