

625 Howe Street, Suite 1430 Vancouver, British Columbia V6C 2T6

November 24, 2025

Members of the Legislative Assembly Parliament Buildings Victoria, BC V8V1X4

Subject: Bill M-216 (Professional Reliance Act) would cut red tape for small businesses

Dear MLA:

As you may know, CFIB is a non-profit, non-partisan organization representing the interests of 100,000 small- and medium-sized enterprises (SMEs) across Canada, including over 9,700 members in BC. We are writing to express our support for the red tape reduction measures in the proposed Bill M-216, the *Professional Reliance Act*.

CFIB has consistently advocated for red tape reduction and permitting reform in the construction sector, especially housing development. Regulatory burdens tend to disadvantage smaller organizations with fewer resources, as they are less able to navigate complex regulatory environments. CFIB research shows that smaller organizations bear a disproportionately higher cost of all government regulation—over \$10,000 per employee per year, of which \$3,839 was spent on unnecessary red tape.¹

Moreover, CFIB's report <u>Flushing out the nonsense</u>: <u>An analysis of municipal renovation permitting across Canada</u> highlights how the administrative burden associated with even the most basic construction permitting and approval processes can place significant additional pressure and costs on small businesses. Unlike their larger counterparts, small businesses do not have many resources available to weather the administrative storm or navigate the red tape quagmire at City Hall, resulting in a disproportionate impact on small entrepreneurs compared to larger businesses in the industry.

Onerous permitting requirements and lengthy or delayed approval processes come with financial costs. Delayed approvals result in delayed projects. This often means delayed compensation, as small businesses in the construction sector must wait until their work is complete to get their full payment. Some small businesses may have to turn to personal savings to keep projects going and to keep their business afloat. By reducing regulatory duplication and unnecessary reviews while still maintaining adequate safety and

¹ CFIB, Canada's Red Tape Report, 7th Edition, January 2025

professional oversight, Bill M-216's intended outcomes stand to benefit small businesses and contractors throughout British Columbia.

We further note that with the passage of Bill 15, the *Infrastructure Projects Act*, BC has already endorsed a professional reliance model for major infrastructure projects. It follows that all businesses—regardless of size—should have access to similar paths to avoid red tape and regulatory duplication. Growing our economy requires a broad-based, grassroots approach that includes small businesses.

Thank you for considering the needs of small businesses. If you have any questions or wish to discuss these matters further, please do not hesitate to contact CFIB directly.

Sincerely,

Ryan Mitton

By Bitte

Director of Legislative Affairs, British Columbia

Kalith Nanayakkara

Sr. Policy Analyst, British Columbia