

Executive Summary

A recent survey of businesses in Surrey and White Rock revealed widespread concern over potential US tariffs, particularly a 25% tariff on exported goods. Over 64% of respondents were employers, with the majority representing small and medium-sized enterprises (SMEs). Many businesses in the region export finished goods to the US and fear that increased costs will lead to financial losses, job cuts, and decreased competitiveness.

Key findings include:

- Revenue Impact: Most respondents derive less than 10% of revenue from US exports, but for those exceeding 11%, manufacturing is the most affected sector.
- Business Risks: 64.5% foresee significant risks due to US tariff and policy changes.
- Economic Consequences: Businesses predict severe impacts, including increased costs, customer loss, market withdrawal, and operational shifts to the US. Some are already considering relocating investments.
- Industry-Wide Effects: Manufacturing, agricultural, construction, transportation, retail, and hospitality sectors are expected to suffer as layoffs rise and disposable income declines.

RECOMMENDATIONS

As a result of survey responses and voluntary additional comments, the Surrey Board of Trade and South Surrey & White Rock Chamber of Commerce recommend:

1. Creating a Canadian supplier directory to reduce reliance on US imports.
2. Providing export training and tax relief for SMEs experiencing revenue loss.
3. Reducing interprovincial trade barriers and enhancing global trade partnerships.
4. Offering sector-specific strategies through direct industry consultation.
5. Clarifying tariff implications for service-based businesses.
6. Protect businesses by halting all taxation changes that would deter business growth.
7. Immediately freeze all regulatory changes on industry that would add cost and red tape.
8. Implement a strategic plan to ensure that businesses in the South Fraser Economic Region, which are particularly vulnerable to these tariffs as a result of the industries and proximity to the border, are provided with greater international trade support through the Surrey Board of Trade's International Trade Centre.

The results indicate an urgent need for government intervention to support SMEs, protect Canadian industries, and develop domestic and international trade strategies to counteract potential economic disruptions.