

Building a thriving business community in Western Canada

A report shaped by local business leaders





Small- and medium-sized businesses drive Western Canada's economy, serving as a powerful engine for Canada's economy overall. Across the four Western provinces—Manitoba, Saskatchewan, Alberta, and British Columbia—the business community is built on many strengths including the region's robust natural resources, growing population, diverse industries, and entrepreneurial spirit. Business leaders are collaborative and understand the value of working together to protect, strengthen, and support one another, especially during uncertain times. From pristine landscapes with mountain ranges and ocean views, to thriving urban centres with high quality living standards, Western Canada continues to be a vibrant and desirable place to live, work, and enjoy.



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Executive summary

This report provides a summary of discussions hosted by Doane Grant Thornton LLP, where leaders in various communities shared their experiences, challenges, and opportunities openly and honestly. It includes insights from over 130 participants who share a common goal: to build on the thriving economy in Western Canada. These leaders represent a wide range of industries and sectors including agriculture, lumber, manufacturing, environmental, automotive, transportation, retail, education, financial, non-profit, food and beverage, real estate and construction, and more.

Our discussions took place between 2024 and early 2025, and some programs or issues may have evolved due to new policies, economic factors, or tax changes. To supplement the insights shared by our leaders, we've included links to updated resources that reflect the latest developments, like [our article on the impact of tariffs](#) for those businesses engaged in cross-border trade¹ to help them navigate the uncertainty of shifting trade policies. As strategic advisors, we stay ahead of the changes that matter most to businesses—helping you stay agile, pivot with confidence, and navigate whatever comes next.



Common themes in this report include:



A shifting economy: Policies, pricing, and tariffs

The cost of doing business remains a constant challenge for businesses in the region dealing with an increased cost of living, more government red tape, and changes to trade policy. Diversification, pricing strategies, and connecting with fellow business owners are ways respondents said they're tackling some of these issues.



Growth amidst uncertainty

Navigating uncertainty doesn't mean businesses have to sacrifice opportunity—especially to grow and flourish. By prioritizing adaptability, financial resilience, and building strong relationships with employees and customers, businesses can respond to change with more agility and confidence. Across the region, business leaders shared the tactics they're using to grow and expand.



Attracting skilled talent

Attracting and retaining skilled labour came up as a significant challenge businesses face across the West with respondents noting trades have been especially impacted. The demand for greater flexibility is affecting hiring practices, business culture, and operations. Building a positive culture, investing in existing employees, and looking to immigrants to fill key roles were some of the ideas that were shared to help overcome these challenges.



Building collaborative partnerships

Partnerships allow businesses to combine strengths, tackle challenges, and accomplish more than what they could alone—especially during times of uncertainty. Many business leaders shared they're currently challenged by finding the right partner to work with. Leaning on the wider community is an effective strategy to find new connections and develop valuable relationships.



Future-proofing business: AI and technology

Adopting digital tools is key for businesses to stay competitive and help keep critical assets—employees, customers, and data—protected and secure. Many Western Canada businesses, however, are slow to adopt new technology due to uncertainty surrounding effective integration. Through embracing technology by leveraging government incentives and upskilling their workforces, business leaders shared they're optimistic about the future.

In our many discussions, we were inspired by the forward-thinking and collaborative mindsets of our Western Canadian business leaders. This report provides a comprehensive snapshot of the innovation, resiliency, and vibrancy within our business community and encourages deeper conversations to drive change.

*To protect the privacy of the business leaders involved in these conversations, all quotes are anonymous. Some quotes may have been edited for clarity and brevity but have remained true to the original sentiment.



A shifting economy: Policies, pricing, and tariffs

An uncertain economic landscape increases pressure on business to be agile to remain competitive.

At the end of 2024, inflation in Canada was close to the 2% target and GDP growth was solid at 1.5%. While inflation remains low in 2025, in part because of reduced energy prices² and the removal of the carbon tax, the economy entered a new period of uncertainty as trade tensions with the US continue to intensify³. According to an outlook from the Organisation for Economic Co-operation and Development⁴, Canada will narrowly avoid falling into a recession in 2025 with flat economic growth for the year. While some business leaders are worried and others are seeing how things play out, respondents agreed that it's a complicated time to do business, causing many to consider how they can mitigate any potential damage to focus on what they can control.



“Interest rates and the additional time to obtain the go-ahead from government all add up to huge carrying costs. The government is buying out “bust cycles” and contributing to inflation.”

- Anonymous, Business Leader, Western Canada



“There’s so much uncertainty around the economic and political environment that it makes it hard for businesses to grow long-term. But people are resilient and uniquely positioned to deal with these challenges. When I think of the last five years and what these business leaders have gone through, they’re tired from all the turbulence in the market, but they’ve also learned how to do hard things. Sometimes, you must step back and look at where you came from to see just how resilient you are and how you can continue to pivot and adapt to new uncertainty.”

- Kiersten Packham, Principal, Independent Business Group, Nanaimo, Doane Grant Thornton

Navigating red tape

Throughout our discussions, business leaders across industries—from manufacturing and agriculture to real estate and non-profit organizations—shared their frustrations dealing with an all-too familiar obstacle: red tape. According to a report by the Canadian Federation of Independent Business (CFIB), red tape accounted for 35% of business regulations in 2024⁵—that share decreased as the size of a business increased, proving how much harder it is for small businesses to succeed. The same report noted that “87% of small business owners think excessive government regulation significantly reduces their business’ productivity and ability to grow.” It went on to state that on average, businesses spent 735 hours on regulation, 256 of which were spent on red tape.

On a brighter note, progress is being made, particularly in Alberta where Bill 38, the Red Tape Reduction Statutes Amendment Act, was introduced in February 2025. It aims to “cut red tape to promote economic growth and help businesses, taxpayers and families save time and money that they can use to invest, create jobs, and grow their business.”⁶

“Red tape and overly controlled processes stall creative innovation. Negotiating contracts with the government is too long of a process. There’s no prioritization, no efficient system, and productivity is a major problem.”

— Anonymous, Business Leader, Western Canada



The pricing problem

Overwhelmingly, business leaders across our discussions shared that the cost of doing business in Canada is a constant struggle. Additionally, they’re worried about the rising cost of living, affecting both themselves and consumer behaviour. The Canadian dollar has depreciated, the cost of capital goods like equipment and machinery have risen, and trade tensions with the US have led households to spend less as people are worried about job security and financial health.⁷ It’s all contributing to a pricing problem where businesses are unsure what strategy could help them stay profitable and competitive.

According to a survey conducted in March by the CFIB, “four in five businesses report being impacted by the US-Canada trade war, citing rising costs, a weaker Canadian dollar, lower demand, and pricing difficulties.”⁸

“Government regulations on the building market are challenging—there’s lots of political pressure. There’s now two to three times the equity required for a project, making it challenging on capacity. Inflation is leading to a tipping point.”

— Anonymous, Business Leader, Western Canada

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For some respondents, raising prices that could mean losing loyal customers is a tough but necessary pill to swallow, while others shared they would find it too difficult to ask their supportive community to pay more. The CFIB's survey⁹ noted that around three-quarters of those businesses planning price increases expect to pass on more than half of the tariff-related cost increases to their customers.

“Pricing is one of our biggest concerns. It needs to increase, but it’s difficult for some of our clients who’ve been paying stagnant pricing for a while. We’ll likely lose some business because of this as people won’t see us as an essential service when they’re dealing with other high costs.”

– Anonymous, Business Leader, Western Canada

“We haven’t increased our prices due to fear of losing customers, which is affecting our business’s cash flow. Currently I’m using money from my other businesses to manage the cash flow.”

– Anonymous, Business Leader, Western Canada

The ongoing impact of US tariffs

Accounting for 37%¹⁰ of Canada’s exports and nearly 40%¹¹ of our GDP, the West contributes significantly to the national economy. It also means, however, that the region is not immune to the fluctuation of US trade policies. The Port of Vancouver is Canada’s busiest port (the third largest in North America), handling over \$200 billion worth of cargo per year, according to a government report.¹² In 2024, approximately 70.89% of Manitoba’s exports went to the US, while 73.87% of the province’s imports came from there,¹³ according to Economic Development Winnipeg. Additionally, respondents noted the effect of tariffs on local real estate. In BC, house sales are expected to continue to slow because of uncertainty surrounding tariffs and the economy, according to a housing forecast from the BC Real Estate Association.¹⁴

In September 2025, the federal government lifted most retaliatory tariffs on US goods—including on goods not covered by CUSMA/USMCA—aside from steel, aluminum, and automotive products. US President Trump announced a new round of tariffs on imported goods, including 100% duties on branded pharmaceuticals and 25% on heavy-duty trucks, effective in October.¹⁵ As a key supplier of heavy-duty trucks and parts to the US, Canadian businesses will be challenged with increased costs and disrupted supply chains. While the impact of US tariffs is still ongoing, businesses should anticipate that tariffs will remain in place for the foreseeable future and continue to explore strategies to mitigate the impact of these added costs.

To overcome these challenges, businesses in the region are developing plans to diversify their product sources and are looking to strengthen connections with fellow business owners to rally government at all levels. They’re also considering pricing strategies like cost-plus pricing, dynamic pricing, and value-based pricing.

Additionally, the region’s provinces are coming together to help deal with economic challenges. In February, the Western Business Coalition was formed to advocate for policy and action that benefit both the West and Canada. The alliance includes the Business Council of British Columbia, the Business Council of Alberta, the Saskatchewan Chamber of Commerce, and the Business Council of Manitoba. They aim to “ensure Canada reaches its full economic potential by unlocking the economic power of the West,” beginning with the region’s natural resources.¹⁶ The group says they will also share policy recommendations on reducing barriers to interprovincial trade as well as trade with the US.

Opportunities at home and abroad

The recent tariffs may bring positive changes within Canada as well as new opportunities. Business leaders say they’re looking to Europe and the Pacific as alternate export partners, which aligns with the federal government’s new partnership with the European Union to deepen security and defence as well as trade ties.¹⁷ Additionally, trade tensions with the US have increased attention towards removing barriers to interprovincial trade. While Western Canada has fewer of these barriers in place, there is still progress that can be made to benefit the region’s 427,000 small- and medium-sized businesses.¹⁸ According to Economic Development Winnipeg, the city and province would gain from increased internal and international trade. In the 2025 federal budget, Winnipeg’s Port of Churchill is positioned as a key part of Canada’s plan to diversify trade and build the country’s future economy. The government reconfirmed a \$180 million investment over five years to the Port of Churchill, a major transport hub with direct access to international markets as well as to the Hudson Bay Railway.¹⁸

“If we had a better political environment, there would be more concrete policies on government spending and to promote investment in Canada.”

– Anonymous, Business Leader, Western Canada

Growth amidst uncertainty



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Surviving doesn't have to come at the cost of thriving.

A constantly shifting landscape can make it difficult for any business to find the stability required to grow confidently. During times of uncertainty, the strategy is often to cut back and run leaner operations to survive. While it's important to endure in order to navigate challenges, it doesn't mean businesses have to sacrifice opportunity—especially to grow and flourish. By prioritizing adaptability, financial resilience, and building strong relationships with employees and customers, businesses can respond to changes with more agility and tenacity.

Scaling back to scale up is a strategy many business leaders have considered. It can involve making strategic adjustments from diversifying supply chains and exploring new markets to reducing expenses, streamlining processes, and investing in technology to maintain flexibility. With this more stable foundation in place, businesses can then begin to scale up and expand.

Western Canada's economy experienced varied growth in 2024 and is expected to continue trending upward for the rest of 2025. Across our discussions with business leaders in Alberta, there was a strong sense of optimism for the future driven by confidence in Edmonton's high growth opportunities, workforce, and increasing population. According to Statistics Canada, Alberta, Saskatchewan, and Manitoba combined contributed more than one-third of the 1.6% increase in national GDP last year, with Alberta (+0.43 points) contributing almost as much as Ontario.¹⁹ Much of the mentality from respondents revolved around the idea that if a business survived COVID, it could make it through anything. Adaptability and resiliency aren't just important—they're essential for any business to grow and succeed in today's fluctuating landscape.

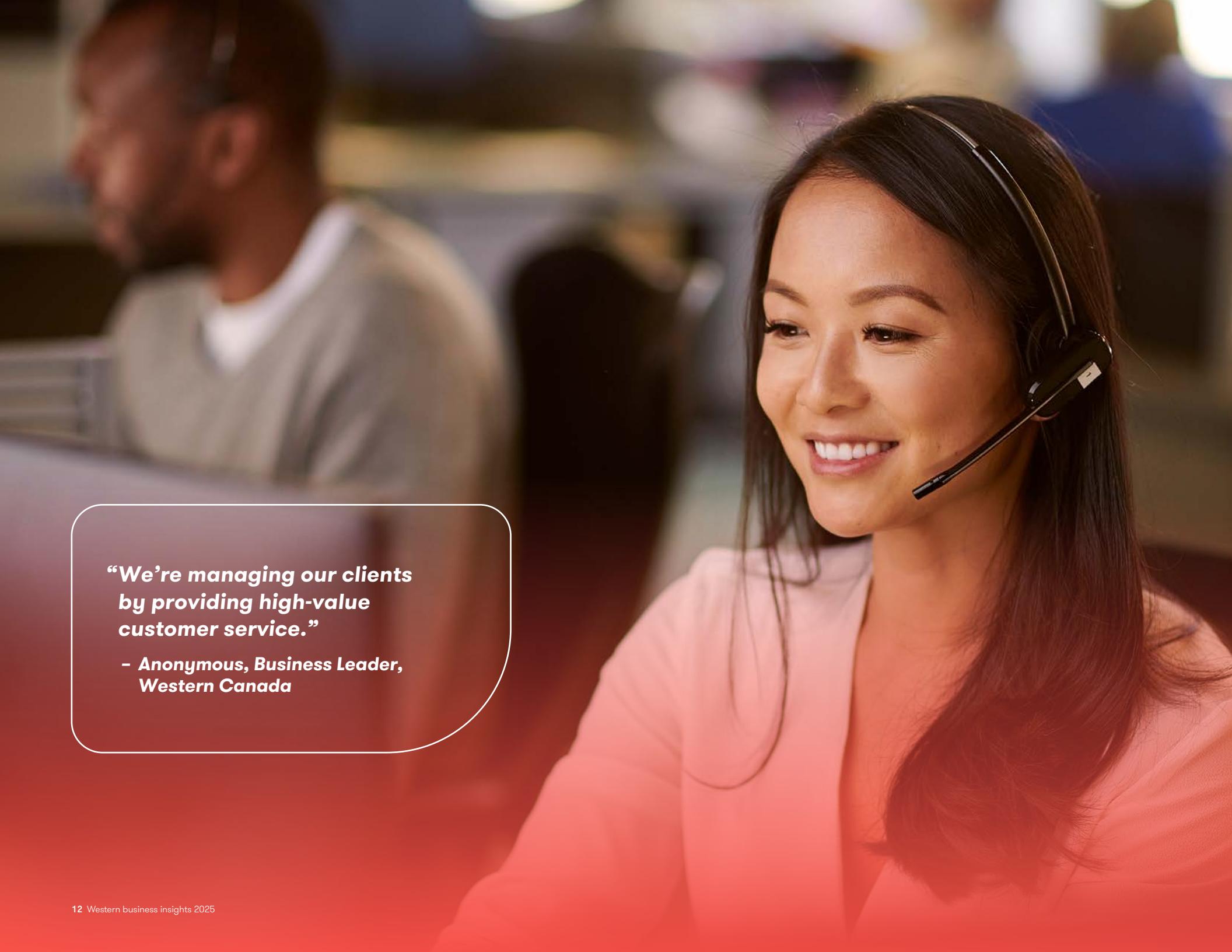
“Business is stable now, so we've started reinvesting to expand. We're focusing on making consistent profits every year, but it doesn't go as planned, we'll focus on decreasing our overheads. By making our present situation better, we'll be ready for the future.”

- Anonymous, Business Leader, Western Canada

Growth isn't a one-sized-fits-all approach, especially when transitioning from a start-up to an established business. Increasing visibility through marketing, strategic partnerships, and involvement in local communities is a great starting point.

Respondents from our discussions shared they're focused on several tactics to grow their businesses, including providing a premium customer experience, diversifying their products and services, promoting their brands through marketing, investing in technology, and renovating properties into rental spaces. Many agreed creating a high-value customer experience was a priority, from offering financing options to long-distance delivery to meet the evolving needs of customers. Working with a trusted advisor to understand strengths and opportunities can also help businesses develop a strategic plan for sustained growth.



A woman with long dark hair, wearing a pink top and a black headset with a microphone, is smiling and looking towards the camera. She is in what appears to be a call center environment with other people in the background. A speech bubble is overlaid on the image.

**“We’re managing our clients
by providing high-value
customer service.”**

**- Anonymous, Business Leader,
Western Canada**



“We’ve leveraged different revenue streams to provide stability.”

**– Anonymous, Business Leader,
Western Canada**

“COVID was a great growth opportunity in the appliance industry, and we increased business substantially. Things have slowed since, so spending has had to slow as well. Our business is very lean with low margins, which can be challenging.”

– Anonymous, Business Leader, Western Canada



“My advice to business owners is: don’t focus on what you can’t control. Focus on what you can—whether that’s your people or what you bill your customers. There are many things that can distract you. Take care of your team and invest in your people—that’s critical.”

– Josh Worsfold, Partner, Independent Business Group, Kelowna, Doane Grant Thornton



Attracting skilled talent

Finding and retaining skilled labour has multi-faceted impacts for businesses across the board.

People power businesses—without them, they can't succeed. Businesses depend on people to operate, deliver, and support growth while carrying out their mission and purpose. But finding dependable and skilled talent²⁰ is becoming more difficult for businesses across many industries in Western Canada. This was one of the most common challenges shared by leaders throughout our discussions and is notably impacting the trades. A recent Business Council of Alberta report says, “Alberta—and, indeed, all of Canada—is facing a deficit in skilled trades workers. From welders and electricians to mechanics and technicians, businesses are struggling to find the talent they need.”²¹

According to the Greater Vancouver Board of Trade, data from the Canadian Chamber of Commerce showed daily recruiting (40%) and retaining (34%) talent continued to impact Vancouver businesses across every sector.²² Western cities with seasonal populations who rely on tourism are also losing younger talent to larger cities with more opportunities. Respondents also said that businesses face additional challenges, including changing employee demands and expectations, and the need to recruit beyond local talent pools to fill key roles. One of the major hurdles



they shared was finding ideal candidates at the mid-management level. The costs of hiring and retaining skilled labour while managing flexible working arrangements and adjusting to uncertainty is affecting business culture, leadership, operations, and performance, to name a few.

Flexibility and prioritizing wellness

Shifting expectations between employers and employees is another hurdle Western Canadian business leaders expressed. The demand for greater flexibility is affecting hiring practices, business culture, and in some cases, operations. Candidates want a choice in how, when, and where they work. High turnover persists as employees look for new opportunities that address their pay, culture, and flexibility demands. Remote work was a major topic within our discussions

with many business leaders sharing the importance of following the 80/20 rule (80% in-office; 20% remote work) as essential for professional and personal growth.

Mental health benefits and wellness programs have become a greater focus as people look to follow a new philosophy of working to live, instead of living to work. They're seeking a greater sense of purpose and want careers that help them achieve it. While this shift was already taking shape, the pandemic accelerated it. Many respondents across the region shared the lingering effects of the pandemic's impact on working arrangements and team dynamics, as well as profit margins. It's also causing business owners in the region to struggle with preventing team burnout and building attractive cultures while figuring out how they can afford competitive salaries and benefits.

Looking outside traditional talent pools

Canada has one of the highest proportions of immigrants among G7 nations, and nearly 50% of them enhance their qualifications by pursuing the trades or college diplomas after arriving.²³ 40% of the country's recent immigrants call Western Canada home.²⁴ According to government statistics,²⁵ in the West Kootenay region of BC, 10% of employed residents are immigrants. Alberta, in the third quarter of 2024, welcomed 16,917 immigrants, representing 13.6% of all national arrivals.²⁶ People are coming West in search of opportunities because there's many here. Throughout our discussions, business leaders shared the advantages of expanding recruitment efforts, including welcoming newcomers to Canada, and how successful it's been for them, particularly for Western cities with seasonal populations, like those that rely heavily on the tourism industry.

The challenge, however, is surrounded by government red tape which recently increased with the announcement of the new Strong Borders Act²⁷ and changes to Canada's immigration policy, including a reduction in both permanent and temporary resident admissions.²⁸ Some Western cities are also dealing with a lack of affordable housing for temporary workers, due to rising construction costs, interest rates, and limited supply.



Aligning immigration policy and housing policy also presents challenges for businesses to hire foreign workers effectively. Additionally, foreign workers often need to complete evaluations, language proficiency testing, and recertification exams or training to prove their competency, providing another barrier when there's an immediate need, like in the case of contract or trade work.²⁹ Insurance can be more expensive if they don't have experience driving and operating mechanical equipment as well.

“Retention is the main focus of our business—it's front and centre every day. We recently sold three of our locations to invest in one and find good people to staff it.”

– Anonymous, Business Leader, Western Canada



“Flexibility was one of the strategies that seemed to work best for the business leaders at our sessions because it also helps build trust with your people. During the hiring process, it's important to screen candidates to understand their personalities in addition to their skill set.”

– Dave Harrison, Principal, Independent Business Group, Abbotsford, Doane Grant Thornton

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Build an attractive culture

Attracting and retaining skilled talent continues to be one of the major challenges for Western Canadian businesses, impacting culture, performance, and operations. Throughout our interactions and sessions, it's clear building a culture that offers flexibility isn't a value-add option anymore—it's table stakes. Business cultures that evolve alongside workers, maintain competitive benefits, and create initiatives that foster inclusivity and belonging are attractive workplaces.

Invest in existing talent

According to the 2024 BC Check-Up: Work survey, “76% of respondents said attracting and retaining skilled labour was a major challenge to business success and 76% ranked competitive salary as the most important consideration when deciding whether to stay at their current organization or seek employment elsewhere.”²⁹ Creating a retention strategy can help better identify whether a candidate is the right fit early in the hiring stage as well as develop long-term team relationships. Paying performance and team bonuses can provide incentives for employees to stay, too.

Other ideas from our sessions include investing in current employees by supporting their growth to mid-level roles and overall career journeys. By creating an environment conducive to that growth, employers can better understand what their teams are looking for and help them develop their careers from the junior level.



Foreign workers are a strategic advantage

A multicultural workforce enriches business culture and can be of significant value to the employer brand. Some of our respondents shared their success with hiring newcomers and immigrants. For sectors like retail, they said they have found immigrants to be dedicated contributors who bring ideas to the table to help improve processes. An immigration consultant (or Regulated Canadian Immigration Consultant) can help businesses navigate the complexities of the immigration process by providing guidance, documentation assistance, and ensuring compliance with government laws and regulations.

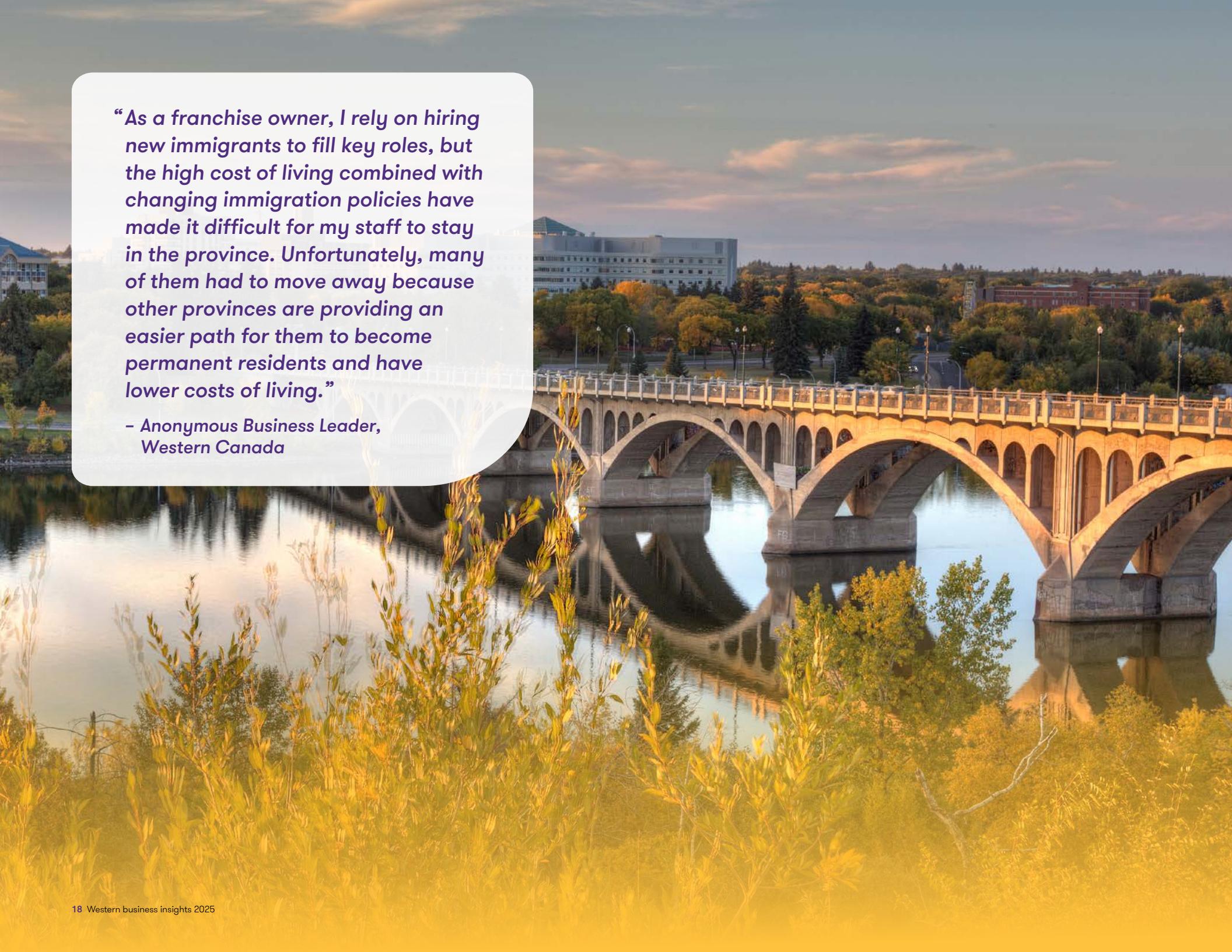
“Finding the right people has been difficult. This is especially true with technical roles where people need licensing.”

– Anonymous, Business Leader, Western Canada



“For the trades, it would be valuable to educate young people by giving them opportunities to try out a certain role or even try it as a summer job. The new generation thinks differently, hence their career paths are different. If they have greater insight and understanding into where a career in the trades can lead them, they’re more likely to pursue it.”

– Jenny Pon, Partner, Independent Business Group, Edmonton, Doane Grant Thornton



“As a franchise owner, I rely on hiring new immigrants to fill key roles, but the high cost of living combined with changing immigration policies have made it difficult for my staff to stay in the province. Unfortunately, many of them had to move away because other provinces are providing an easier path for them to become permanent residents and have lower costs of living.”

**- Anonymous Business Leader,
Western Canada**



“There’s lots of work, but not a lot of people to do it. I’d like to hire immigrants, but bureaucracy makes it difficult. We need to destigmatize the trades to get more people interested.”

– Anonymous, Business Leader, Western Canada

“We were looking for qualified staff but couldn’t find any for a long time. Now, half of all current staff are from Ukraine.”

– Anonymous, Business Leader, Western Canada

A photograph of three professionals in a construction setting. On the left, a Black man in a yellow hard hat and a green and yellow safety vest holds a clipboard and looks towards the right. In the center, a woman in a white hard hat and a dark blazer holds a white tablet and looks towards the right. On the right, another woman in a blue hard hat and a striped shirt holds a white tablet and looks towards the left. They are standing on a wet, reflective surface, likely a rooftop, with a large orange construction crane in the background. The sky is a mix of orange and blue, suggesting sunset or sunrise. In the background, there are several buildings and some construction materials.

Building collaborative partnerships

Finding strength and new opportunities by building relationships with the larger business community.

Building connections is crucial for growth and success in business, but partnering with fellow leaders—or even those seen as competition—can increase success, especially during uncertain times. Sharing resources, expertise, and risk is a huge benefit to joining forces. Partnerships also allow businesses to combine strengths, tackle challenges head-on together, and often accomplish more than what they could alone.

Across our discussions throughout the region, many participants noted the advantages of partnering with fellow businesses in different forms, whether meeting monthly for coffee with owners in completely unrelated industries to share knowledge, or developing legal agreements to cost-share, leverage a wider range of skills, and expand into new markets. While the benefits are clear, for some participants, building connections and finding businesses to partner with has been difficult. In BC, business retention and expansion (BRE) programs focused on creating more vibrant local economies can also facilitate relationships between

businesses as well as with local government and economic development organizations.³⁰ According to the province, BRE programs encourage “local businesses to stay and grow,” producing longer-term positive effects for communities.

“We’re all different, yet all facing the same challenges.”

— Anonymous, Business Leader, Western Canada

“We’re always looking to collaborate with other farms to get advice on how to cut energy costs and well as which produce to plant.”

— Anonymous, Business Leader, Western Canada

“In real estate and construction, partnerships with other builders and developers are becoming more popular. They’re coming together and leveraging the risk of the project by bringing in equal partners to share the risk as well as reaping the benefits together. I’ve been seeing this more and more than I have in a long time and I think it’s because of the uncertainty they’re all dealing with.”

— Jenny Pon, Partner, Independent Business Group, Edmonton, Doane Grant Thornton

When good people come together, everyone thrives—businesses, communities, and regions. It doesn’t always happen quickly or smoothly, but it’s well worth the effort. Business that leverage partnerships are capitalizing on better ideas, better opportunities, and better risk management amidst uncertainty.

While offering significant advantages, business partnerships—like any relationship—can be challenged by lack of clear communication, unequal contributions, differing management styles, or trust issues, to name a few. Setting clear expectations, maintaining strong communication, and continuously aligning on shared goals is important to building trust and a successful partnership.

Support could be just around the corner

Finding businesses to partner with can happen anywhere: through customer connections, networking events, charity events, industry events, local chamber of commerce, conferences, community organizations, or even LinkedIn. Some respondents noted that they’ve found meaningful connections within their wider communities that have inspired new ideas and strategies. The opportunities are there—for some business owners, it’s just being open to them.



“We’re looking to create more connections and partnerships to increase revenue.”

– Anonymous, Business Leader, Western Canada

“Businesses are benefiting from being part of a collaborative community and leaning into partnership during times of uncertainty. The power of good people coming together is incredible. Some businesses have grown organically through good people coming together to share space. As a business owner, it’s important to look outside of your initial scope and see how you can connect with the wider community.”

– Kiersten Packham, Principal, Independent Business Group, Nanaimo, Doane Grant Thornton



“We recognize the value of businesses helping businesses. It can be hard to juggle everything and find time to work on your business instead of always in it.”

*- Anonymous, Business Leader,
Western Canada*

A photograph of two women laughing and looking at a tablet. One woman has long blonde hair and is wearing a grey hoodie. The other woman has dark curly hair and is wearing a blue top. They are both smiling and looking down at a white tablet device. The background is blurred, showing an office environment. The image is overlaid with a large, semi-transparent purple circle that covers the bottom half of the image.

Future-proofing business: AI and technology

Technology and AI— when used correctly— are powerful resources.

Keeping pace with technology can feel overwhelming—but understanding the risks, exploring the resources available, and recognizing the opportunities can transform its use from a challenge to a strategic advantage. Adopting digital tools is key for businesses to stay competitive and keep critical assets—employees, customers, and data—protected and secure.

Many businesses in Western Canada are slow to adopt new technology, despite the potential significant advantages it offers. Business leaders throughout our discussions shared they're optimistic about using new technology and AI but are hesitant to fully commit due to an understanding of how to properly integrate it to realize its many benefits. They're not alone. A Survey of Advanced Technology by Statistics Canada found that only 61.4% of businesses in Western Canada and the North have integrated advanced technology—falling slightly behind Ontario. The hesitation to implement these tools stems from uncertainty: 40.6% of those businesses are unsure about its return on investment and 36.7% face difficulties hiring skilled professionals to implement and manage the systems. Even among those investing in technology, 51.5% reported facing a struggle with recruiting specialized talent.³¹

While new technology comes with new challenges, many report it remains a powerful tool. In 2024, 28.3% of Canadian businesses surveyed reported that adopting new technology and innovation enhanced their operational efficiency over the past year.³² In a world where technology continues to evolve, adopting these tools early can position businesses to remain competitive and responsive to change.



“We have not yet implemented AI in our operations due to the significant investment required. Before moving forward, we need to carefully assess the cost-benefit to ensure it aligns with our strategic goals and delivers measurable value.”

— Anonymous, Business Leader, Western Canada



“Technology adoption in this field has been slower than in other industries, partly due to institutional resistance. AI in its current phase still struggles with conceptual and contextual accuracy, often generating content with critical errors. While AI has immense potential, its limitations in precision and reliability make it challenging to integrate effectively into professional workflows.”

– Anonymous, Business Leader, Western Canada

The AI debate

AI has sparked both excitement and skepticism among Canadian businesses. According to the Digital Transformation Office at Canadian Digital Service, 30% of Canadians remain wary of the tool.³³ Further, a report by Statistics Canada revealed that despite AI's growing accessibility, adoption remains slow—only 6% of businesses reported using AI in 2024, and more than half have no plans to incorporate it in the coming year.³⁴ Generative AI (which creates content like text, imagery, audio, and video) faces even greater reluctance, with 73% of businesses yet to consider it, largely due to hiring challenges and financial constraints.³⁵

AI presents significant opportunities for innovation and efficiency, but it also comes with limitations and challenges that businesses should carefully consider. While it can transform workflows and systems, its true value lies in responsible use. Throughout our discussions with Western business leaders, many raised the ethics of AI, particularly for those organizations with services that must be provided by humans, like non-profits. Some admitted they didn't have the skillset nor understanding of AI to properly develop guidelines for their teams including how to incorporate AI into existing processes. External consultants and other experts were identified as people who could help with upskilling and training. Leaders also echoed the need for precision, accuracy, and reliability in its application, reinforcing the importance of fact-checking and human oversight to minimize risks. Ultimately, understanding the strengths of AI while recognizing its limitations and applying sound judgement are crucial to ensure it remains an effective tool for businesses.

“I’m incredibly enthusiastic about AI and how it’s transforming my business. That said, understanding when and how to use AI—and equally when not to—is critical. For example, we receive many resumes that are clearly AI-generated, filled with similar phrasing and wording.”

– Anonymous, Business Leader, Western Canada

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Cybersecurity: A fundamental protection

Cyber threats are growing more sophisticated, making proactive security measures necessary to protect systems and people. Business leaders recognize the need for stronger defenses against data breaches and governance challenges, making cybersecurity a top priority. While Canada recently rescinded the digital services tax, potential compliance regulations in the future are expected to pose a challenge for businesses as well.³⁶ By staying on top of regulations, investing in a robust system, and having a strategy in place, businesses can work to overcome these issues.

“Cybersecurity and data breaches are growing concerns for us.”

– *Anonymous, Business Leader,
Western Canada*

Competing with global giants

Smaller businesses are under immense pressure to compete with large global brands that have the advantage of scale, capital, and advanced technology. The challenges lie not just in size but speed—adapting to changing customer expectations as demand for convenience, fast delivery, and personalized services are on the rise. In today’s market, constantly innovating and adopting technology to satisfy consumer demands is a necessity for survival.

“We’re constantly competing with big-box retailers and online giants—Costco has become one of our biggest challengers.”

– *Anonymous, Business Leader,
Western Canada*

Future-proofing business includes effective risk management, the process of identifying, assessing, and deciding how to respond to potential risks before taking action. It’s not about eliminating risk—it’s about understanding the risks before they happen to deal with them proactively, leaving more time to focus on business strategy. From implementing AI and new technologies to launching new products or services and expanding into new markets, risk management is critical to future-proofing business.

Embrace technology

According to a 2024 study conducted by the Canadian Western Bank, 60% of businesses see digital adoption as essential to their future.³⁷ Younger firms are leading the way, with nearly 40% reporting improved operations through technology investments.³⁸ This is because automation, digital tools, and system upgrades improve productivity, and reduce costs. It also allows businesses to enter new markets, strengthen their competitiveness, and build resilience for the future.

Most importantly, technology gives businesses the gift of time. By automating routine tasks such as scheduling and data entry, teams can focus on building stronger customer relationships and deliver more personalized experiences.

“AI is taking over the tedious, time-consuming tasks, so we can focus on the work that truly matters.”

– *Anonymous, Business Leader,
Western Canada*

Leverage government incentives

Implementing advanced technology can be costly and complex, but fortunately, support is available. Programs like Canadian Global Innovation Clusters³⁹ connect businesses with the right people in AI, digital tech, and advanced manufacturing while Innovative Solutions

Canada⁴⁰ offers up to \$1M for startups to develop and test new technology. Other programs and funding opportunities are available for projects in sustainability, cybersecurity, healthcare, and other critical sectors, such as Impact Canada,⁴¹ National Research Council of Canada Challenge Programs,⁴² and Innovation for Defence Excellence and Security.⁴³ These initiatives are designed to drive innovation, turn ideas into reality, and help Canadian businesses stay competitive. An advisor can also help businesses access these resources, support with grant and incentive applications, and potentially maximize funding opportunities. They can also help with planning, managing, and filing the claim as well as defend it with CRA if chosen for an audit.

Upskill your workforce

Investing in innovation starts with investing in people. After all, implementing technology requires people who can use and troubleshoot it effectively. Training existing employees can boost morale, increase confidence, and support career advancement while helping a business stay competitive. Western businesses can leverage government assistance to help enhance skills and prepare teams for the demands of the fast-changing digital world. In British Columbia, the BC Tech Association⁴⁴ offers programs to help businesses train employees in digital skills. Nationally, the Upgrade Your Skills campaign supports Canadians in gaining essential tech expertise.⁴⁵

Investing in workforce development ensures businesses can adapt, innovate, and thrive. Connecting with an advisor can help tailor a training plan that boosts motivation, retains talent, and seamlessly integrates new technology—keeping valuable knowledge within a business for long-term success.



Working together: The power of community

Together, we can continue to elevate Western Canada's business community to compete nationally and globally. As a major exporter of agricultural products, energy, and raw materials combined with its geographic advantages and strong entrepreneurial spirit, the region continues to be innovative and self-reliant. It's also proven itself as a leading hub for clean technology, digital industries, health care services, and advanced manufacturing.⁴⁶

Collectively, all four provinces include a third of the national population, more than half of all Indigenous Peoples in Canada, and over 40% of recent immigrants,⁴⁷ according to a government report. With the highest employment rates in the country and over 427,000 small- and medium-sized businesses, it's clear that people come and stay in the region because of abundant opportunities.

These strengths are amplified when the business community comes together, and we're looking forward to following these conversations through 2025 and beyond as new governments come into play, advancements are made in technology, and the business community continues to collaborate.



Through facilitating the discussions with local leaders, our advisors were inspired, energized, and eager to support the many diverse businesses that contribute to the vibrancy of the region. Respondents noted that working together as a business community is the best way forward.

We're closely monitoring policy changes and can help you navigate challenges and unlock opportunities. Visit our website for updates and reach out to your advisor for support. Since establishing our presence in the West over 50 years ago, we've helped businesses grow, transition, and thrive—and we're just getting started.



“Western Canadian businesses are resilient, competitive, and innovative. Our strategic geographic location and diversified economy are our biggest advantages. With direct access to fast-growing Pacific markets, businesses here benefit from strong international trade connections, particularly with Asia. And our diverse industries allow us to weather downturns in one sector while capitalizing on growth in another. This, combined with our resource wealth and entrepreneurial mindset, makes Western Canada a key driver of the national economy. From the Rocky Mountains to the Pacific coastline, to multicultural populations and thriving cities, we really do have it all. Proudly born and raised in Edmonton, I’ve been fortunate to enjoy this vibrant, growing region where businesses, families, and individuals truly thrive.”

– Sandra Pietrzyk, Regional Managing Partner – Western Canada, Doane Grant Thornton

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