



SOUNDING BOARD



THE OFFICIAL PUBLICATION OF THE GREATER VANCOUVER BOARD OF TRADE AND ITS MEMBERS | APRIL 2023 | VOLUME 63 / ISSUE 4 | BOARDOFTRADE.COM

Inflation tightening grip on Metro Vancouver businesses

FORECAST | Canadian Survey of Business Conditions for Metro Vancouver

Metro Vancouver businesses are bracing for challenges in the year ahead as rising inflation, increased costs, and difficulty recruiting skilled employees top the list of expected obstacles. The findings were released in the latest edition of the Canadian Survey of Business Conditions for Metro Vancouver from the Business Data Lab at the Canadian Chamber of Commerce.

The survey found inflation was the most significant concern, with 60 per cent of businesses surveyed expecting it to be a significant challenge in the next three months. This was followed by the rising cost of inputs (47%),

real estate and leasing costs (40%), recruiting and retaining skilled employees (38%), and rising interest rates and debt costs (38%).

More than half of the businesses surveyed (56%) anticipate an increase in operating expenses in the next three months, while 35 per cent expect to raise prices, and 34 per cent anticipate a meaningful decline in profitability.

“Business owners are feeling the squeeze as operating expenses go up and profitability expectations go down. Employers are increasing wages for new hires, paying existing employees more, and offering different kinds of training

and benefits incentives to recruit and retain talent,” said Bridgitte Anderson, President and CEO of the Greater Vancouver Board of Trade. “Attracting employees with the technical skills to help their business thrive continues to be a huge challenge for business owners.”

Anderson added that higher interest rates were putting upward pressure on the cost of inputs, borrowing, and virtually every expense associated with owning and operating a business. She urged governments to focus on reducing barriers associated with doing business in the region and creating efficient permitting processes and take measures to



reduce the cost of doing business.

The report also found that 47 per cent of businesses which participated in the survey expect profitability to decrease, and 26 per cent expect cash reserves to decrease. To address the

challenge of recruiting skilled employees, the majority of businesses plan to raise wages in the coming year. However, more than a third of businesses have no plan in place to address expected retirements. **SB**

The future of app-based work in B.C

ADVOCACY | New report urges fair, safe and accessible standards

A new report from the Greater Vancouver Board of Trade titled “A Path Forward for the Gig Economy in British Columbia”, urges government to work with stakeholders to establish fair, safe, and accessible standards for app-based work in the province.

The provincial government is currently conducting consultations to inform the regulatory framework governing app-based work, which has grown significantly in recent years. The report warns against broadly reclassifying app-based workers as employees and calls for careful analysis of the potential negative impacts that regulatory changes could have on a sector which provides supplemental income for

thousands of British Columbians in addition to services that support local businesses.

One of the significant benefits of app-based work is the flexibility and autonomy it provides for workers to decide when and how to work. According to the report, the majority of British Columbians engaged in app-based work are supplementing their income and earn an average of \$5,200 per year. This flexibility also reduces barriers to work for individuals who may be unable to access traditional forms of employment, or whose schedule does not allow for more consistent forms of work.

The report cautions that changes to the regulatory framework governing app-based work could

have a significant impact. Broadly reclassifying app-based gig workers could result in a 20-30 per cent price increase for ride-hailing services, up to \$219 million in lost earnings for workers and a 70 per cent reduction in the amount of app-based work.

The report suggests targeted changes to the regulatory framework governing app-based gig workers to address existing challenges without jeopardizing the incomes of thousands of British Columbians and increasing the cost of services they provide. Bridgitte Anderson, President and CEO of the Greater Vancouver Board of Trade, articulated what is at stake, saying: “We have a collective opportunity to implement

and explore innovative approaches that can benefit workers, improve safety, and position British Columbia as a leader.”

The report also recommends several measures to improve standards for app-based work, including introducing a minimum earnings standard to ensure that workers benefit from the time they spend delivering services, exploring options for injury protection through occupational accident insurance, considering portable benefits models to give workers more control over their coverage, developing best practices for dispute resolution and termination, and collectively addressing instances of racism and discrimination.



The Greater Vancouver Board of Trade has advocated for policies related to the app-based gig economy since 2016 when it played an instrumental role in developing a regional license for ride-hailing. As app-based services grow in popularity, it is imperative that governments consult extensively with all impacted groups to ensure that communities can continue to enjoy the benefits they provide. **SB**

Download the report at boardoftrade.com/gigreport.

Embrace collaboration and technology to create meaningful change

TECHNOLOGY | Embracing change management

We've seen over the past year or so how businesses in Greater Vancouver and across the province are grappling with the challenges posed by economic uncertainty, rapid technological change, skills shortages, supply chain disruption, increased demand for sustainability and more. In the face of these challenges, government, industry, and business leaders must improve collaboration to cultivate an environment that supports business development and growth, while also leveraging provincial resources in a sustainable and effective manner.

I had the opportunity recently to participate in an executive panel discussion at the Vancouver Board of Trade's 34th Annual Economic Forum, along with Prem Gill, CEO, Creative BC; Walter Pela, Regional Managing Partner, KPMG; and Susan Yurkovich, Senior Vice President, Global Business Development, Canfor. As we shared our unique, sector-based viewpoints, a few common themes surfaced as to how greater collaboration and investment could drive future



economic growth and resiliency.

In the technology industry, there are some key areas where organizations should be focussing efforts:

Accept the acceleration and transformation of tech

Organizations look to technology to drive business results and competitive advantages in the quest for innovation and sustainable growth. Technology has sped up value creation through business transformation, from decision-making analytics and costs reduction to process optimization and business continuity in a competitive environment.

Technology is no longer just an IT tool. To reap its full advantage, it should be integrated within an overall business strategy, shifting focus from merely cost reduction to one centred on growth and value creation.

Fill the skills gap

There are more and more opportunities for new STEM-related roles (those related to science, technology, engineering, and mathematics) in Canada, especially as organizations adopt new technologies like AI and hybrid cloud; however, many job seekers, students, and career changers aren't pursuing these opportunities because they either don't realize the potential or they don't believe they are qualified. In fact, a study released this month from IBM reports that 66% of Canadians don't feel they can work in STEM because they don't have the right academic degrees.

To fill the skills gap, a focus can be on reskilling and upskilling. Businesses should consider sharing skills and resources with ecosystem partners and outsource

workstreams that partners can manage more efficiently. Additionally, they should consider mining internal operational and employee data to discover untapped skills and talent in the existing workforce and searching for talent with the right skills rather than the right degree.

Adjust to the new supply chain reality

In 2023, leaders expect supply chain breakdowns to continue to threaten business continuity. Natural disasters and geopolitical disruption have forced leaders to rethink their supply chain models and automate business ecosystems for greater predictability, flexibility, and insights into operations and decision-making. Integrating AI can also help organizations monitor quality, track performance, and generate more accurate forecasts in almost real time.

Make sustainability central to business strategy

Increasingly, ESG (environmental, social, and corporate governance) is being used to

evaluate a business's operational performance. Companies can grow resiliency and profitability through the confluence of digital and sustainability transformation by using data, technology, and standardized metrics to advance sustainability goals through overall daily operations.

Looking forward

To provide an attractive environment for businesses and job creation, our region must embrace collaboration and technology to create meaningful change. Bottom line? If business and government in the Greater Vancouver region are ready to act fast, stay flexible, and think long-term, the uncertainty of 2023 could soon be replaced with renewed economic growth and business success. EJ

Eric Johnson is the Lead Executive Partner in IBM Consulting for the Western Canada Public Sector practice. He is based in Vancouver and has worked for IBM Canada for over 30 years managing diverse programs across many Provincial Ministries and Federal Government departments both in Canada and abroad. To learn more, visit ibm.com/ca.

Becoming a Leader of Tomorrow

PROGRAMS | GVBOT mentorship program empowers next generation

Leaders of Tomorrow (LOT) has been one of the most impactful programs in my life. As a student who is in the final year of their undergrad, to find a career in finance, I knew that I need to build my network and hone my leadership skills, but I wasn't sure how to do it. That's when I heard about the LOT program and decided to apply. Looking back, it was one of the best decisions I've ever made.

The LOT program has four pillars: mentorship, leadership, networking, and volunteerism. These pillars were critical to my growth and development, helping me excel in various fields:

Mentorship: When I started

the program, I was paired with my mentor, and I was able to learn from his insights and better understand what it takes to succeed in Greater Vancouver. He also advised me on my career path and helped me navigate the challenges of starting a new job.

Leadership: The LOT program also helped me develop my leadership skills. Through workshops and seminars, I learned about different leadership styles and techniques and was able to put them into practice in group projects and presentations. I also had the opportunity to meet and learn from industry leaders who shared their insights and experiences with us. This helped me to develop my

leadership style and gave me the confidence to take on leadership roles in my career.

Networking: Perhaps the LOT program's most valuable aspect was its networking opportunities. As part of the program, we had access to over 100 Greater Vancouver Board of Trade events to meet and connect with professionals from different industries. This was incredibly valuable as a recent graduate looking to build my network. I took advantage by going to many events and learning from individuals there. In fact, networking at one such event helped me get a job opportunity at Scotiabank Commercial, where I will be starting after graduation. That's the power

of networking at GVBOT events.

Volunteerism: The LOT program encouraged us to be agents for change in our community. I am passionate about giving back and volunteering, which aligns well with me. Through volunteer opportunities, we were able to give back to the community while developing skills that would be valuable in our careers. I was able to develop and lead many initiatives while volunteering too. I was able to develop my project management, communication, and teamwork skills while making a difference in the community.

Looking back on my time with LOT, it was an incredible and rewarding experience. I would've



never expected anything like this from a program. The mentorship, leadership development, networking, and volunteer opportunities all contributed to my growth as a person and a professional. I recommend the LOT program to any student looking to gain experience, build their network, and develop their skills. AN

Avedeep Nijjar is an LoT mentee in the 2022-23 cohort, currently pursuing her Bachelors in Business Administration from Simon Fraser University.