

Our Government's Work to SUPPORT SMALL BUSINESS & GROW THE ECONOMY in Burnaby North-Seymour

Summary Report 2025 - 2026

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TABLE OF CONTENTS

Introduction

Tax Relief

Small Business Support

One Canadian Economy

Financing and Innovation

Intellectual Property

Exporting

Tariff Response

Workforce

Clean Economy

Support in Burnaby North-Seymour

INTRODUCTION

Building Canada Strong for Small Business

Small and medium-sized businesses employ approximately 64% of Canada's private sector workforce. They are the heartbeat of communities like Burnaby and North Vancouver. Canada's new government is focused on building One Canadian Economy: removing barriers between provinces, cutting red tape, lowering taxes, and investing in the infrastructure and workforce that businesses need to compete and grow.

Budget 2025 and the Spring Economic Update 2026 deliver meaningful relief for businesses facing the pressures of US tariffs, rising costs, and global uncertainty. The government cancelled the consumer carbon price, cut the bottom income tax rate, legislated a cut to CPP contributions for workers and employers starting January 2027, and is advancing the most ambitious internal trade reform in Canadian history.

This summary report highlights our government's work for 2025-2026. For a full record of investments from 2015 through 2024, please visit TerryBeechMP.ca/reports.



Last update: Sep 3, 2026

AT A GLANCE

Federal Support for Small Business

Key programs and measures from Budget 2025 and Spring Economic Update 2026

TAX RELIEF

15% → 14%

Bottom Income Tax
Rate Cut Effective
July 1, 2025

9.9% → 9.5%

CPP Rate Cut, eff.
Jan 2027

\$0

Consumer Carbon
Price Eliminated Apr
2025

6.4%

Marginal effective tax
rate, down from 15.6%,
lowest of any major
economy in the world

INVESTMENT AND CAPITAL

\$1B

Venture and Growth
Capital Catalyst Initiative
via BDC

\$750M

To support Canadian firms
facing early growth-stage
funding gaps (details tbc)

\$68.5M

CanExport to help SMEs
diversify exports to new
markets

TARIFF RESPONSE

\$1.5B

Regional Tariff Response
Initiative expansion, eff.
Sept 2026

\$3M

Max., non-repayable,
including up to \$2M for
liquidity, up from \$1M

\$2B

Canada Strong
Diversification Fund

Tax and Cost Relief

Canada's new government has delivered three major tax cuts since taking office, directly reducing costs for businesses and the families they employ.

Consumer Carbon Price Cancelled

On its first day, our government cancelled the federal consumer carbon price, bringing down gasoline prices by approximately 17.6 cents per litre in most provinces and territories as of April 2025. This reduces input costs for businesses across every sector.

Middle-Class Income Tax Cut

Since July 1, 2025, the first marginal personal income tax rate has been reduced from 15% to 14%, saving a two-income family up to \$840 per year. When families have more money, they spend more in local businesses.

Fuel Excise Tax Paused

The federal fuel excise tax is paused until January 31, 2027, saving up to 10 cents per litre on gasoline and 4 cents per litre on diesel. Then half rate until March 31, 2027. For businesses that run vehicles or equipment, this is immediate cost relief.

Employee Ownership Trust Exemption Made Permanent

Owners who sell a qualifying business to an employee ownership trust or worker co-operative can exempt up to \$10 million in capital gains from tax. First introduced as a temporary measure, this exemption is now permanent, giving local owners a lasting succession option that keeps the business and its jobs in the community.

CPP Employer Contribution Cut

The CPP contribution rate for both employers and employees will be reduced from 9.9% to 9.5% effective January 1, 2027 (4.95% to 4.75% each for employers and employees). For every business in Burnaby and North Vancouver, this lowers the cost of hiring on every single employee, improving cash flow and competitiveness.

Alcohol Excise Relief Extended

Our government has extended excise duty relief for Canadian alcohol producers. The annual inflation adjustment on excise duties stays capped at 2%, and reduced rates continue on the first 15,000 hectolitres of beer brewed in Canada, providing over \$30 million in relief through 2028 for producers such as craft brewers.

GST Removal for First-Time Home Buyers

The GST has been eliminated for first-time home buyers on new homes up to \$1 million, reducing the cost of home ownership and putting more money into the hands of residents, supporting local economies and housing supply.

KEY SUPPORTS FOR SMALL BUSINESS

Programs to Help Businesses Start Up, Scale Up, and Stay Competitive

Productivity Mega Deduction

Prime Minister Carney announced the **Productivity Mega Deduction** at the first Canada Investment Summit in September 2026, which builds on the **Productivity Super-Deduction** introduced in Budget 2025, increasing the share of assets covered from roughly 15% to more than 65%, including fibre-optic cable, mining property, oil and gas pipelines, software, research and development, computer equipment, aircraft and vehicles, patents, rail track, bridges, and roads. Immediate expensing is also being made permanent. The measure will reduce Canada's marginal effective tax rate on new business investment from around 13% to 6.4%, the lowest of any major economy in the world and half the U.S. rate of 16.9%.

SR&ED Expansion

Budget 2025 raises the annual expenditure limit for the enhanced 35% refundable SR&ED credit from \$3 million to \$6 million. Qualifying Canadian-controlled private corporations can claim up to \$2.1 million per year in refundable credits on the first \$6 million of research and development spend. This matters directly for Burnaby's technology, life sciences, and clean technology firms.

Business Development Bank of Canada

Budget 2025 provides guidance to the Business Development Bank of Canada to increase financing for promising new and high-growth businesses and accelerate venture capital investments in emerging and higher-risk sectors to attract more private capital.

Regional Development: PacifiCan

Canada's Regional Development Agencies have invested over \$3 billion approved from 2018 to 2023 to help businesses scale up through the Regional Economic Growth through Innovation Program. In BC, PacifiCan has committed over \$30.5 million to 24 BC businesses through RTRI, August 2026.

Women Entrepreneurship Strategy

Almost \$7 billion in investments and commitments since 2018 through the Women Entrepreneurship Strategy has helped women-owned businesses access financing, networks, and expertise to start up, scale up, and access new markets.

Buy Canadian Policy

The Buy Canadian Policy makes it mandatory for federal procurement to prioritize Canadian suppliers and inputs, shifting from a best-efforts approach to a requirement. Budget 2025 allocates over \$185 million to implement the policy and related programs, giving businesses better access to federal procurement opportunities.

Small Business Procurement Program

Launched in July 2026, the Small Business Procurement Program makes federal contracts easier for small businesses to pursue, starting with standard bid and contract documents across departments and an enhanced AI assistant for procurement questions. Budget 2025 also provides \$79.9 million over five years for Innovative Solutions Canada to award pilot contracts to small businesses.

canada.ca · International Monetary Fund (January 2026) · One Canadian Economy Act

ONE CANADIAN ECONOMY

ONE CANADIAN ECONOMY ACT

Removing Internal Trade Barriers to Canada's Economy

Internal trade barriers have long prevented Canada from reaching its economic potential. A January 2026 International Monetary Fund report found that fully removing internal trade barriers could raise Canada's real GDP by nearly 7%, or about \$210 billion. The Government of Canada estimates the gain at up to \$200 billion, equivalent to \$5,100 per person. The One Canadian Economy Act, passed in June 2025, helps break down internal trade barriers, unifies Canada's domestic market, and creates clearer pathways for businesses to operate across provincial and territorial borders.

Completed Removal of All 53 Federal CFTA Exceptions

As of June 30, 2025, all 53 federal exceptions to the Canadian Free Trade Agreement (CFTA) have been removed. The new Free Trade and Labour Mobility in Canada Act is now in place, reducing federal barriers by requiring regulators to recognise comparable provincial and territorial requirements, making it easier for businesses to trade and skilled workers to move across Canada.

Federal, provincial, and territorial governments are also strengthening the CFTA's labour mobility chapter. In August 2026, governments ratified a 30-day service standard and reducing administrative requirements for regulated professions and trades across Canada.

Financial Services and New Transparency

The new Financial Services Chapter under the CFTA is now in force, enhancing transparency and certainty for financial service suppliers operating across provinces. The Canadian Mutual Recognition agreement is advancing to further reduce regulatory duplication will expand to services by end of 2026.

canada.ca · Budget 2025 · Spring Economic Update 2026

FINANCING AND INNOVATION

FINANCING, CAPITAL, AND INNOVATION

New Venture and Growth Capital

Venture and Growth Capital Catalyst Initiative

Budget 2025 invests \$1 billion over three years for the Business Development Bank of Canada to launch the new Venture and Growth Capital Catalyst Initiative, a fund-of-funds that will leverage private venture capital by incentivising pension fund and other institutional investor participation. The initiative will also support new and emerging fund managers, including in the life sciences sector.

Early-Stage Growth Funding

Budget 2025 committed \$750 million to support Canadian firms facing early growth-stage funding gaps. This strategy, with details to be announced in 2026, will ensure promising Canadian companies can access the capital they need to scale without being forced to seek foreign investment or relocate.

Export Development Canada

Budget 2025 announced a \$2 billion concessional trade finance envelope through EDC, on a cash basis, to encourage international partners to buy Canadian. This supports exporters in infrastructure and clean technology to engage in projects in fast-growing developing economies and in the reconstruction of Ukraine.

Regional Defence Investment Initiative

PacifiCan is delivering \$67.5 million over three years in BC through the Regional Defence Investment Initiative. Repayable contributions of \$100,000 to \$10 million per project help BC businesses with dual-use technologies (with both civilian and defence uses), such as artificial intelligence and cyber security, grow and join defence supply chains.

canada.ca · Budget 2025 · Business Development Bank of Canada · Export Development Canada

Keeping Canadian Innovation in Canada

Intellectual property is central to Canada's innovation agenda. Budget 2025 takes significant action to ensure Canadian SMEs can protect, commercialise, and retain the value of their innovations.

Elevate IP Program

Budget 2025 provides \$84.4 million over four years to extend the Elevate IP program, which supports Canadian SMEs in commercialising and leveraging their intangible assets to compete in the global marketplace.

NRC IP Assist Program

Budget 2025 provides \$75 million over three years to the National Research Council to extend the IP Assist Program, which helps businesses protect and commercialise their intellectual property in foreign markets.

Innovation Asset Collective Patent Collective

Budget 2025 invests \$22.5 million over three years to renew support for the Innovation Asset Collective's Patent Collective, providing small businesses access to defensive patent protection.

EXPORTING AND TRADE DIVERSIFICATION

Helping Canadian SMEs Access New Markets

Canadian exporters continue to operate in a shifting US tariff environment, while the government invests in helping businesses diversify beyond the US market.

CanExport

Budget 2025 invests \$68.5 million over four years to enhance CanExport, helping small and medium-sized enterprises, national industry associations, and innovators diversify exports to new markets by sharing costs of international business development activities including legal expenses, trade shows, and market research.

SME Export Readiness Initiative

Budget 2025 provides \$46.5 million over four years for the SME Export Readiness Initiative, supporting training for SMEs with limited exporting experience to build capacity, make informed strategic decisions, and access international markets successfully.

Innovation Partnership Program and Canadian Technology Accelerator

Budget 2025 invests \$7.6 million over four years to help Canadian companies scale their exports through international partnerships and access new markets via the Canadian Technology Accelerator program.

Direct Support for Tariff-Affected Businesses

In August 2026 the government introduced a \$7.5 billion package of new and enhanced measures to protect Canadian workers and businesses, building on nearly \$25 billion in supports over the previous 18 months, focused on small and medium-sized enterprises in the sectors most affected by new US tariffs.

Regional Tariff Response Initiative (RTRI)

Effective September 2026, the RTRI delivered by Canada's seven Regional Development Agencies is bolstered by \$1.5 billion. The cap on non-repayable contributions rises from \$1 million to \$3 million, and now includes support for demonstrated liquidity needs in addition to existing support for pivot or capital investment plans. Eligible SMEs must have been viable prior to the imposition of tariffs and have annual revenue of at least \$1 million. In BC, the initiative is delivered by PacifiCan.

Canada Strong Diversification Fund

A new stream of the Strategic Response Fund with an additional \$2 billion in funding, supporting tariff-impacted companies with shovel-ready projects, including medium-sized firms, using a fast-track one-step review and approval process. BC businesses can now apply through PacifiCan.

BDC Pivot to Grow

A second \$500 million liquidity stream through the Business Development Bank of Canada's Pivot to Grow program offers tariff-affected businesses in any sector loans of \$250,000 to \$5 million, with interest-only payments for 36 months. The minimum annual revenue to qualify for BDC's tariff programs is now \$1 million, opening access to smaller firms.

Workforce Retention and Retraining Program

Our government proposes a new Workforce Retention and Retraining Program that brings EI Work-Sharing and the Worker Retention Grant together in one simpler program. Employers who keep staff on reduced hours can receive up to \$1,000 per participating employee for training and administrative costs.

Employment Insurance (EI) Supports Extended

Temporary EI measures for workers affected by tariffs have been extended. For one more year, the one-week waiting period is waived and workers can receive benefits without first using up severance or vacation pay, while long-tenured workers keep access to up to 20 extra weeks of benefits for eight more months.

A STRONG WORKFORCE

Building the Skills Canadian Businesses Need

Apprenticeship Training Grant

The Spring Economic Update 2026 introduces a redesigned Apprenticeship Training Grant providing apprentices with a weekly income top-up of \$400 while attending mandatory in-class technical training, for a total of up to \$16,000 per apprentice, paid in addition to Employment Insurance. This reduces financial barriers during training.

Team Canada Strong: Hiring Apprentices

Through Team Canada Strong, the Spring Economic Update 2026 proposes wage subsidies of up to \$10,000 toward a first-year apprentice's salary, focused on small and medium-sized businesses and delivered through a new Build Canada Apprenticeship Service. Apprentices who earn Red Seal certification would also receive a one-time \$5,000 completion bonus.

Canada Summer Jobs (CSJ) and Student Work Placements

Budget 2025 invests \$594.7 million over two years in CSJ, supporting around 100,000 summer jobs in 2026, and \$635.2 million over three years for the Student Work Placement Program, supporting around 55,000 work-integrated learning placements in 2026-27. Private employers with 50 or fewer full-time staff are eligible for CSJ wage subsidies.

Foreign Credential Recognition Action Fund

Budget 2025 provides \$97 million over five years, starting in 2026-27, for a Foreign Credential Recognition Action Fund. Working with provinces and territories, the Fund helps internationally trained workers, with a focus on health care and construction, get their credentials recognised faster, widening the pool of qualified workers for local employers.

Union Training and Innovation Program

Budget 2025 provides \$75 million over three years, starting in 2026-27, to expand the Union Training and Innovation Program, which supports union-based apprenticeship training in Red Seal trades and enables upgrades to union-run training centres.

Labour Market Transfer Agreements

Our government invests nearly \$3 billion annually through Labour Market Development Agreements and Workforce Development Agreements with provinces and territories, helping over one million Canadians upgrade their skills or find new jobs every year. Budget 2025 adds \$570 million over three years through these agreements to provide training and employment assistance for up to 66,000 workers affected by tariffs and global market shifts.

Non-Compete Agreement Reform

Budget 2025 committed to amend the Canada Labour Code to restrict the use of non-compete agreements in employment contracts for federally regulated businesses. This will support worker mobility and make it easier for talented people to move into new roles and start their own businesses.

CLEAN ECONOMY

CLEAN ECONOMY OPPORTUNITIES

Investment Tax Credits, Clean Energy, and the EV Supply Chain

The transition to a clean economy is one of the greatest economic opportunities for Canadian businesses. Canada's suite of major economic investment tax credits provides businesses with the certainty they need to invest in clean technology, EV supply chains, clean electricity, and critical minerals.

Major Economic Investment Tax Credits

- Carbon Capture, Utilization, and Storage investment tax credit
- Clean Technology investment tax credit
- Clean Hydrogen investment tax credit
- Clean Technology Manufacturing investment tax credit
- Clean Electricity investment tax credit
- EV Supply Chain investment tax credit

Clean Technology Demonstrations in Global Markets

Budget 2025 provides \$39.9 million over four years, starting in 2026-27, and \$11.1 million ongoing to NRC IRAP to expand its Clean Technology Demonstration initiative to more global markets. The initiative helps small and medium-sized clean technology firms pilot and demonstrate their products with international partners, including in the Indo-Pacific.

Federal Support for Businesses in Our Community

Federal economic policy has a direct impact on businesses in Burnaby and North Vancouver. These investments translate into tangible benefits for local employers, workers, and entrepreneurs.

Lower Costs

Every business in our riding is paying lower fuel costs following the cancellation of the consumer carbon price and the federal fuel excise tax pause of 10 cents per litre on gasoline and 4 cents on diesel, suspended since April 20, 2026, and now extended to January 31, 2027. CPP employer contributions will drop from 9.9% to 9.5% in January 2027, reducing payroll costs on every hire. The income tax cut puts more money into the pockets of local residents who spend in local businesses.

Regional Investment via PacifiCan

PacifiCan has committed over \$23.2 million to economic development in BC, including \$18.1 million through Regional Economic Growth through Innovation supporting 14 local organisations. PacifiCan also delivers the Regional Tariff Response Initiative (RTRI) in BC for businesses affected by tariffs. Budget 2025's continued support for Regional Development Agencies means this investment pipeline remains open.

Clean Technology and Innovation

Burnaby and North Vancouver are home to companies in hydrogen energy, zero-emission vehicles, and clean technology. The major investment tax credits and the Venture and Growth Capital Catalyst Initiative all make BC-based clean energy and clean technology projects more competitive than ever.

Trade Diversification for BC Exporters

CanExport, the SME Export Readiness Initiative, and EDC's new concessional trade finance envelope are particularly relevant for BC-based exporters looking to diversify away from the US market and into Asia-Pacific and other growing markets.

10¢/L

Fuel excise tax pause
until January 2027

\$23M+

PacifiCan investment
in BC economic
development

\$210B

Long-run GDP gain
from full removal of
barriers (IMF)

\$1.75B

New venture and growth
capital committed to scale
Canadian companies,
starting 2026-27

Terry Beech

YOUR MEMBER OF PARLIAMENT FOR BURNABY NORTH-SEYMOUR

Small businesses are the backbone of Burnaby and North Vancouver. When a local business thrives, it means good jobs, vibrant streets, and a stronger community for everyone. Our government has cancelled the consumer carbon price, cut income taxes, removed all 53 federal exceptions under the Canadian Free Trade Agreement, and invested billions in the venture capital, workforce training, and regional development programs that help local companies compete and grow. I am proud to support these investments and will continue working to make sure our community's businesses have every advantage available to them.

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