

# Greater Vancouver Economic Scorecard 2018

## Takeaways and Next Steps

### Background

- In its second iteration, the main purpose of this report is to grade Greater Vancouver's competitiveness and attractiveness to both business investment and talent.
- This report benchmarks Greater Vancouver against 19 other global metropolitan regions on 38 indicators grouped into two categories: Economic and Social.
- This year's Special Lens focuses on regional coordination and governance — topics touched upon in *Scorecard 2016* as areas of priority moving forward.

### Key Takeaways

#### 1. **Scorecard 2018 has good news and bad news for the region.**

- Greater Vancouver is a middle of the pack performer. Some of these rankings are within our control, others we can only accept and navigate. The region also tends to score better on indicators that measure growth but less well on those that measure levels.
- Technology and tourism both have a bright future in Greater Vancouver – but face challenges.

#### 2. **It is time to present ourselves as a region.**

- We are one economic unit, but 39 political entities.
- Regional thinking is the **first step** towards addressing some of the most pressing challenges facing Greater Vancouver.
- Whether it is housing affordability, industrial land, or transit, these issues are regional and we can no longer afford to work in silos.
- The region must speak and act with one voice to compete for talent and attract new capital.

#### 3. **The Gateway sets us apart.**

- Greater Vancouver's geography gives us a strategic advantage: we are Canada's gateway to the burgeoning Asia-Pacific.
- We must continue to invest in trade-enabling infrastructure to enhance Canada's Pacific Gateway and solidify our position as a global trading hub.
- Given the growth in Asian markets, and with CPTPP on the horizon, without concerted efforts by all levels of government, we risk squandering a generational opportunity.

#### 4. **Our region is at a crossroad.**

- Very poor housing affordability undermines our ability to attract and retain the best and the brightest employees.
- A high Marginal Effective Tax Rate (METR) hurts our attractiveness for investment into established and emerging industries.
- If affordability and investment competitiveness are not addressed, Greater Vancouver runs the risk of becoming an international bedroom community.

## Moving Forward: Greater Vancouver Board of Trade Policy Priorities

The Greater Vancouver Board of Trade has carefully considered the findings of *Scorecard 2018*. The Board of Trade intends to focus its public policy work on improving and enhancing Greater Vancouver's performance in certain areas of *Scorecard 2018*, and have identified the following priority areas:

1. **Addressing the Fiscal Setting:** Greater Vancouver's present strong economy and low unemployment rate should not give us substantial comfort that we have a sufficiently resilient economy in the face of continental headwinds and highly competitive city-regions around the world. Nor should today's strong economic position be used as leverage to unduly shift societal burdens onto the job creators of the region.
2. **Alleviating the Affordability Challenge:** Housing affordability, and its likely associations with changes in travel patterns and distances, measures of inequality, after-tax income and risks to retaining the 25-34 age group must be addressed. The risks to employers in the region include: the labour force shrinking and failure to provide needed skills now and into the future, and the region's reputation internationally needs rehabilitating as a viable place to relocate a family or expand a business.
3. **Reaffirming the Priority of the Pacific Gateway:** Reaffirming the priority of the Gateway is an essential – if not sufficient – response to the protectionist headwinds blowing from the U.S. and from the fluid conditions around international trade agreements. Improvement opportunities were revealed in *Scorecard 2018* for new air routes and more passengers, for increased cargo and visitors, and for increased cruise and convention hosting.