



SOUNDING BOARD



THE OFFICIAL PUBLICATION OF THE GREATER VANCOUVER BOARD OF TRADE AND ITS MEMBERS | JANUARY 2024 | VOLUME 64 / ISSUE 1 | BOARDOFTRADE.COM

Metro Vancouver's economy showing signs of stalling

FORECAST | Canadian Survey of Business Conditions for the Region

The Canadian Survey on Business Conditions data for the fourth quarter for Metro Vancouver shows the predicted economic slowdown is taking place with financial pressures persisting and higher interest rates lowering demand for goods and services. Consequently, business pessimism in Canada has reached its highest point in two years.

The most notable obstacles for Vancouver businesses over the next 3 months are cost-related obstacles (78%), rising inflation (59%), and labour-related obstacles (51%). Notably, over half expect an increase in operating expenses (53%), decreasing profitability (40%), and a decline in cash reserves (30%). Worryingly, one-in-five (20%) fore-

sees a drop in demand for goods and services.

"The convergence of rising operating expenses, diminishing profitability, and continued upward pressure on prices is creating strong financial headwinds, impacting both businesses as well as families and individuals" said Bridgitte Anderson, President and CEO of the Greater Vancouver Board of Trade. "The data is clear that businesses are struggling with affordability considerations in a similar way to individuals, squeezing their finances and making it more challenging to maintain operations, increase wages, or grow."

This data comes on the heels of the City of Vancouver's budget for 2024 which implements a 7.5%

increase in property taxes, a 30% higher business license fee, and various other adjustments, adding to the hurdles faced by small and medium-sized businesses in our city who are clearly already struggling.

"The City's budget combined with the findings of our 'Counting the Costs' report, which calculated businesses will face nearly \$6.5 billion in additional provincial government-imposed costs between 2022-24 highlight the need for a collaborative approach to affordability," noted Anderson.

The Business Data Lab also found a strong correlation between housing (un)affordability and business pessimism, which is highest in B.C. and Ontario. Further highlight-



ing the need for all levels of government to collaborate with the private sector in addressing the housing crisis to improve the lives of people & the economy. This also highlights the reason many employers in B.C. are keen to see bold housing policy moves result in more available & af-

fordable housing for workers. **SB**

CSBC was created in the spring of 2020 by Statistics Canada in partnership with the Canadian Chamber of Commerce. The Q4 2023 CSBC was collected from October 3 to November 6, 2023. The Q4 2023 CSBC survey results for Metro Vancouver are based on responses from 684 employers.

Economic Outlook Forum 2024 Presented by Scotiabank

LOOKING FORWARD | Charting a Course for Prosperity Amidst Economic Challenges

Amidst the breathtaking backdrop of the Greater Vancouver region, where the skyline meets the mountains, there's an underlying challenge that businesses and families are grappling with — the intersection of rapid population growth, soaring costs, and a slowdown in economic expansion. In a landscape where the cost of living is reaching new heights, the need for strategic economic insights has never been more crucial.

The Greater Vancouver Board of Trade (GVBOT) recognizes the urgency of addressing these challenges and invites you to join us for the 35th Annual Economic Outlook Forum, presented by Scotiabank. This high-profile event will serve as a compass, guiding businesses through the economic terrain of 2024 and beyond.

Navigating Economic Challenges: A Snapshot

In a recent member survey by the GVBOT, businesses identified the rising cost of inputs and inflation as their primary obstacles. These challenges are not unique to Vancouver but are particularly pronounced in this dynamic region, where housing

and land prices continue to surge.

The "Counting the Costs" report, a comprehensive analysis by the GVBOT, estimates that businesses in British Columbia are on the verge of shouldering an additional \$6.5 billion in government expenses. The economic landscape is shifting, and it is crucial for businesses to strategize and adapt for sustainable growth.

The Economic Outlook Forum Presented by Scotiabank: Your Gateway to Insights

The 35th Annual Economic Outlook Forum, presented by Scotiabank, is poised to be a transformative event for businesses seeking answers and strategies to thrive in the face of economic challenges. Here's what you can expect:

Keynote Speakers:

- Jean-Francois Perrault, Senior Vice-President and Chief Economist, Scotiabank
- The Honourable Brenda Bailey, Minister of Jobs, Economic Development and Innovation, Province of British Columbia

Executive Perspective Panel:

Navigating the current economic

KEYNOTES



Jean-Francois Perrault



The Hon. Brenda Bailey

Panel 1: Executive Perspective



Christine Bergeron



Allen Eaves



Carole Taylor

Panel 2: The Political Economy



Kareem Allam



Nikki Hill



Richard Zussman



Simi Sara

landscape in the Greater Vancouver region. Panellists will share their perspectives on a roadmap toward enhancing the business environment and how industry and government can collaborate for a more attractive destination for businesses.

Political Economy Panel:

Insights on what to expect from governments in the year ahead,

with a focus on addressing inflation as a top issue for upcoming elections.

The Economic Outlook Forum will provide actionable insights to navigate economic challenges, where attendees can network with fellow industry leaders, fostering collaborations and partnerships while positioning their businesses for success in the evolving econom-

ic landscape.

Secure your spot at the forefront of economic discussions. Join us at the 35th Annual Economic Outlook Forum and equip your business with the knowledge and strategies needed for a prosperous 2024 and beyond. Together, let's unlock the potential for sustainable growth in the region. **SB**

Register at boardoftrade.com/outlook2024

It Takes More than Food to Make an Impact

CASE STUDY | How the Greater Vancouver Food Bank is making a difference



Cynthia Boulter
Chief Operating Officer,
Greater Vancouver Food Bank

You don't need to search far to see an article or news story discussing the growing need in Vancouver. We've seen an increasing dependence on food banks and social support services in the years following the pandemic, with record-breaking costs for food and housing driving people to the tipping point in their finances. Despite this relentless growth, the Greater Vancouver Food Bank (GVFB) has kept up with the skyrocketing need due to our transparent and tactical approach to the non-profit work we do.

When I joined the organization in 2018, the GVFB served 6,000 - 7,000 people per month and supported about 75 Agencies. Five years later, we support more than 16,000 people per month and support a growing number of community agencies, with 130+ currently registered. Not only are we supporting more people and Agencies, but we're also doing a better job of it than we were before.

GVFB CEO, David Long, and I have learned a lot in our 5+ years here, applying a strategic business perspective to every corner of this non-profit organization that so many people rely on. While our actions were often against the grain, our changes to the GVFB have led to a resilient and proactive operational structure that enables us to support the thousands of people we do daily, accepting new clients

while other food banks must turn them away.

Four fundamental changes have led to the GVFB being a proactive organization rather than a reactive one. Through these four goals, we clarify our mission, provide healthy food, and make a real impact for those in need.

Prioritizing Healthy Food

In 2021, the GVFB stopped accepting food donations and food drives from the public. Instead, we focused on stewarding our donors and using the funds to purchase and acquire fresh, healthy food that would provide proper nutrients to our clients. Shifting away from the Kraft Dinner and high-sodium dry and canned products, we can ensure those in need get food that genuinely benefits them. Many people who use food banks struggle with poor health, often managing multiple health conditions; everyone benefits from great nutrition, particularly those who are fighting short- or long-term illnesses.

By educating our donors on the reasons behind our shift away from food drives, we were able to promote the value of a monetary donation, leveraging our 2:1 buying power through industry relationships.

The Value of Our People

Fostering a solid and dedicated team of staff and volunteers has

been a pivotal change in the operations of the GVFB. Once David and I began to assemble a strong leadership team, we could spend more time building a framework of support as an investment in our staff, which in turn has deepened their investment in us. Many charities suffer from chronic turnover and can never gain traction or build scope because their staff can't afford to stay. That costs you in the end as a charity, and we could not continue to expand and meet the growing need in our communities without relying on our passionate team. We have now been named one of B.C.'s top employers for three years in a row, and we are proud to be a living wage employer. The value of people extends well beyond our hired team to our amazing vol-

unteers, who choose to come back and give their time year after year. The GVFB is supported by a vast network of volunteers who supply over 50,000 hours yearly!

Operations Are Everything

Creating more efficient operations has allowed the organization to distribute a better quality and quantity of food than ever before. In 2023, we distributed 9.1 M lb of food, with 54% directly to clients and 46% to our Agencies. We often say it takes more than food because, at the end of the day, operations are how we get better food to more people. We now have a full cold chain, including a fleet of refrigerated trucks for food transportation and a total of 116,992 cubic feet of refrigerated storage space. That is

an 814% increase since 2018, allowing us to accept large-scale food donations and enable distribution for thousands of people. Depending on the donation size, we can also share farm fresh produce with other food banks that don't have the cooler space that we do. They love this opportunity to pick up a smaller amount of fresh food that they can safely store and distribute to their clients and agencies.

Stewardship and Financial Transparency

One of the most impactful changes David and I have made to the GVFB is the focus on our stewardship plan. By properly thanking and acknowledging every donation, we have built a robust network of monthly, annual, community events and industry donors who empower us to impact the lives we support. Through our creative and diligent approach to stewardship, alongside many industry-leading fundraising methods and events, the GVFB has consistently raised the funds we need to ensure our reliable and sustainable operation for the foreseeable future. All of this means that we can confidently continue our mission of providing healthy food to those in need. **CB**



The Greater Vancouver Board of Trade team visited the Greater Vancouver Food Bank warehouse located in Burnaby to take a closer look at how GVFB ensures food security to thousands of families in the region annually.

Cynthia Boulter is the Chief Operating Officer of the Greater Vancouver Food Bank, supporting a growing average of 16,000+ monthly clients and 130+ Agencies. To learn more go to foodbank.bc.ca

Exploring Major Projects in British Columbia

LOOKING AHEAD | Shaping the Future Landscape

British Columbia is at a crossroads. For the past several years, major projects have been a significant pillar of B.C.'s economy, creating tens of thousands of jobs and injecting billions through procurement spending. However, as many of these projects reach completion, the province faces a crucial juncture that demands strategic foresight and careful planning.

The Economic Pillars: \$80 Billion Boost

Over the last decade, the construction of four major energy projects, collectively valued at an impressive C\$80 billion, has fortified B.C.'s economic foundation.

These four projects include the Coastal Gaslink pipeline, which is physically complete, the LNG facility in Kitimat which is 85% complete, the Trans Mountain expansion project slated for service in Q1 2024 and Site C which construction activities are scheduled to complete by 2025. The completion of these projects marks both an accomplishment and a challenge for the province

The Major Projects Inventory (MPI), a comprehensive list of projects exceeding \$15 million, reveals a shifting tide. Between the second quarters of 2022 and 2023, there's a

notable \$27 billion dip in activity – a transition from \$388 billion in Q2 2022 to \$361 billion in Q2 2023. It is concerning that there are no imminent projects on the MPI of the size and scope of the four mentioned above that are ready for FDI and capable of creating thousands of jobs immediately.

Jobs at Crossroads: Completion and Closure

While the completion of these major projects also comes with the realization that numerous well-paying jobs, especially in rural areas, will soon conclude. Estimates suggest that the completion of just those four projects could impact between 25,000 to 30,000 jobs – families, livelihoods, and a substantial segment of the private sector.

The concern looms large regarding the need for the next wave of private sector investment to sustain growth and wages for British Columbians.

The Road Ahead: Investing in Tomorrow

To address the challenge of no impending wave of private sector investment, B.C. must strategically cultivate conditions that attract businesses and sustain economic growth. Collaboration between all



levels of government and the private sector becomes paramount to facilitate the region's growth, ensuring a prosperous and resilient future for all its residents.

Our recent reports on the industrial land shortage and government imposed costs look at some ways for this to occur. For examples the Counting the Costs: Assessing Economic Challenges for Businesses in British Columbia identifies that between 2022-2024 the provincial government imposed an additional \$6.5 billion in costs whilst our Industrial Land Shortage report found that despite only making 4.5% of land use in Metro Vancouver it accounts for a third of regional GDP and more than one-in-four jobs (27%) in the region.

Increasing the payroll tax thresh-

old can ensure that local businesses aren't taxed when they seek to increase their payroll, raise wages or hire more staff. Furthermore in these uncertain economic times if we want investment to flow to B.C. we need to unburden businesses of unnecessary regulatory red tape stifling their ability to grow. We need to find ways of efficiently and expeditiously getting to a regulatory decision that provides clarity and certainty to capital markets.

According to estimates, the carbon tax has been a net tax to business of nearly \$2 billion in just three years. If we revert back to revenue neutrality we can recycle 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.

Meanwhile for every one per cent increase in land available for jobs and production, our study estimates that an additional 126,100 jobs are created and \$12.2 billion in GDP is generated for B.C.

This is not just about securing investments but about securing the future prosperity of the province. Creating a collaborative partnership between the government and the private sector is key to advancing the major projects that will define B.C.'s economic landscape. Creating an environment conducive to private sector involvement ensures a steady flow of investments, job creation, and sustained economic vibrancy. ^{SB}

TAKE THE SOUNDING BOARD QUIZ!

<p>1. The Canadian Survey of Business Conditions was created in the spring of which year?</p> <p>a. 2017 b. 2020</p>	<p>4. Who is one of the Keynote Speakers at the Economic Outlook Forum?</p> <p>a. Jean-Francois Perrault b. Taylor Swift</p>	<p>7. What has been a significant pillar of B.C.'s economy for the past several years?</p> <p>a. Agriculture b. Major Projects</p>
<p>2. What correlation did the Business Data Lab find between (un)affordability and business pessimism?</p> <p>a. Weak correlation b. Strong correlation</p>	<p>5. How many people does the GVFB support today?</p> <p>a. 16,000 b. 6,000</p>	<p>8. What is the total value of four major energy projects over the last decade?</p> <p>a. \$60 Billion b. \$80 Billion</p>
<p>3. What topic does the 2nd panel of the Economic Outlook Forum Presented by Scotiabank cover?</p> <p>a. The Political Economy b. International Trade</p>	<p>6. How many years in a row has the GVFB been named one of B.C.'s top employers?</p> <p>a. Two b. Three</p>	<p>B, B, A, A, A, B, B, B</p> <p>ANSWERS</p>

Upcoming GVBOT Events

[EVENTS](#) | Register Now



2024 State of the City Address with Mayor Ken Sim

Thursday | Feb 01, 2024

GVBOT welcomes Mayor Ken Sim back for his second State of the City address, where he will detail his vision for the future, entailing affordability for businesses, housing solutions & public safety.

WAIT-LIST



Consumer Trends: Develop Stronger Relationships with Customers

Tuesday | Feb 13, 2024

Customer obsession has been the best and most successful growth strategy to date. Join us to discuss how to rekindle customer love in the coming year and beyond.



A Conversation with Kevin Falcon

Tuesday | March 05, 2024

Join us for a conversation with Kevin Falcon, Official Opposition Leader, as he addresses the challenges and opportunities confronting businesses and shares his vision for British Columbia.

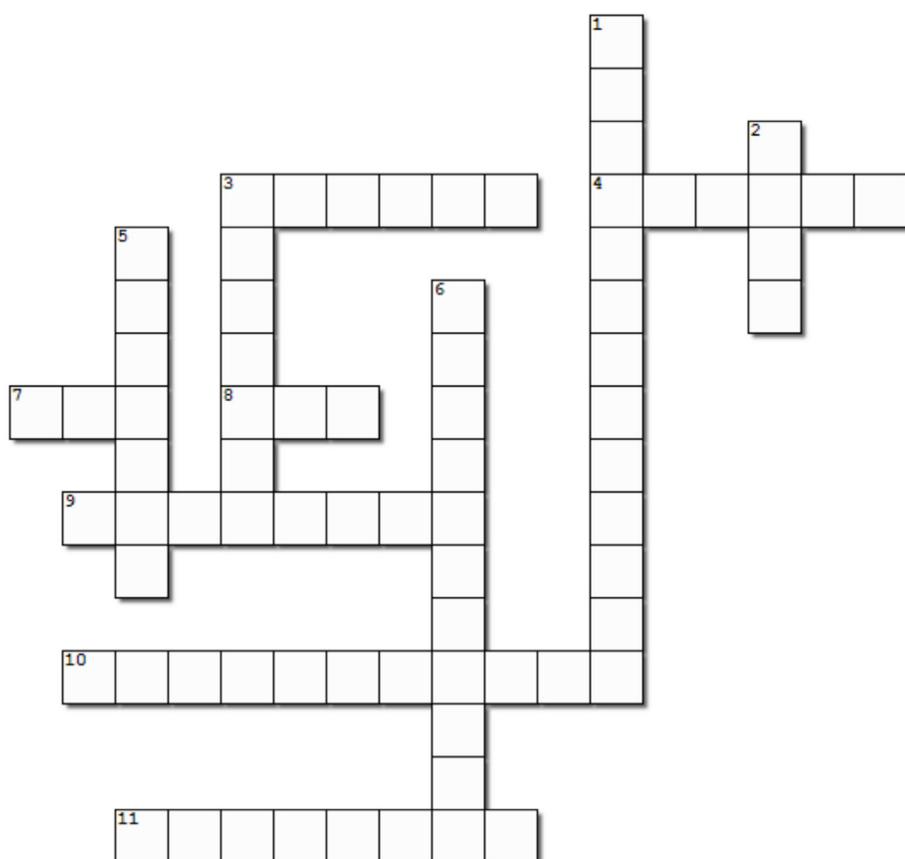


Sales Performance Summit

Thursday | Mar 14, 2024

We proudly present the Sales Performance Summit, to help you navigate this dynamic landscape, crafted to future-proof your sales strategy and empower both sales professionals and leaders.

CROSSWORD | Know your business jargon



ACROSS

- 3. Revenue minus expenses
- 4. Money received, especially on a regular basis, for work or through investments
- 7. The total value of goods produced and services provided in a country during one year
- 8. Price a buyer is willing to pay
- 9. A person who invests in a business
- 10. A legal form of business
- 11. Initial public ___

DOWN

- 1. A plan setting out what a business hopes to achieve and how it intends to achieve it
- 2. Company's identity symbol
- 3. Money owed to suppliers
- 5. An organization that produces goods and services for sale
- 6. The process of bringing goods into a country from abroad for sale