



# **2021 Federal Pre-Budget Submission Response from the Surrey Board of Trade**

**February 19, 2021**



## 1. INTRODUCTION

The Surrey Board of Trade (SBOT), a not-for-profit city-building business organization with a membership of over 6,000 business contacts supports business and attracts business. Our role is to enhance economic opportunities. The Surrey Board of Trade contributes to city-building initiatives that enhance livability.

Every year, the Surrey Board of Trade provides their input on the Federal, Provincial, Regional, School District, and Municipal government budgets. The input is based on the needs of the business community in Surrey, and how the budgets can enable greater economic performance.

The Federal Government of Canada has launched a public consultation survey for Budget 2021. The Surrey Board of Trade's submission follows the themes discussed in the survey, which include growing the economy, how to determine whether Canada's economy is recovering from the effects of the COVID-19 pandemic, COVID-19's impact on employment and earnings, general ideas on how the federal government can help communities, how to use Canadian innovation to spur new jobs and growth, inclusive recovery, budget priorities, and financial concerns.

We appreciate the Federal Government's invitation to provide input on Budget 2020. By consulting and working with the business community, we can work collaboratively to improve economic indicators to provide a wide range of economic benefits to society.

COVID-19 has presented financial impacts and challenges to all government budgets. The Canadian Government's needs an action plan to ensure our health care system, communities and economy are positioned to weather the challenges ahead.

A budget in normal times is a forecast of the measures that will be presented in the year to come. Right now, we are in a period of uncertainty — extraordinary uncertainty — as to what might happen next month or in three months. Success will be measured by economic growth and productivity, but also the wellbeing of the country's population.

Canada needs an economic wellbeing budget. We need a rebooting of the economy. Some provinces have fared well in managing COVID-19 and keeping the economy afloat, but we don't know what the future will hold. Childcare and housing have come to the fore as critical economic foundations to drive job growth and entrepreneurship. Some initiatives though will need to be put on ice if it doesn't drive economic well-being. The Surrey Board of Trade presents federal policy considerations that could drive the economic well-being agenda.

We really need to think about how to position ourselves for the future, and not let the future come to us. Canada needs to boost its productivity, support productivity-enhancing investments, and diversify beyond traditional sectors. Any further debt-financed stimulus should be temporary, essential, and targeted to improving the economy's economic capacity.

Canada is nearing a limit to the amount of debt it can safely carry. The Conference Board of Canada on Feb. 18 [published](#) a report that estimates that all the emergency spending means the combined net

debt of the federal, provincial and territorial governments will be about 100 per cent of gross domestic product, the highest since the early 1990s.

All that debt needn't be a reason to retreat. But it does mean there is little room for spending that doesn't expand the economy's ability to generate wealth.

## 2. BUDGET 2021 PRIORITIES

The Surrey Board of Trade has called on the Federal Government to address provide aid to the economy during these turbulent times.

COVID-19 is a disaster that has negatively impacted the economy in many ways. These negative impacts are not going to be solved or made right overnight. It is through meticulous planning, investments in long-term and short-term projects that will guide us through to an economic recovery.

The Surrey Board of Trade calls on the Federal Government to create a budget that will:

- Address exacerbated inequality;
- Help small businesses especially related to the hospitality sector;
- Improve access to education, training, upskilling/reskilling programs, and jobs for those that are unemployed;
- Increase affordability in many major cities;
- Reduce the deficit;
- Improve foreign credential recognition to ensure that qualified professionals are able to get a job when immigrating to Canada;
- Implement a national pharmacare plan to alleviate the burden on businesses; and,
- Implement a childcare strategy that will allow for highly qualified individuals to enter the sector, and reduce the barriers that prevent current not-for-profits from entering the sector.

### Red Tape Reduction

The Surrey Board of Trade advocates for red tape reduction, defined as excessive bureaucracy, routines, rules, or complexity, which results in delay or unreasonable costs for business. Filing forms and applying for licenses are a part of doing business, however, we want to ensure that it isn't onerous on our members.

In the fourth Red Tape Survey, we capture member experiences from which the Surrey Board of Trade can measure improvement over time. Several emails introducing the survey were sent to the membership as a whole from the end of July to early October.

The Surrey Board of Trade conducts the Red Tape Survey annually to track improvements where they occur and identify concerns as they arise for our members. Specifically to:

- gain a deep understanding of our members' regulatory burden;
- determine any actions, recommendations, or policies that may be required; and,
- add to our body of knowledge that will lead to better regulation and lower costs for businesses and taxpayers.



This year's Red Tape Survey included questions pertaining to the COVID-19 pandemic. Many businesses have experienced hardship as a result of the economic shutdown. Understanding how COVID-19 has impacted business operations, and the confidence in recovery will provide insight whether Government's current policies are perceived as being beneficial or negligible.

More than 51% of respondents identified as employers. 82% of Surrey Board of Trade member respondents found regulatory requirements of all levels of government had a moderate to major impact on their daily operations, which is up from the 2019 survey by 11%.

Below are recommendations made by the Surrey Board of Trade to governments. Given that our respondents are finding regulatory compliance to impede innovation and growth, it is reasonable to consider that it may likewise create disincentives for the broader business community.

## RECOMMENDATIONS

Consistent with what our members have indicated for all three of the previous iterations of the survey, the Surrey Board of Trade recommends:

1. That governments reduce, where possible, the number of times businesses must report the same information;
2. That all levels of government improve their online service portals and call centre services, using clear language for instructions and ensuring relevant links are up to date and working; and,
3. Better communication and consultation with businesses when developing new regulations has potential to help.

### 3. Determining Canada's Economic Recovery

The Federal Government provided an economics-focused selection showing economic recovery, which included:

- Increased employment rates
- GDP growth
- Value of the Canadian dollar
- When businesses in the community are re-opening
- When people get back to work full time
- Improvements in personal finances

They also included the winding down of physical distancing measures as a potential indicator. In addition to the previously mentioned indicators, the reduction of a deficit would also determine whether Canada's economy has recovered from the COVID-19 pandemic.

All of the above-mentioned indicators will show signs of economic recovery; however, it fails to address the societal issues that have been exposed during the pandemic. Income has drastically increased for a few while inequities has increased. Economic recovery should not be determined based on financial indicators but also based on inequality and inequity being reduced.

Reform of the system will show that we are on our way to a more just society based on higher education levels, longer life expectancy, lower mortality rates, and improved health and happiness of the entire population will also be important.

COVID-19 did not only decimate the economy, but it has also created many other health issues such as depression and anxiety. A recovered economy should be measured by financial indicators and overall health and happiness of the population.

#### **ON BUSINESS TAXES AND COMPETITIVENESS**

SMEs are still unhappy with the current tax climate. The CRA audits are ramping up and are becoming increasingly burdensome on businesses. Additionally, the competitiveness of the corporate tax rate is insufficient when compared to those of the United States.

There needs to be significant tax changes to make Canadian businesses more competitive with the US. With an increased emphasis on tax enforcement, SMEs will see an increased administrative burden jeopardising economic growth.

The Surrey Board of Trade asks for a comprehensive review of Canada's tax system.

#### 4. INVESTMENT IN INNOVATION TO CREATE JOBS AND GROW THE ECONOMY

##### Natural Resource Investments and Support

Natural resources are the backbone of our economy. The highly regulated, and one of the cleanest sources is our natural gas and oil industry. The cancellation of the Keystone XL Pipeline is a devastating blow to the Canadian economy.

Pipelines are the safest way to transport oil. Technological advances has resulted in pipelines having fewer spills and accidents than other forms of transportation.

We call on the Government of Canada to work with industry, the Provincial Government of Alberta, and President Biden to reverse this decision.

Economic modelling conducted for the Task Force indicates that with the right success conditions, natural resources and manufacturing could create up to 2.6 million new jobs and up to a 17 per cent increase in real gross domestic product (GDP). This could amount to a nearly \$200-billion increase in potential labour earnings, while still moving Canada towards a low-emissions future.

Indigenous-owned businesses are 40 times more likely to be involved in the mining and oil and gas sectors than the average Canadian business.

We recommend that the Federal Government:

- Mobilizing resource prosperity by leveraging Canada's world-class industries; advancing regulatory efficiency; attracting capital investment; enhancing critical infrastructure; ensuring access to resource lands; and maximizing Indigenous economic participation
- Building meaningful employment by ensuring job creation; building employment resiliency; advancing Indigenous employment; and enhancing skilled workforce mobility
- Accelerating innovation and environmental competitiveness by aligning climate action and natural resource development; driving challenge-oriented innovation; advancing emissions reduction technologies and plastics innovation; supporting advancements in sustainable forestry and mining; and developing hydrogen and small modular nuclear reactor industries

## **Block Chain and Cloud Computing Technology**

Many countries have already begun utilizing blockchain and cloud computing technology since the inception of the Industrial Revolution 4.0<sup>1</sup>. The use of blockchain technology in the private sector has been shown to be successful and a technology that will yield exponential benefits to the economy. Small-scale farmers see the most benefit from implementation of blockchain technology in the agri-food industry.

The federal government has a substantial role to play when it comes to the regulation and implementation of new technology. With the advent of blockchain technology, the federal government must spear-head its use in the agri-food industry. Doing so will allow small-scale farmers to thrive and grow, thus exponentially amplifying our economy, standard of living, and reputation on the international stage.

The Surrey Board of Trade recommends that the Federal Government implement a blockchain economic strategy by:

1. Setting up a national commission, with representatives of government, financial institutions, the research community, technology entrepreneurs, civil society and, consumers that would develop concrete recommendations to enable Canada to achieve a leadership role in imminent blockchain revolution.
2. Stimulating R&D through blockchain-based flow-through shares that would track all investments in real-time in R&D to ensure all tax benefits go directly into innovation.
3. Creating a Blockchain Research Institute that is visible throughout Canada, to unlock the potential of blockchain across industries and also within the functions of organizations.
4. Creating a Blockchain Centre of Excellence where blockchain-related businesses can cluster and innovate.
5. Adopting the technology to transform its own governmental operations – federal, provincial and local.
6. Expanding access and information exchanges with the United States.
7. Ensuring educational and cultural norms conducive of innovation.

## **Create a Global Research Fund to Finance Innovative Technologies and Research for the Benefit of Human Life and the Global Economy**

The study of pathogens, and associated vaccine research, costs hundreds of millions of dollars with a very high failure rate (>94%). With immediate and ongoing financial support, labs and manufacturers can increase their efforts with greater scientific resources applied to each problem and the investigation of multiple potential solutions. Unfortunately, vaccines for emerging diseases are not generally an attractive investment for large pharmaceutical companies, given that by the time a vaccine is developed and licensed, an outbreak may have been contained.

---

<sup>1</sup> Kamilaris, Andreas, Francesc Xavier Prenafeta-Bold'y, and Agusti Fonts, "The Rise of Blockchain Technology in Agriculture." *ICT Update: Blockchain*, vol. 88, 2018. <http://ictupdate.cta.int/2018/09/04/the-rise-of-blockchain-technology-in-agriculture/>.

For research on global pathogenic research to timely, effective, and responsive, it needs to be sustained and properly funded, free from pure profit encumbrances. To this end, Canada should lead an international effort to create a global research fund to finance innovative technologies and research into the diagnosis and treatment of emerging pathogens and quick, equitable and universal deployment of effective treatments to benefit human life and the global economy. Allocation of the fund would be delegated to an international commission, whose job it would be to determine and show the health and economic benefits of different products in an open and transparent manner.

The Surrey Board of Trade recommends that the Federal Government lead an international initiative to create a global research fund to finance innovative technologies and research for the diagnosis and treatment of emerging pathogens and quick, equitable, and universal deployment of effective treatments to benefit human life and global economy.

- a. Establish the process for evaluating successful trials;
- b. determine the Criteria for selecting vaccines for Canadian market approval; and,
- c. an immediate expansion of domestic manufacturing capacity.

### **Reuse of Greywater to Help Address Unsustainable Water Resource Demand**

Of the overall available water resources on earth, approximately 97% is in the oceans with the remaining 3% available for direct use; however, out of this 3% the water available for use by humans is estimated at one one-hundredth. Survival remains one of the key factors of water use along with food production, industry, and domestic needs.

Global demand for water has or will soon reach or exceed natural capacity of watersheds. Much of the world is affected by acute water shortage and over-exploitation of water resources resulting in the destruction of these resources and high levels of freshwater pollution resulting from anthropogenic factors. Urbanization, industrialization, and population growth have resulted in unsustainable water demand which affects cost to business, ability to operate and quality of life. Canada is not immune to these problems.

As growth and demand continues where will the water come from to sustain industry, food production, ecological and human activities? The widespread reuse of grey water is a viable option that should be explored to meet some of this demand for water. In 2019, the Camrose Chamber of Commerce and Sherwood Park & District Chamber of Commerce identified this issue; however, it was defeated as it was felt that the business case for this important resolution was not articulated. This revised proposal emphasizes the serious repercussions of water shortages and how this resolution can address part of this important business issue.

The Government of Canada should commit to developing effective, nationally consistent, building codes and integrated reclaimed water standards in consultation with technical and non-technical experts, such as industrial facility operators, to reflect current national and international economic and environmental requirements. The Government of Canada should also provide incentives measures to ensure Canada leads innovation and product development and sales in the development of water reuse management practices.



## Protecting Canada's Arctic

Canada's Arctic is the future of Canada in several ways with many relying on Arctic Sovereignty and the Northwest Passage (NWP). Currently, the Panama Canal is the only viable route in North America to ship goods from east/west and vice versa. With the melting of the Arctic region, the attraction of the NWP as a shipping route has grown significantly as well as the potential for economic independence.

According to research published in the journal Nature Climate Change the Arctic could be "functionally ice free" by 2044.<sup>2</sup> This also opens the concern of other militarized nations asserting their presence in the NWP. This concern of "the Canadian Arctic's security and safety" is highlighted in the recently released Report of the Special Senate Committee on the Arctic "Northern Lights: A Wake-Up Call for the Future of Canada" and was even addressed by the US Embassy in a letter to Prime Minister Trudeau in November 2019 due to our lack of federal investment in our military which would include the financial support of Arctic Sovereignty.<sup>3</sup>

The Surrey Board of Trade recommends that the Federal Government, as recommended by the Special Senate Committee on the Arctic, implement all recommendations beginning with recommendations 23 through to 25 which supports the production of more icebreakers specifically for the Arctic regions of Canada, and greater infrastructure investment throughout the Canadian Arctic.

## Finance & Taxation Measures

In order to be a part of the solution, the fitness industry would like to partner with government. The federal government could create an immediate economic impact by including fitness memberships and services as a medical expense on tax returns.

The evidence and research to support that exercise is medicine is overwhelming and compelling – Canada has even been a leader in publishing this research. This action can provide the federal government with a 500% return on investment by reducing the overall health care burden.) The fitness industry currently has the capability to support attendance records and payments for audit purposes. The Prescription to Get Active program would support this action plan - the fitness industry is primed to roll this, already established, program out across the nation. This action plan and initiative would inspire Canadians with the promotion of their health and wellness, and put Canada as a global leader in health care management and prevention.

Professionals across the country are ready, willing and able to provide both in person and remote services to support this action plan and the public health orders. The fitness industry employs 150,000 Canadians, with the majority of those under the age of 30.

## Improving Inter-Provincial Trade and International Trade

The Surrey Board of Trade provided input into the proposed Western Canada Growth Strategy.

---

<sup>2</sup> <https://www.cbc.ca/news/canada/north/ice-free-arctic-this-century-1.5370504>

<sup>3</sup> Patterson, Dennis Glen et. al., "Northern Lights: A wake-up call for the future of Canada." *Report of the Special Senate Committee on the Arctic*, June, 2019.

[https://senCanada.ca/content/sen/committee/421/ARCT/reports/ARCTFINALREPORT\\_E.pdf](https://senCanada.ca/content/sen/committee/421/ARCT/reports/ARCTFINALREPORT_E.pdf)



A Western Canada Growth Strategy is timely for businesses and for our local economies because we need to be more innovative to compete globally. Western Canadian provinces have unique assets from both a labour and resource perspective.

In the face of international trade uncertainties, reduce interprovincial trade barriers. Increase labour mobility, lower tariffs, and harmonize regulations – all of which would improve the economy. In order for the western Canadian economy to be a strong economic power, provinces must have aligned goals.

### **Investment in Trade Enabling Infrastructure**

To ensure that the Canadian economy can continue to grow, investment in infrastructure and technology related to imports, exports and advancements in shipping are necessary. Infrastructure projects and technological advancements improve efficiencies, commodity pricing and will ensure Canada remains competitive on the world stage.

For infrastructure and technology projects to materialize, all levels of government must work with ports across the country, to:

- prioritize the timely and efficient approvals of infrastructure projects designed to meet Canada's trade objectives related to the shipping industry.
- coordinate investments in digital technology to enhance block chain and supply chain visibility;
- protect industrial lands; and,

Canadian trade connections and capacity can deliver the competitive advantage for Canada in the years ahead, but only if Canadian port authorities are able to plan for and advance projects that will meet the country's trade objectives.

### **Innovation in the CRA – Making the T2200 Short Permanent**

COVID-19 has resulted in a new normal. More employees are working from home, and that has led many to the question: what expenses can be reimbursed? The CRA's current calculation of work-at-home-expenses only allows for a very minor reimbursement, which is less than the current reality of working from home.

The Federal Government implemented the T2200 Short in 2020/2021. This form simplified the process for employers substantially, but it is not permanent. Reverting back to the long version of the T2200 Short will result in substantial red tape, more time spent away from the operation and growth of the business, and confusion.

Business relies on predictability to operate efficiently. If the Government of Canada decides to revert to the original, cumbersome, T2200, there will be inefficiencies, excess burden on businesses, and a learning curve costing the business.

The Federal Government should ensure that deductions are consistent and include mortgage interest, rent, property tax, and property insurance, prevent any changes to the simplified T2200 Short, and provide education to employers of the \$500 reimbursement available to employees tax free, and streamline this incentive to be similar to the United Kingdom system.

## **Creating a Comprehensive Source of Information Linking Training Programs to Skills and Jobs**

The COVID-19 pandemic has resulted in high job losses. Those that are unable to return to the industry that employed them have the daunting task of learning new skills to find employment in industries that are new to them. Coupled with the inability to attend traditional in-person learning is the lack of a national information system that would help workers in need of reskilling to find suitable education and training options that could provide sought-after skills, which are linked directly to available jobs.

There needs to be a mapping of Canada's training programs and jobs that want individuals with those skills. It will not only benefit skills development for workers and employers who gain most directly from smart training choices, but the entire Canadian economy stands to benefit through improved international competitiveness.

Employers, industry associations, academic institutions, and program providers must work collaboratively with government to ensure that there is up to date information on programs available, career positions available, and skills required. A strong working group will be essential in creating a mapping system that will accomplish what is needed.

In order to understand the workings of such a mapping system, a pilot project is needed. We envision that the initial pilot project would occur in a few cities across Canada. These cities would be case studies for how the program would run in various areas throughout Canada. The demographic of the pilot cities should be representative of the diversity of Canada include:

- Rural towns;
- Cities that have a diverse population such as Surrey;
- Cities with large urban Indigenous populations;
- Indigenous reserves;
- Metropolitan cities such as Vancouver or Toronto
- Coastal cities;
- Resource-dependent cities.

Once initial learnings are gained through the implementation of the city pilot project, it can be scaled up to a regional approach, then provincial, and finally country wide. The data gathered by the pilot and subsequent projects will be crucial to developing a nation-wide mapping system linking individuals to skill programs and ultimately gainful employment.

## **Educating Businesses in Exporting and Selling Online**

COVID-19 is affecting many businesses that relied on shoppers visiting their brick-and-mortar stores. With varying degrees of shutdowns and physical distancing measures in place, once busy shopping centres and businesses have little to no in-person shopping. Some business that had a healthy ecommerce presence fared well during the pandemic, however, others were unable or unwilling to shift to selling online.

A recent study published by the Business Development Bank of Canada (BDC) stated that businesses with a strong e-commerce presence saw revenue increases through the pandemic, but less than half of

small and medium sized enterprises (SMEs) plan on selling goods online after the crisis is over. Businesses that conducted more than 50 per cent of sales online outperformed others during the lockdown period, with 39 per cent reporting that they were able to maintain or increase revenue. This came as 85 per cent of consumers said they now shop online.

Since many small businesses are reluctant to go online, the Provincial Government should be providing education on the benefits of having an online presence because COVID-19 variants will impact social gatherings for years to come.<sup>4</sup> The City of Surrey implemented the “Store to Door” campaign when the pandemic began.<sup>5</sup> The initiative saw 41,300 shoppers, 66,400 connections to Surrey online companies, and over 500 restaurants on online order and delivery services.<sup>6</sup> The success of the initiative can be replicated on a broader level but there are many Cities that do not have the capacity to provide this education. The Provincial Government should be providing resources to organizations and businesses that have the knowledge and understanding on how to launch an ecommerce presence. Educating businesses on the benefits of selling online, and guiding them to do so, is crucial in a post-pandemic world.

The unprecedented global crisis has made it apparent that in addition to ecommerce, exporting is essential for businesses to remain viable. In addition to creating an ecommerce presence, businesses must be educated on how to sell their goods and services internationally. There are many organizations available that can educate retailers, wholesalers, and manufacturers on how to effectively export but their capacity is limited. The Provincial Government should provide funding to these organizations in order to increase their capacity to education businesses on how to sell internationally.

By providing funding to organizations and businesses that educate retailers, wholesalers, and manufacturers on how to export their product, Governments can boost confidence in trade and global markets. Additionally, it will be important to improve transparency about trade-related policy actions and intentions, keep supply chains flowing, and avoid unnecessary export restrictions and other trade barriers.

### **Lowering E-Commerce Credit Card Processing Fees**

COVID-19 has resulted in many businesses switching to online platforms or suffering closure. Many businesses and retailers have converted from brick & mortar shops to digital spaces. With more items being bought online to limit in-person shopping during the pandemic, small businesses have been faced with further costs on credit card transactions.

The average cost of processing payments for businesses that do between \$10,000 and \$250,000 in annual payments volume is between 2.87 percent and 4.35 percent per transaction.

In 2018, the Federal Government announced new agreements with Visa and MasterCard to lower credit-card processing costs for small and medium-sized businesses. Many businesses and retailers have

---

<sup>4</sup> <https://www2.deloitte.com/global/en/pages/about-deloitte/articles/covid-19/covid-19-scenarios-and-impacts-for-business-and-society-world-remade.html>

<sup>5</sup> <https://investsurrey.ca/storetodoor>

<sup>6</sup> [https://businessinsurrey.com/wp-content/uploads/2021/02/2020-I3C-Annual-Report\\_FINAL.pdf](https://businessinsurrey.com/wp-content/uploads/2021/02/2020-I3C-Annual-Report_FINAL.pdf)

converted from brick & mortar shops to digital spaces. The reduced processing fees are not applicable to online transactions. This poses significant costs to businesses trying to stay afloat in the midst of a pandemic.

Higher costs for some online transactions could actually serve as an impediment for small businesses to transition to e-commerce and will ultimately inflate prices for consumers.

An estimated 150,000 small businesses started e-commerce sites in 2020, according to the Canadian Federation of Independent Business.

The Federal Government have an opportunity to provide sustainable support to small and medium sized businesses (SMEs). Ottawa needs to work with American Express, Visa and MasterCard to provide relief for small businesses on processing costs for e-commerce transactions.

### **Ensuring All Coastal Cities are Prepared for Flooding**

Climate change as a result of global warming leading to melting ice caps in the north and south poles is causing sea level rise. The BC Ministry of Environment and Climate Change Strategy has directed cities to prepare for a 1m rise in sea levels by 2100. Extreme weather events causing significant rainfall/snowfall are being seen in BC communities. This can cause significant flooding of rivers flowing through BC. Flooding poses catastrophic risks to BC's economic vitality, safety, environment, property owners and communities.

Although, cities have been directed to prepare for sea level rise, there remains the need for significant dollars (running into billions) to upgrade dikes and associated infrastructure over the coming years to prepare adequately for such flooding events especially the 1m rise of the sea level in the next 80 years. There is a 0.5% chance of an extreme flood today while there is a 50% chance of an extreme flood by 2100 AD. Complete restoration of coastal communities and infrastructure following a major flood event could take several years, needless to say, causing severe disruption to the economy resulting in losses of several hundreds of million dollars. To help prevent damage and losses, dikes across BC have to be upgraded in a timely manner and in a priority sequence.

As part of its long-term flood adaptation strategy, the City of Surrey has embarked upon a full review of existing dike infrastructure throughout the City limits and has identified priority areas around rivers (Nickomekl, Serpentine) and the coastline (boundary bay) requiring significant investment for upgrades over the next several years for which both provincial and federal funding will be required in addition to city funding.<sup>7</sup>

The Federal Government has provided substantial funding to the City of Surrey, but policy needs to be developed to partner with BC municipalities to provide guaranteed Federal funding through a strategic plan over time to ensure upgrades to flood mitigation infrastructure.

---

<sup>7</sup> Serpentine and Nikomekl Lowlands – City of Surrey <https://www.surrey.ca/city-services/3654.aspx>

## Indigenous Reconciliation

Surrey has the largest urban Indigenous population in British Columbia. We require governments to work concurrently in an effort to ensure full economic participation in the economy. The BC Government has already passed their own UNDRIP legislation – we ask that the Federal Government works with the Provincial Government in their development of UNDRIP legislation to ensure that they are aligned.

## Adequate Support for Refugees

The concern is that Federal support for publicly sponsored refugees is only for one year. Given that it is unreasonable to expect refugees to find sustainable employment within a year of arrival due to waitlists for language and job skills training, and because the family health and emotional needs and the associated challenges of integrating to a very different society, service providers are now advocating for the provincial support services to be increased by a value that mitigates the impact of transitioning funding sources.

There is a need to ensure refugee families continue to be supported beyond the one year federally funded period at a level that provides sufficient economic security to continue with English and employment related training. Recognizing the challenge to federal resources, once employed, refugees will be able to contribute back to Canada through taxes as well as economic activity in their community.

A number of refugees have various education backgrounds such as engineering, or other professional credentials. Many have had their education interrupted and would like to continue; however, with lengthy waitlists for English instruction that will expedite employment opportunities, a provincial “top up” of the income assistance (IA) funding will assist refugee families transition until their English becomes relatively proficient. Currently the federal government provides all government assisted refugees with the ability while on federal income support to earn fifty percent (50%) of their monthly income support without claw back.

The Government of Canada should extend the federal financial support of GARs until they are financially stable and work with employers to provide access to employment and English and French language training.

## Explore Universal Basic Income

The recent COVID-19 pandemic has laid bare the inadequacies of government support and payment transfer systems. A Universal Basic Income (UBI) has been seen as a clean, crisp way of replacing gnarled government bureaucracy and as a stay against harsh economic pressures now on the horizon.<sup>8</sup> Depending on how the system is designed, the new UBI might replace all existing governmental assistance programs or complement them, as a wider safety net.

A basic income is an income paid to all individuals without work requirements. It differs from minimum income guarantees because it is paid:

1. to individuals rather than households;

---

<sup>8</sup> <https://www.newyorker.com/magazine/2018/07/09/who-really-stands-to-win-from-universal-basic-income>

2. irrespective of any income from another source; and
3. does not require past work performance or the willingness to accept a job if offered or a search for a job.

UBI differs from existing guaranteed minimum income systems and negative income tax proposals.<sup>9</sup> Current programs favor the working poor over the jobless. With a universal income everybody gets a basic chance.

We recommend that the Federal Government create a working group that will determine the feasibility of a universal basic income. The committee should be comprised of but not limited to academics, key stakeholders, and business associations. The Government should work with the provincial and municipal governments to create a database that contains everyone's name, address, SIN, and other pertinent information for the deployment of cheques or direct deposit. Finally, the Government should create universal basic income legislation paid to individuals without any conditions apart from being citizens or permanent residents.

### Reducing the Wage Gap in Canada

Pay gaps between four designated groups (women, people with disabilities, Indigenous peoples, and visible minorities) and men remains a consistent problem for the Canadian economy. One reason attributed to this gap is that fewer individuals in designated groups are employed in high-paying occupations, which are dominated by men<sup>10</sup>. Ensuring that there is training, hiring, and education of the designated groups will lead to a larger number of employable individuals in the workforce, which can reduce the shortage of workers experienced by all industries.

The Federal Government should collaborate with Provincial Governments to improve training and education opportunities in industries in which women, Indigenous, disabilities and minorities are underrepresented.

---

<sup>9</sup> [https://modernmoneynetwork.org/sites/default/files/biblio/arguing\\_for\\_basic\\_income.pdf](https://modernmoneynetwork.org/sites/default/files/biblio/arguing_for_basic_income.pdf)

<sup>10</sup> Schirle, Tammy, and Moyosoreoluwa Sogaolu, "A Work in Progress: Measuring Wage Gaps for Women and Minorities in the Canadian Labour Market," Commentary No. 561. C.D. Howe Institute.  
[https://www.cdhowe.org/sites/default/files/attachments/research\\_papers/mixed/Commentary\\_561.pdf](https://www.cdhowe.org/sites/default/files/attachments/research_papers/mixed/Commentary_561.pdf)

## 6. How to Help Surrey

### Housing

Having a safe and affordable place to call home is something that every Canadian needs. Yet finding affordable housing remains a challenge. The Federal and Provincial governments continue to make some inroads to deliver on their commitment to make housing that is safe, suitable and well-maintained, making quality housing more affordable and within reach for Canadians.

The Surrey Board of Trade was asked to participate as a stakeholder in targeted discussions on measures that would promote more affordable housing markets in British Columbia. The conversation focused on the impact of high housing costs on job creation and recruitment.

The Surrey Board of Trade recommended that all levels of government work together to decrease the cost of housing. Additionally, there is a need for wages to remain competitive, to match inflation and cost of living. Surrey businesses indicated that affordable workforce housing is good for business as it is good for the employees that work for these businesses.

Financial support in the form of a housing allowance, employers providing money for relocation, damage deposits, and other transportation allowances such as paying for a portion of insurance allowed employees to remain in costly cities. The real key to affordability is to reduce the level of government interference in the housing market. We need a comprehensive review of taxes to those in the affordable housing ecosystem – that is everyone!

### Childcare

In 2017, the federal government made landmark investments in infrastructure to begin addressing the affordability crisis in childcare. Since then, there have been minimal strides to ensure these programs are being evaluated and reformed to meet the needs of families.<sup>11</sup>

Over the last three decades, the need for childcare has grown steadily, with the rise in employment rates among women and the corresponding increase in dual-income earner families. This has accompanied changes in the composition of Canadian families, notably increases in lone-parent and step-families, impacting both the need and type of child care required.

Beyond need, the demand for quality childcare has also increased, due to the potential benefits on peer socialization, school readiness, and numeracy and language skills. In Canada, options for childcare are varied, ranging from nannies, home daycares, daycare centres, preschool programs, and before and after school services. Finding the most appropriate childcare arrangement can, at times, be challenging. Parents must often balance the need between the overall quality, convenience, availability and cost of childcare.<sup>12</sup>

---

<sup>11</sup> <https://www.canada.ca/en/employment-social-development/programs/early-learning-child-care.html>

<sup>12</sup> <https://www150.statcan.gc.ca/n1/pub/89-652-x/89-652-x2014005-eng.htm>





The Surrey Board of Trade childcare advocacy includes:

1. Improve access to childcare by introducing a new capital budget to purchase and build publicly-owned childcare facilities;
2. Reduce the barrier for not-for-profits to enter the childcare service sector;
3. Enhance childcare quality and address the recruitment and retention crisis in the childcare sector; and,
4. Reduce childcare fees for families

### **Improving access to good jobs and continued training for the workforce**

The 2003 International Adult Literacy and Life Skills Survey (IALSS) looked specifically at the number of people who were involved in adult learning and training in 2002. The survey found that, in Canada, just 20% of people, who had low skills and were in low-skilled jobs were involved in a course or program, and this is 10 percentage points lower than Norway, Switzerland and the United States. Over 60% of high-skilled people in high-skilled jobs in Canada participated in adult education and training – again, Canada was 10 percentage points lower than the United States (which is also troubling for productivity of our most skilled workers). Employer-financed training was highest for people who had higher-level skills and were in high-skilled jobs – 35% compared to 7% for lower-skilled people in low-skilled jobs. Employers were more likely to fund training for people with lower skill levels who were in higher-skilled jobs, but still, only 25% of them received employer-funded training of any kind in the previous year.

The Federal Government needs to improve investment in post-secondary education and training. Additionally, increasing support for apprenticeship opportunities, co-op placements, internships and mid-career training and education are needed. Businesses also need more incentives to grow so that they can offer competitive wages to new graduates and provide training for their employees. Investments in communities through public transit, affordable housing and green infrastructure will also lead to better economic outcomes.

### **Public Safety**

The Federal Government needs to collaborate with provinces to invest in mechanisms that will remove prolific offenders and enhance judicial accountability. Public Safety investments are needed. It should be noted that if Surrey's police force transitions from a RCMP force to a municipal police force, the Surrey Board of Trade notes to the federal government that there will be some financial cost to the federal government that needs to be explored. The current transition will result in service gaps, leading to an unsafe community. We need immediate action pausing the transition.

The City of Surrey was provided with \$7.5 million to implement the Surrey Anti-Gang Family Empowerment (SAFE) Program. SAFE is being delivered by 10 partner organizations including:

- City of Surrey
- DIVERSEcity Community Resources Society
- Kwantlen Polytechnic University (KPU)
- Options Community Services Society
- Pacific Community Resources Society (PCRS)
- Progressive Intercultural Services Society (PICS)
- Royal Canadian Mounted Police (RCMP)



- Simon Fraser University (SFU)
- Solid State Community Society
- Surrey School District

With a large population of children and youth living in Surrey, the SAFE program is investing in the lives of vulnerable and at-risk children and youth by building early intervention programs and disrupting negative pathways to gang violence.

From January 2019 to March 2020, SAFE partners collectively extended services to 1515 unique clients including 1292 children and youth at-risk for gang involvement and 233 of their parents and caregivers.

In an effort to be inclusive and extend the reach of SAFE, 216 clients were offered culturally sensitive programming such as clinical counselling in their preferred spoken language.

These programs have been a tremendous success, and has provided for a safer Surrey, allowing for great economic benefits. There is a need for more investment by the Federal Government in this crucial public safety program.

### **Transportation and Infrastructure Investments**

Surrey needs a comprehensive and long-term transportation plan. The current initiative to build a SkyTrain to Fleetwood is insufficient to move people throughout Surrey. The Federal Government must engage stakeholders and the City of Surrey to provide funding for a comprehensive transportation plan to serve our local economy, not only between Langley to Vancouver, but also within Surrey connecting and revitalizing all of our town centres.

Many large river systems in Canada, are not being used to their full potential. These waterways are underutilized due to the lack of development of port cities along their banks. Many cities across Canada have successfully revitalized their waterfront areas along major waterways such as Toronto<sup>13</sup>, and New Westminster.<sup>14</sup>

The Fraser River began, as well as the first salmon cannery was built. Fast forward close to 200 years of innovation and advancement, the lower Fraser River port alone contributed to 55,500 jobs, \$3.4 billion in wages, \$5.6 billion in GDP, and \$12 billion in economic output. The Fraser River's water is used by pulp mills, has rich farmland on its banks, and provides an abundance of fisheries. There are, however, limitations to the efficient utilization of land. This growth is not limited to just the Fraser River – many riverfront areas across Canada would see the economic benefit to enhanced development.

With regional growth, changing priorities, and economic opportunities, historical policies and practices need to adjust. In the following sections, the benefits that can be harnessed with the revitalization of the Fraser River are explained. These benefits include increased and more diverse housing supply,

---

<sup>13</sup> [https://www.waterfrontoronto.ca/nbe/wcm/connect/waterfront/6ad7cede-0238-4d67-9284-e243793beea3/Waterfront+Toronto+Five-Year+Strategic+Plan\\_NEW.pdf?MOD=AJPERES](https://www.waterfrontoronto.ca/nbe/wcm/connect/waterfront/6ad7cede-0238-4d67-9284-e243793beea3/Waterfront+Toronto+Five-Year+Strategic+Plan_NEW.pdf?MOD=AJPERES)

<sup>14</sup> <https://www.newwestcity.ca/riverfrontvision>



innovative commercial spaces, tourism enhancement mechanisms, innovative transportation solutions, and considerable additional economic benefits.

Currently, the federal government provides funding envelopes to revitalization projects on a case-by-case basis, similar to the revitalization project in Toronto. When federal policy is established to fund provincial and municipal governments in revitalizing waterfronts, many riverfront cities will be able to benefit since the precedence will have been established.

Tourism enhancements, economic development, an increase in housing supply, and innovative land use planning processes are just a few of the key benefits to be seen through investment in the Fraser River waterfront revitalization project.

The Surrey Board of Trade recommends that the Federal Government engage with the Surrey Board of Trade to develop a Riverfront Revitalization Working Group to create a revitalization roadmap.

*END*