

BCPowersportsDealers Association



Unity through Advocacy, Collaboration & Education

BCPDA POSITION STATEMENT

Protecting B.C.'s Powersports Industry from the Unintended Consequences of Counter-Tariffs

August 2026

The BC Powersports Dealers Association (BCPDA) stands with Moto Canada in expressing serious concern regarding the breakdown in Canada–U.S. trade negotiations and the impact new retaliatory tariffs could have on Canada's powersports industry.

Effective **September 8, 2026**, Canada is set to impose a **50% counter-tariff on U.S.-origin motorcycles with engine capacities exceeding 800 cc.**

BCPDA recognizes Canada's need to defend Canadian workers, businesses and economic interests in response to U.S. trade actions. However, retaliatory measures must be carefully targeted to ensure they do not cause disproportionate harm to the Canadian businesses, workers and consumers they are intended to protect.

A \$2.5 Billion Industry in British Columbia

The motorcycle and powersports sector is an important contributor to British Columbia's economy.

According to Moto Canada's British Columbia Motorcycle and Powersport Economic Impact Study, the sector generates approximately:

- **\$2.5 billion in total annual economic output**
- **\$1.3 billion in GDP**
- **12,510 jobs**
- **\$443 million in tax revenue**
- **\$1.2 billion in generated tourism spending**

These impacts encompass motorcycles and off-highway vehicles, including motocross, dirt and adventure motorcycles, ATVs and side-by-sides.

Many powersports dealerships are independent small and medium-sized Canadian businesses operating in communities throughout British Columbia.

Canadian Dealers Will Pay the Price

A 50% tariff on affected motorcycles does not simply impact U.S. manufacturers. Its consequences will be felt directly by Canadian dealerships, their employees and consumers through:

- significantly higher motorcycle prices;

- reduced consumer demand and delayed or cancelled purchases;
- reduced dealer sales and inventory turnover;
- increased inventory and floor-plan financing costs;
- uncertainty surrounding future inventory and model orders;
- pressure on dealership employment and investment; and
- impacts throughout the broader tourism, recreation and powersports economy.

Canadian dealers also cannot simply replace affected U.S.-origin motorcycles with Canadian-manufactured alternatives. Canada's powersports industry operates within an integrated North American and global supply chain.

Adding substantial tariffs to these products does not create an equivalent domestic manufacturing alternative. Instead, it risks increasing costs for Canadian consumers and reducing sales for Canadian businesses.

A Compounding Impact for British Columbia

The timing of these counter-tariffs is particularly concerning for British Columbia. B.C. powersports dealers are already experiencing significant market disruption associated with the Province's current recreational ORV prohibitions on Crown land.

Since the restrictions were introduced in early August, dealers have reported reduced showroom traffic, delayed and cancelled purchases, reduced service activity, impacts to rental businesses, uncertainty surrounding fall and hunting-season sales, and increased inventory carrying and floor-plan financing costs.

BCPDA recognizes the seriousness of British Columbia's wildfire situation and supports appropriate measures necessary to protect communities, wildfire personnel and the backcountry. However, the economic impacts being experienced by businesses are real.

Motorcycle and off-highway vehicle activity generates an estimated **\$1.2 billion in tourism spending annually in British Columbia**, demonstrating that the consequences extend well beyond dealership showrooms.

The federal counter-tariff will therefore not occur in isolation.

Provincial restrictions are affecting where and when consumers can use certain powersports products, while federal counter-tariffs risk substantially increasing the cost of purchasing others.

Although these measures arise from very different circumstances, their economic impacts ultimately converge at the dealership level — affecting sales, inventory, employment, investment and consumer confidence.

For an industry generating approximately **\$2.5 billion in annual economic output and supporting more than 12,500 B.C. jobs**, the cumulative impact deserves serious attention from both levels of government.

Don't Make Canadian Businesses Collateral Damage

BCPDA shares Moto Canada's concern regarding not only the September 8 motorcycle tariff, but the potential expansion of retaliatory measures to additional motorcycles, ATVs, side-by-sides/ROVs, parts and accessories.

Canada's response to the current trade dispute should be carefully targeted. A counter-tariff is only effective if it creates meaningful pressure on its intended target without imposing disproportionate harm on Canadian businesses and consumers.

Canadian powersports dealers did not create this trade dispute, and they should not become collateral damage in it.

BCPDA Calls on the Government of Canada to:

1. Remove U.S.-origin motorcycles from the September 8 counter-tariff measures.

Where retaliatory tariffs primarily increase costs for Canadian businesses and consumers without creating an alternative Canadian manufacturing opportunity, their inclusion should be reconsidered.

2. Avoid expanding counter-tariffs to additional powersports products.

Motorcycles, ATVs, side-by-sides/ROVs, parts and accessories should be protected from future retaliatory tariff measures.

3. Establish immediate tariff relief or remission for affected powersports products.

If the September 8 tariff proceeds, government should provide an accessible and timely mechanism for relief where tariffs create disproportionate harm to Canadian businesses.

4. Protect inventory already ordered or committed to the Canadian market.

Dealers and distributors make inventory commitments months in advance. Transitional relief should recognize products already ordered, allocated or contractually committed to Canada before these measures were announced, not simply products already in transit.

5. Consult directly with Canada's powersports industry.

Moto Canada, provincial dealer associations and Canadian dealerships should be consulted before additional trade measures affecting the powersports sector are implemented.

6. Continue efforts toward a negotiated resolution.

Long-term stability for Canadian businesses will not come from an escalating cycle of tariffs. BCPDA supports efforts to restore predictable, open and competitive North American trade.

Our Position

BCPDA stands with Moto Canada in calling for a measured approach that protects Canadian economic interests without unintentionally harming the Canadian businesses, workers and consumers those measures are intended to defend.

British Columbia's motorcycle and powersports sector generates **\$2.5 billion in annual economic activity, contributes \$1.3 billion to provincial GDP and supports 12,510 jobs.**

This is an industry worth protecting.

BCPDA urges the Government of Canada to reconsider the inclusion of U.S.-origin motorcycles in the September 8 countermeasures and to work with Moto Canada, BCPDA and Canada's powersports industry toward solutions that protect Canadian businesses while negotiations with the United States continue.

BC Powersports Dealers Association

Representing the voice of British Columbia's powersports dealers through advocacy, industry collaboration and education.

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