



*The **Vancouver Economic Development Commission**, an agency of the City of Vancouver, works to strengthen the city's economic future by helping existing businesses, attracting investment, researching the business environment and making policy recommendations.*

Media Fact Sheet

Vancouver's Competitive Advantages

Overview

- Vancouver has a strong business sector, with a deep talent pool and a competitive business climate
- Vancouver's business climate has improved significantly over the last decade, and now boasts low tax rates and competitive incentives for key sectors

Fiscal Environment

- Vancouver, British Columbia, is among the lowest-tax jurisdictions in the developed world.
 - Current corporate tax rate 28.5%, declining to 25% by 2012 (combined federal and provincial tax rates)
 - No Revenue or Gross Receipts Tax; No sales or use taxes on business inputs (value-added tax system), when the Harmonized Sales Tax is implemented on July 1, 2010.
 - No Capital Tax
 - B.C. residents with annual incomes up to \$116,000 pay the least income tax in Canada. Personal income tax cuts since 2001 total more than one-third.
- Some businesses are eligible for tax incentives:
 - Incentives for Film & Television, Digital Media, and Research & Development have recently been boosted to make BC a leading jurisdiction for film and digital media production
 - International Financial Centre BC provides strong incentives for eligible international financial activities
- Canada and BC have low debt-to-GDP ratios, meaning there is less pressure to increase tax rates to provide government revenue.

Business Climate

- Vancouver is Canada's most entrepreneurial economy, with the highest proportions of self-employment, employment in new firms and growth in small business formations among large Canadian cities
- British Columbia's public health care system provides health services to all residents. Employers in BC face substantially lower discretionary benefits costs for health care than firms with US operations.

- Approximately \$635 annual costs per person in BC, compared to \$6,000+ annually in West Coast US States.
- Integrated transportation, customs systems, telecommunication systems with United States allows for ease of access to North American market
- Time Zone Advantage (London-Vancouver-Hong Kong-Singapore) allows Vancouver firms to service clients on multiple continents during their workday
- Mature and stable legal environment includes modern corporate statute, intellectual property & patent protection laws, no excessive tort liability, respect for international law
- Low statutory labour costs, with government-sponsored unemployment insurance plan further lowering relative costs to employers

Workforce and Livability

- Vancouver has a deep and educated talent base:
 - The City of Vancouver is one of the best-educated municipalities in Canada, with 39 per cent of the working age population having a university diploma or above (Canadian average: 23 per cent).
- Flexible immigration policies and an immigrant-friendly city make it a destination of choice for skilled immigrants:
 - The Provincial Nominee Program helps B.C. employers recruit and retain qualified foreign workers.
 - Half of those immigrating to Vancouver between 2001 and 2006 had a university degree or diploma.
 - More than 40 per cent of the region's population regularly speaks a language other than English or French at home.
- Vancouver has consistently been ranked the most livable city in the world by the Economist Intelligence Unit.
 - The region's high quality of life is considered a "second paycheck" that helps keep skilled employees in Vancouver.

Sustainability

- BC is Canada's leading province in terms of incentives for businesses to "go green", according to a PricewaterhouseCoopers comparison.
- Vancouver has a strong civic commitment to sustainability, reflected in its goal of becoming the Greenest City in the world by 2020. It has the lowest per capita greenhouse gas emissions (4.9 tonnes p.a.) in North America, and the city's green credentials are an important element of its success in attracting and retaining talent.

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