

**From:** "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

**To:** "Direct to Mayor and Council - DL"

**CC:** "City Manager's Correspondence Group - DL"  
"Eleena Marley" <emarley@vancouvereconomic.com>

**Date:** 10/22/2020 10:38:21 AM

**Subject:** VEC Economy Report- October 2020 - New Format

**Attachments:** Oct 2020 VEC Economy Report.pdf

Dear Mayor and Council,

Please see the attached Vancouver Economy Report with a new look and format. In this latest issue you'll find:

- **Economic Snapshot** – illustrating the state of Vancouver's economy at a glance
- **Latest Rankings** – How Vancouver's economy is performing, as seen through key statistics and global rankings curated by our research team
- **Industry Update: Film & TV** – How 2019 was a record year for the industry, and how it has bounced back so strongly from COVID
- **Emerging Sectors to Watch** – this issue features virtual and augmented reality (VR/AR) and the circular economy
- **Traditional Economics: GDP** – an explainer on a traditional economic concept
- **21st Century Economics: What is Economic Development** – why it means so many things to so many different people, and why the way we perceive economics must evolve

We welcome your feedback for future editions.

Best,  
Sadhu

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Pronouns: he, him, his



*The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.*

October 2020



VANCOUVER  
ECONOMIC  
COMMISSION

# Vancouver Economy Report

## **In this issue**

Economic Snapshot

Latest Rankings

Industry Update: Film & TV

Emerging Sectors to Watch

Traditional Economics: GDP

21<sup>st</sup> Century Economics



# Introduction

**VEC is on a mission to enhance public understanding of 21<sup>st</sup> century economic forces, what they mean to our local economy, and to introduce new priorities and concepts for those with an interest in following economics and economic development.**

VEC published this report to complement the good work of our partners in the economic development ecosystem. We intend to introduce unique data and analyses specific to Vancouver's economy, such as re-examining the metrics for economic success, and newly published research into traditional and emerging sectors.

While not the sole focus of this publication, these reports will also recognize threats and long-standing barriers to achieving a just, inclusive, sustainable and equitable economy for Vancouver: frontline economic crises such as the climate emergency; affordability and the widening gaps in income inequality; enduring systemic racial and gender inequality in the workplace, as embodied by the Indigenomics movement; and newer, rapidly evolving impacts, such as COVID.

Each report also features some Vancouver stories and successes – be they businesses, sectors, rankings – as blueprints for hope, inspiration and opportunity.

In this inaugural issue you'll find:

- **[Economic Snapshot](#)** – illustrating the state of Vancouver's economy at a glance
- **[Latest Rankings](#)** – how Vancouver's economy is performing, as seen through key statistics and global rankings curated by our research team
- **[Industry Update: Film & TV](#)** – how 2019 was a record year for the industry, and how it has bounced back so strongly from COVID
- **[Emerging Sectors to Watch](#)** – this issue features virtual and augmented reality (VR/AR) and the circular economy
- **[Traditional Economics: GDP](#)** – an explainer on a traditional economic concept
- **[21<sup>st</sup> Century Economics: What is Economic Development](#)** – why it means so many things to so many different people, and why the way we perceive economics must evolve

Thank you for perusing the Vancouver Economic Commission's new economy report. If you are left with a new interest in – or renewed appreciation for – progressive economics, inclusive economic development or Vancouver, the VEC team invites you to reach out with any questions, comments and feedback.



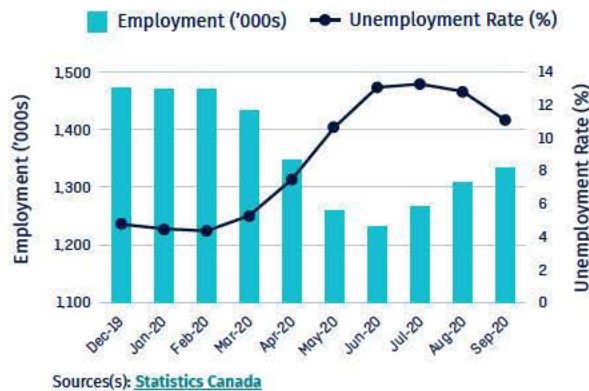
# Economic Snapshot

## Employment is recovering

Metro Vancouver’s employment and job numbers continue to recover from the pandemic’s initial impact, with numbers rising from June’s low of approx. 1,234,000 jobs to 1,335,000 in September – a gain of 101,000 jobs. The unemployment rate has likewise appeared to have made a turn for the better, improving from 13.3 percent in July to approximately 11.1 percent in September. Vancouver had the lowest unemployment rate of Canada’s four largest cities prior to the pandemic and has remained one of the lowest comparatively all year, despite the spikes attributable to the pandemic.

### Metro Vancouver Labour Force

Three-month moving average, seasonally adjusted



### Unemployment Rate

#### Selected Canadian Metropolitan Cities

Three-month moving average, seasonally adjusted



VEC has recently been working alongside the City of Vancouver with Statistics Canada on a pilot project to provide more local-level data. One outcome of this work has been to obtain employment numbers for the city of Vancouver (as opposed to Metro Vancouver) for the first time ever outside of census years. As readers can appreciate, the distinctions between municipalities – for instance, downtown Vancouver versus more suburban areas like Maple Ridge – are important and thus this new data can help provide a better understanding of what is happening at a local level. This new data shows the city lost approximately 32,000 jobs from February (when COVID began its initial economic

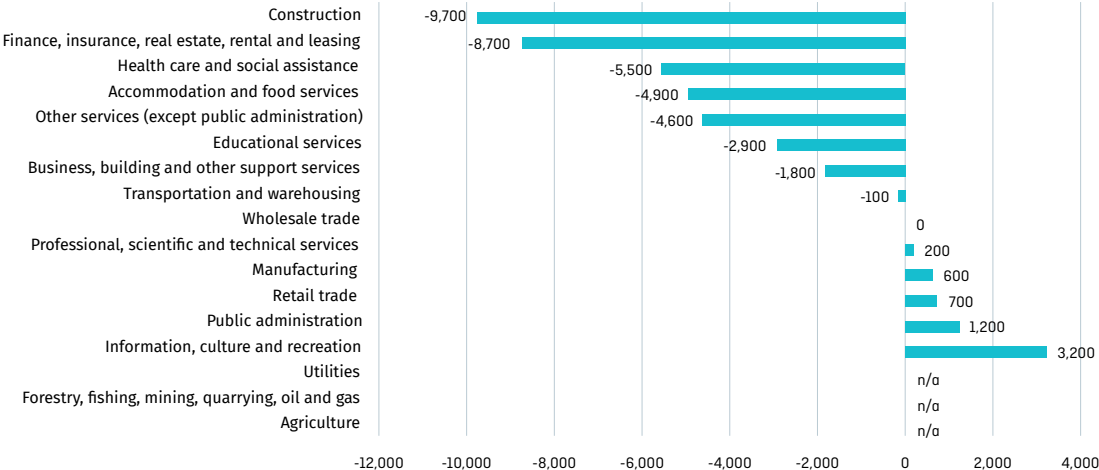
### Employment Change, city of Vancouver

Three-month moving average estimates (not seasonally adjusted)



impact) to August (the latest data available). Statistics Canada estimates that there are approximately 366,000 jobs for residents in Vancouver (as opposed to all jobs in the municipality of Vancouver). Data for all jobs in the municipality of Vancouver – which would include those people living and commuting in – is not currently available.

**Employment Change by Industry, city of Vancouver**  
 February to August 2020, three-month moving average estimates (not seasonally adjusted)



Sources(s): Statistics Canada, custom LFS analysis for the VEC

This work with Statistics Canada has also produced data that shows the industrial sectors worst hit by COVID in the city of Vancouver are construction (-10,000 jobs, typically six percent of all our jobs); finance, insurance and real estate (-9,000 jobs, typically 10 percent); and health care and social services (-6,000 jobs, typically 12 percent). It should be noted that these job losses may not all be permanent. Sectors that saw the greatest recovery in job numbers are information, cultural and recreation (up 3,000 jobs) where many of our tech and film jobs reside; public administration (up 1,000) and retail (up 1,000), but the gains remain marginal.

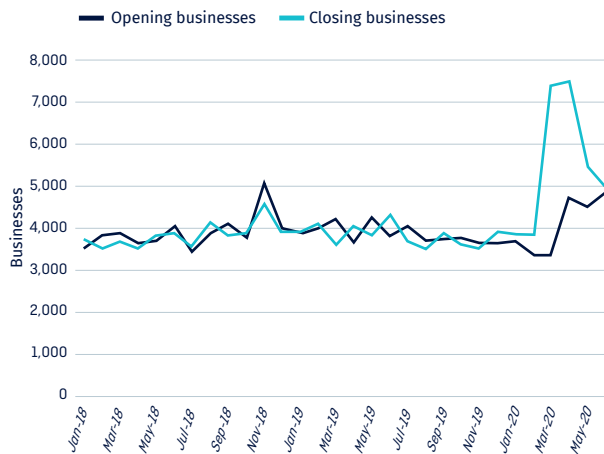
## Businesses rate of closure declining

Newly developed experimental data from Statistics Canada gives us an insight into the number of businesses opening and closing in Metro Vancouver. Historically, the number of opening businesses (defined as businesses that transition from having no employees in the previous month to having at least one employee in the current month) and closing businesses (defined as businesses that transition from having at least one employee in the previous month to having no employees in the current month) has been evenly matched, but unsurprisingly from February this year, when COVID started to impact, the number of closing businesses jumped up way ahead of opening businesses.

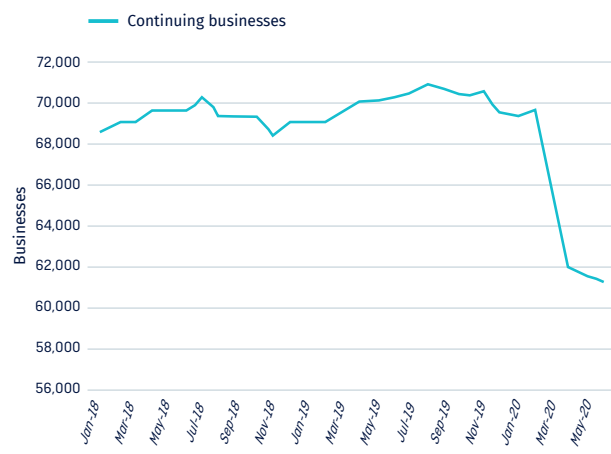
Data on continuing businesses (defined as businesses that have at least one employee in the previous month and at least one employee in the current month) indicates that Metro Vancouver has lost approximately 8,500 businesses since the start of the year until June (the most recent data available).

### Monthly Businesses Openings, Closures and Continuing Businesses, Metro Vancouver

January 2018 to June 2020, seasonally adjusted



Sources(s): [Statistics Canada](#)



Sources(s): [Statistics Canada](#)

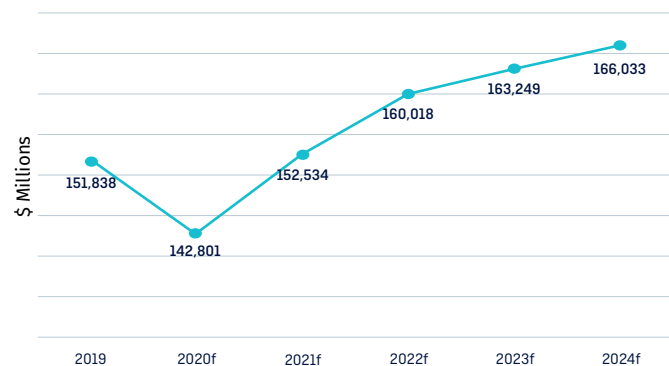
## GDP forecast to bounce back

New custom data from the Conference Board of Canada forecasts that Vancouver's GDP will decline six percent in 2020 to \$143 billion (contrasting sharply with a 2.8 percent increase in 2019).

This same forecast predicts that Vancouver's GDP will rebound in 2021 by 6.8 percent to \$153 billion, regaining the losses seen in 2020.

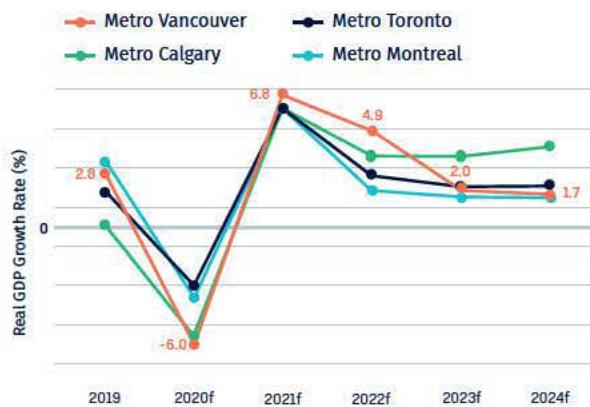
### Real GDP Growth Rate Forecast, Metro Vancouver

Chained (2012) Dollars



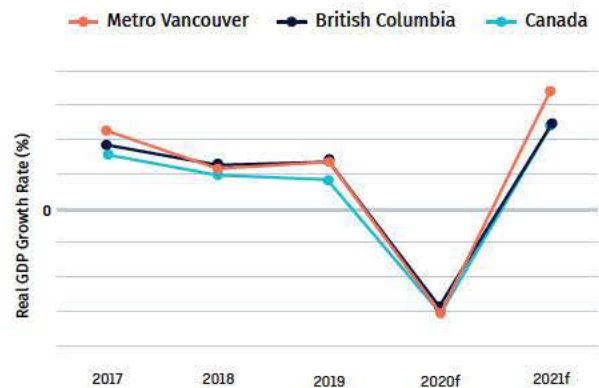
Sources(s): The Conference Board of Canada - Metro Outlook 2020 (custom request)

### Real GDP Growth Rate Forecast Chained (2012) Dollars



Sources(s): The Conference Board of Canada - Metro Outlook 2020 (custom request)

### Real GDP Growth Rate Forecast Chained (2012) Dollars



Sources(s): The Conference Board of Canada - Metro Outlook 2020 (custom request), [RBC Economic Forecast](#), [Statistics Canada](#)

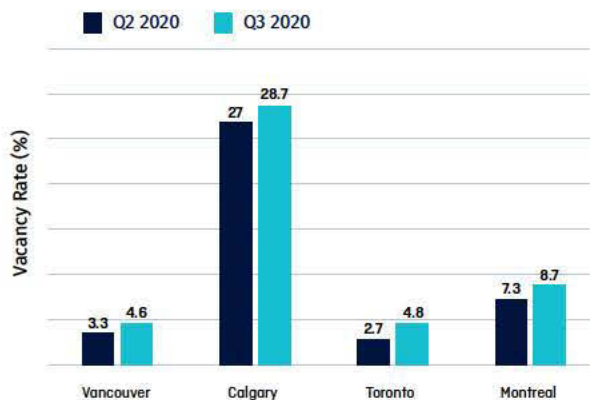
Vancouver was Canada’s second fastest growing economy in 2019 – and has been the fastest and most diverse over the past five years. This bodes well for a swift economic recovery on a macro level, although it remains to be seen whether these economic gains will be evenly spread across all income level brackets (see our section on [Traditional Economics: GDP](#) for a brief explainer).

## Commercial Vacancy Rates *remain low in Vancouver*

Commercial vacancy rates are a good indication of business vibrancy. The downtown Vancouver office vacancy rate increased from Q2 to Q3 by 1.3 percent to 4.6 percent – this remains the lowest vacancy rate in Canada – and continues to show a very balanced market between demand and supply.

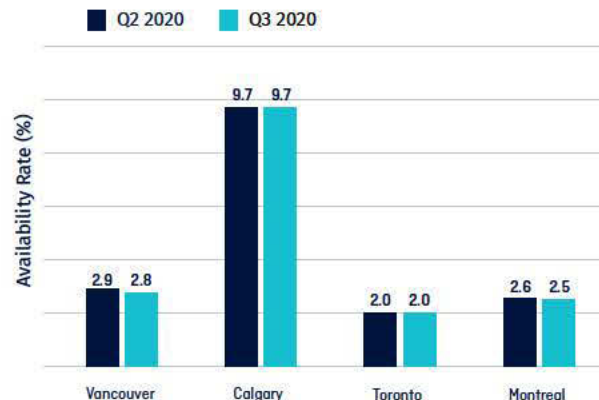
Industrial vacancy – which [VEC previously identified](#) as a huge economic issue for Vancouver – remains incredibly low, tightening from 2.9 percent in Q2 2020 to 2.8 percent in Q3.

### Downtown Office Vacancy Rate by Selected Canadian Metropolitan Cities Q2 and Q3 2020



Sources(s): [CBRE](#)

### Industrial Availability Rate by Selected Canadian Metropolitan Cities Q2 and Q3 2020



Sources(s): [CBRE](#)



# Capital and Confidence *in the economy remain precarious*

Finally, two final pieces of data suggest that although investor confidence remains steady, consumer confidence is still precarious. Investor confidence, as measured by the size and number of venture capital deals, sits at normal levels, with 33 deals completed in Q1 and Q2 2020, and approximately \$500 million of investment. Consumer confidence declined in July after rebounding in spring and remains below par, which is unsurprising given the uncertainty around COVID and potential future lockdowns.

## Top Venture Capital Deals by Canadian Metropolitan Cities

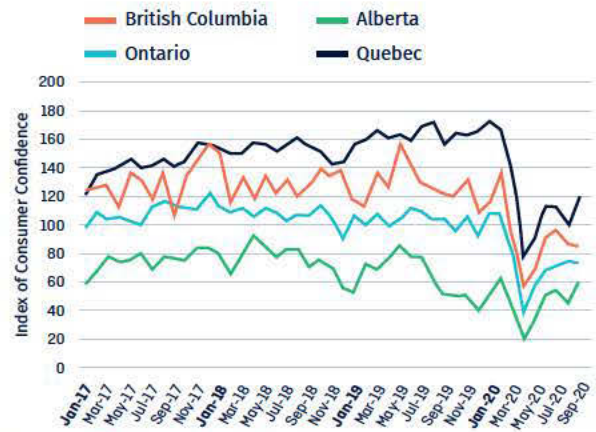
Q1 and Q2 2020



Sources(s): [CVCA](#)

## Index of Consumer Confidence by Selected Canadian Provinces

2014 = 100



Sources(s): [The Conference Board of Canada](#)



# Latest Rankings

The VEC research team tracks more than 150 reputable rankings, which in turn are calculated based on thousands of data points and metrics produced by independent think tanks, consultancies, media outlets and academic institutions. We pay particular attention to the rankings that most effectively inform our work and city policy, a selection of which is featured below.

## Vancouver ranked in top 25 for Startup Ecosystems

According to [The Global Startup Ecosystem Report 2020](#), Vancouver is ranked #25 of the 2020 ranking and is one of only two Canadian cities in the Top 30 Global Startup Ecosystems list. The benchmarking in startup ecosystems highlights exactly what a city can do to give startups the best chance to succeed. Vancouver did slip from #24 to #25 from the last ranking, which is not surprising given how incredibly competitive this field is – every great city wants to be a great place for startups. For Vancouver to continue to hold its own in this area, greater federal and provincial support – particularly around early-stage capital – will be integral to success.

### Global Startup Ecosystem Ranking

	Ranking	Performance	Funding	Connectedness	Market Reach	Knowledge	Talent	Growth Index
Vancouver	25	6	1	5	5	2	4	7

Source: Startup Genome 2020

## Vancouver ranked 7<sup>th</sup> in Deloitte Future of Mobility Index

Vancouver ranked #7 out of 21 cities in new [2020 Deloitte City Mobility Index](#). Transportation plays an essential role in a city's economic prosperity and overall quality of life, and so this annual report assesses city performance in relation to mobility across three broad thematic areas: performance, policymaking and practicality. Vancouver has actually done an incredible job on transportation, becoming the top city for biking in North America, and experiencing the largest (pre-COVID) increase in transit usage, but this ranking shows there is still work to be done to keep improving (especially in comparison to our peers in Europe).

## Vancouver ranked 17<sup>th</sup> globally for depth and quality of green finance

Green finance is the application and deployment of capital to address rising global temperatures and decarbonize the economy. As a result, directing financial assets towards green finance is imperative for Vancouver as it works to address the climate emergency. The [Global Green Finance Index](#) assesses the quality and depth of green finance offered in financial centres. The evidence presented by this report suggests that larger, well-established financial centres are not generally the ones that have the highest ratings for green financial centres. Based on the same evidence, the report identifies the consistent drivers for a green finance hub lie in appropriate policy and regulatory framework, mandatory disclosure, tax incentives, demand from investors, and public awareness of climate change.

Please note these rankings are based on research conducted pre-COVID.

# Industry Update

## Historic first: BC Film & TV industry spend tops \$4 billion in 2019

**\$4.1 billion**  
direct spend in BC  
in 2019

**40,000+**  
well-paying jobs in  
Metro Vancouver

**\$12.5 billion**  
in BC wages  
between 2012-2019

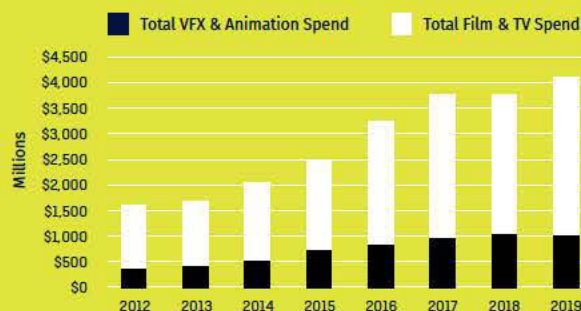
## Decades of industry grit and success have culminated in a record-breaking banner year in 2019

British Columbia's film, television, and VFX and animation industry has been a longstanding pillar of the provincial economy, generating a diversity of jobs across other industry verticals and Metro Vancouver accounts for approximately three-quarters of its activity and spend. In 2019, this was a huge amount, surpassing \$4.1 billion for the first time. Of this, more than \$3.1 billion was spent in physical production alone. For context, the Ontario Ministry of Heritage, Sport, Tourism and Culture Industries reported that filming in Ontario accounted for less than **\$2.2 billion** in 2019.

Competitive production tax credits, world-class talent, supportive permitting, state-of-the-art infrastructure, and an integrated ecosystem have worked in tandem for decades to build Vancouver's global reputation for success. This has paid dividends. From 2012 through to 2019, the industry has spent \$22.7 billion into the provincial economy. Of this, \$12.5 billion went into wages paid to British Columbians.

In the minds of studios and producers, the Vancouver region's reputation as the third largest and busiest production hub in North America and the largest in Canada translates to reliability: Vancouver finds a way. Its seasoned crews, space operators, and local public sector officials know what to do to help them deliver world-class productions.

### BC Total Spend of the Film & TV, VFX & Animation Industry 2012 -2019



Source(s): VEC analysis, WorkSafe BC data



## Metro Vancouver & BC industry’s legendary resilience and agility made for swift economic recovery during pandemic

The Vancouver and BC film industry has weathered COVID significantly better than any other North American hub; few other industries could be said to have recovered to – let alone be operating above – levels prior to the pandemic.

Visual effects and animation companies seamlessly transitioned tens of thousands of employees to remote working models. Thanks to BC’s low COVID-19 case count, the agility of its veteran crews, and the cooperation between provincial health authorities and industry players such as including studios, unions, and space providers, dozens of physical productions and filming projects successfully re-opened with new public health and worker safety guidelines firmly in place, pivoting and improving their processes as necessary.

When the Province of British Columbia first declared a public health emergency around the pandemic in mid-March, 41 productions were in progress, and many were forced to halt work. Half a year later, the industry has re-mobilized and is busier than ever, with over 60 projects now in some stage of production. The fact that cast and crew have by and large been able to continue working in this industry has been a boon to BC’s wider economy during the pandemic, including support industries such as service workers.

### Updates from the Vancouver Film Commission and other Film & TV Industry news

The Vancouver Economic Commission established a dedicated film commission in 2016. Since its inception and under the leadership of David Shephard, the Vancouver Film Commission has worked collaboratively with regional film commissions and offices across Canada to build Vancouver, BC and Canada as a destination for film and animation production.

- **Film commission network** – The Vancouver Film Commission partnered with the Quebec Film and TV Commission to create a nation-wide film commission network: the Canadian Film and TV Commissions/Bureaux Cinéma & Télévision Du Canada. Funded by the Government of Quebec, this network has delivered a series of development, training and networking initiatives. The network is now working to more strongly promote Canada internationally with the objective of increasing the national industry’s post-COVID competitive advantage.
- **Netflix expansion** – A key pillar of the Vancouver Film Commission is business development: targeting key players in the international market to promote the benefits of the Vancouver region, including its infrastructure and creative talent. The recent announcement by Netflix to open their second production studio in the region justifies the Film Commission’s focus on developing long-term relationships with the main industry players in the US and Europe.
- The Province of British Columbia unveiled a **\$2 million Domestic Motion Picture Fund** dedicated to the creation of more made-in-BC content. The fund will be administered by Creative BC and is part of the Province’s COVID-19 relief measures.

#### Spotlight: Virtual Production

Vancouver is building capacity for virtual production – a new development that will change and enhance how productions are made. There’s not a show in 2020 that you’ll see without some kind of virtual production or virtual sets; this allows productions to stay in one studio, while projecting backgrounds for New York, Morocco, Hong Kong – at the flip of a switch. This new approach also allows the Vancouver region’s diverse visual effects talent pool to deploy their skills further in production processes. Stay tuned for more exciting developments.



# Emerging Sectors

## Circular Economy

The conventional model of linear production and consumption has created mountains of waste and wasted resources. As jobs in extractive industries decline, transitioning to a circular economy promises job creation in the areas of materials handling and transportation, and an opportunity to recoup some of the approximately \$4.5 trillion in value squandered annually across the globe through the take-make-discard model.

**Metro Vancouver  
Numbers**

**\$195 million**  
Food Systems

**20,000 tonnes**  
Textiles

**\$340 million**  
Deconstruction

The **circular economy** is an economic model that designs waste out of the life cycles of products and services. Its aim is to eliminate waste through reuse, repair and recycling of materials, and to limit inefficiencies and close gaps within the system. Circular practices help reduce the amount of finite raw materials taken from the earth, cap the amount of greenhouse gas emissions generated, and create opportunities for significant cost savings. A **study** conducted by UBC in 2019 found that switching to circular food practices in the Metro Vancouver region could generate a combined value of a \$195 million in new markets and cost savings annually.

**City of Vancouver's Zero Waste 2040** targets were ambitious even prior to the pandemic and the reintroduction of single-use plastics and packaging items. High-level themes within the strategy include conserving resources, preventing waste, increasing composting, and extending the life of products through sharing, reuse and repair. Increased circularity in local production cycles could help the city and region address many of the issues associated with the climate crisis.



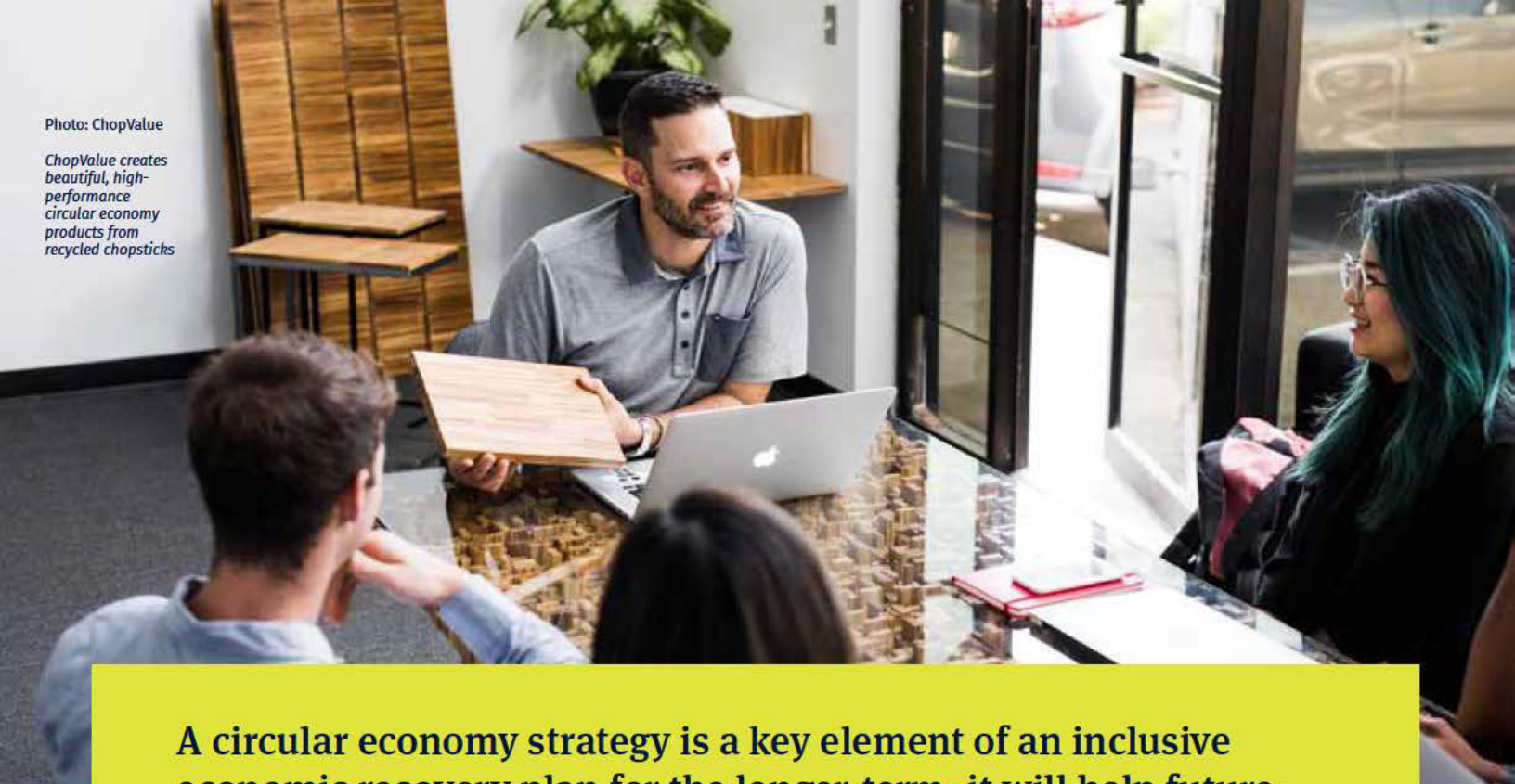
### **Spotlight: The National Industrial Symbiosis Program (NISP) Canada**

Based out of Vancouver's Light House Sustainable Building Centre, NISP is a national waste redesign program that facilitates waste redirection and repurposing between entities. They recently launched **BizBiz Share BC**, an online resource and platform that helps businesses to reduce costs and increase revenues, efficiencies and environmental performance through matching waste streams between businesses.



Photo: ChopValue

ChopValue creates beautiful, high-performance circular economy products from recycled chopsticks



**A circular economy strategy is a key element of an inclusive economic recovery plan for the longer-term; it will help future-proof Vancouver’s economy.**

VEC recognizes the importance of key regional relationships in developing a circular strategy, particularly alongside the work of Metro Vancouver, its National Zero Waste Council, and the Union of BC Municipalities. As such, any circular strategy should be developed as an umbrella document or program – one that can weave in a variety of actions and key initiatives that can help local SMEs prosper while dramatically reducing waste and carbon emissions.

On October 15, the City of Vancouver Council unanimously passed the motion, [Improving the Circularity in Vancouver’s Economy](#), with much support from industry and non-profits. VEC will work with City of Vancouver staff to report annually on progress and track global best practices.

VEC commits to continue working with City of Vancouver Solid Waste Services, the Zero Waste 2040 Team, the Sustainability Group, and the GCAP 2050 initiative to advance the circular economy in Vancouver and the larger region.

## The Vancouver opportunity

Four material streams for advancing circularity

1. Food production and waste
2. Textiles
3. Plastics
4. Construction materials

## Quick Links

- » [Circular economy deep-dive](#)
- » [Circular economy business resources](#)
- » [City of Vancouver Circular Economy Motion](#)



## Virtual and Augmented Reality (VR/AR)

As the second-largest cluster of virtual and augmented reality companies in the world, Vancouver's VR/AR industry promises widespread economic and societal benefits to the region. Prior to the pandemic, projections by PwC predicted the global VR/AR industry's GDP output would grow from \$46.4 billion to \$1.5 trillion by 2030. Now, public health measures such as physical distancing and lockdown during COVID-19 pandemic have spurred the sector to new heights as the local and global technology landscape evolves towards rich, intuitive and immersive experiences.

**British Columbia  
Numbers**

**2,500+**  
Skilled jobs

**200+**  
Companies

**\$1.5 trillion**  
GDP output by 2030

**The pandemic has accelerated VR/AR innovation like never before, with some companies achieving five years of transformative innovation in five months.**



Photo: VRARA

VR/AR enterprise applications have been quietly expanding across industry verticals for years to establish powerful presences in our daily lives. These examples hardly scratch the surface.

**Retail:** Brands are enticing customers with VR/AR-enabled try-at-home options, digitally created store aisles and virtual car test drives

**Education:** There are a range of applications spanning remote classroom experiences to immersive language training

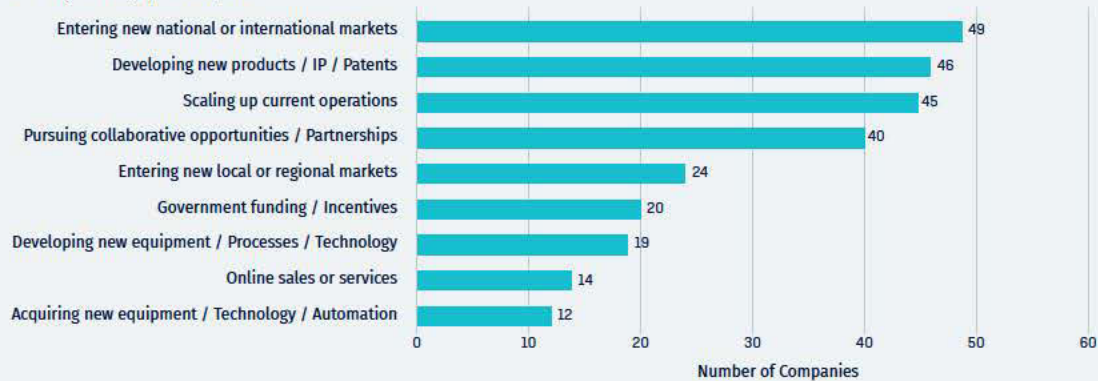
**Healthcare:** Industries like healthcare are unveiling new technology solutions every day; doctors are even using immersive headsets to virtually train colleagues and interact with patients

**Entertainment and Live Performance:** Ranging from social media filters to popular mobile games to the immersive storytelling on display at VIFF Immersed and live events organized in virtual reality

Unlocking the lucrative economic and social benefits of VR/AR hinges on providing the support and infrastructure necessary to attract and foster talent, prioritize collaboration, and pave the way for international expansion.

### Biggest Opportunities (Next Five Years)

As identified by survey participants



**Quick Links** » [Access the VR/AR Ecosystem Report and Summary](#)

To investigate the state of the VR/AR ecosystem in Vancouver and BC – in terms of jobs, revenue, talent and investment – and identify gaps hindering the performance of local companies, VEC, the Vancouver VR/AR Association, and VIFF Immersed produced an ecosystem report. In addition to providing an overview of the industry’s strengths and challenges, it introduces a slate of recommendations developed from a combined analysis of company surveys, in-depth interviews with stakeholders and secondary research.

#### Top Challenges as Identified by BC VR/AR Companies:

1. **Finding new customers**
2. **Access to capital or financing**
3. **Finding and keeping qualified talent**

#### Support Mechanisms Identified as most Impactful:

1. **Corporate matchmaking:** pilot projects with corporates
2. **Support infrastructure:** accelerators, incubators and/or mentors
3. **Community:** networking events, conferences, meetups

### Spotlight: NexTech AR

Vancouver-based [NexTech AR](#) is a \$400 million company offering end-to-end augmented reality solutions for e-commerce, advertising, education and training, retail and more.

#### Featured In

» [Techcover](#) and » [The Motley Fool](#)



Photo: NexTech AR Solutions



# Gross Domestic Product: GDP

“To get a sense for how unhinged our economy is from the real world, consider the fact that pollinators, earthworms, rainforests, clean air, parenting, friendship, sleep and solidarity are considered to be literally valueless according to our dominant metric of economic success.”

[Jason Hickel](#), economic anthropologist

## What is it?

Gross domestic product (GDP) is the total value of the goods and services produced in the economic territory of a country or region during any given period.

GDP can be measured in three ways: the production approach, the income approach, and the expenditure approach. Statistics Canada applies the income and expenditure approaches to calculate annual and quarterly GDP and uses the production approach to calculate monthly GDP data.

Source(s): [Statistics Canada](#); [Investopedia](#)

## Expenditure Approach GDP

$$= C + G + I + NX$$

Where

C = consumption; G = government spending; I = Investment; and NX = net exports.

## Income Approach GDP

$$= TNI + \text{Sales Taxes} + \text{Depreciation} + \text{NFFI}$$

Where

TNI = Total national income; NFFI = Net foreign factor income.

Bees – crucial for food production – are an example of something whose economic contribution is not accounted for

A bee pollinates an apple tree blossom





## What are the drawbacks of GDP as a metric?

GDP is fundamentally flawed as metric of wellbeing; even Simon Kuznets, the economist often credited as being instrumental to laying the groundwork for its widespread use today, warned as much.

GDP has a key advantage in its widespread use, which helps with benchmarking and comparisons across regional and national boundaries. However, Jason Hickel vividly distils GDP's greatest disadvantages despite its widespread use as an economic indicator: GDP is limited in its ability to capture or measure many processes or functions valuable to a stable and thriving economy, such as volunteer work, the household economy, or the contributions of natural environmental systems. Additionally, harmful phenomena – such as post-natural disaster rebuilding, oil spill cleanups or wars – could result in positive GDP gains.

There used to be a stronger correlation between GDP and economic health. However, with wealth increasingly concentrated into the hands of the top 1%, and the way this trend has exacerbated income inequality, even positive GDP trends have become more and more decoupled from economic prosperity.



Photo: Doughnut Economics: Seven Ways to Think Like a 21<sup>st</sup>-Century Economist, Kate Raworth

## What could replace or enhance GDP as a metric?

Many attempts have been made by leading economists and economic development entities to replace GDP with more intelligent metrics that reflect wellbeing in a population, along with contemporary social and environmental needs. Sadly, none have resulted in widespread adoption, yet.

VEC is in conversation with the OECD (Organisation for Economic Co-operation and Development) and other C40 Cities working with Kate Raworth – pioneer of Doughnut Economics – in pursuit of developing a better index for cities that better represents the necessary balancing act of designing and nurturing a healthy, inclusive and prosperous economy.

We look forward to sharing more about this work soon.

### Read more about better metrics

» [OECD – Better Life Index](#)

» [World Economic Forum – Inclusive Development Index](#)

» [New Zealand Project – The Happiness Index](#)

» [Iceland – Indicators of Measuring Well-being](#)

» [Doughnut Economics](#)

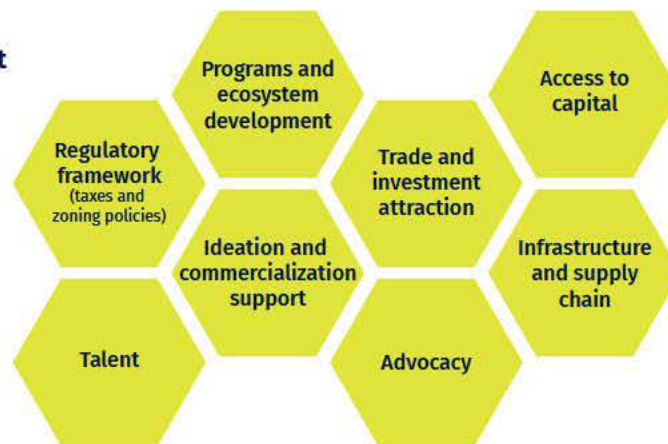
# 21<sup>st</sup> Century Economics

## What is Economic Development?

Economic development means different things to different people and organizations. To some, it means helping people access water and farmland; to others, it involves helping local businesses to grow; to others still, it revolves around attracting global trade and investment. Economic developers work to promote sustainable growth, well-being, and prosperity within their communities. There are a huge variety of approaches to achieve this, and there are many different organizations that address these objectives in different capacities and regions.

Economic development as a field is interdisciplinary, collaborative, and – especially of late – questioning. This is because economic development work is rooted in real world needs, challenges and solutions, which do not always square up with those identified in the field of economics – a field with many principles and laws that have remain largely unchanged since their invention, some of which stretch back to the 1800s.

### Key Elements of Economic Development



## Addressing Foundational Failures in the Economic Stress Test

The climate emergency and widening inequality gap continues to test the global economy, challenging the goals on which global economic models are based. Canada is no exception; as a resource-heavy country, Canada is on a transformative journey toward a more sustainable and low-carbon economy.

COVID-19 has highlighted and magnified how interconnected the economy is on everyone's lives and livelihoods. It has thrown into stark relief the structural flaws, inequalities and weaknesses built into it from the ground up. As governments, business, communities and residents contemplate the possibility of a second lockdown and aspire to dig stronger foundations in the future, approaches to achieving collective economic goals must continue to adapt to ensure sustainable growth, well-being and prosperity within their communities.





## Vancouver Economic Commission's commitment to economic development

VEC has historically focused on conducting and consolidating data and metrics for Vancouver and the Vancouver region's economy and supported concierge services to businesses in, or who are attracted to, Vancouver. VEC has also played an advocacy and advisory role to policymakers and worked to catalyze and develop an ecosystem for change. The organization's purpose is to support the building of a prosperous, inclusive, low-carbon and resilient economy for all in Vancouver.

VEC accomplishes this through offering varying sector support, programs, and initiatives. VEC staff work collaboratively with many other types of economic development organizations, locally and nationally, to support the Vancouver economy.

### Additional Economic Development Reports and Resources

Source	Title
<a href="#">DVBIA</a>	Downtown Vancouver COVID-19 Economic Impact & Recovery Snapshot
<a href="#">Destination BC</a>	COVID-19 Research Roundup
<a href="#">City of Richmond</a>	City of Richmond COVID-19 Economic Response & Recovery Report
<a href="#">Board of Trade</a>	COVID-19 Impact Pulse Check #4 – July 16 '20
<a href="#">City of Vancouver</a>	COVID-19 Pulse Survey #2: Measuring Ongoing Impacts
<a href="#">BC Government</a>	First Quarterly Report   September 2020
<a href="#">Central 1 Forecast</a>	Economic Analysis of British Columbia
<a href="#">Deloitte</a>	Economic Outlook
<a href="#">Statistics Canada</a>	The Social and Economic Impacts of COVID-19 September 2020
<a href="#">Creative BC</a>	British Columbia Motion Picture Industry: Below the Line Labour Market Study 2019

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# Recovery and Resilience

Key developments and landmark achievements across six pillars of developing a more resilient, sustainable, and inclusive economy.

## Climate Emergency

**Vancouver signs global divestment declaration.** In doing so, Vancouver joins the ranks of other global cities to declare its commitment to build momentum for fossil-free, sustainable finance in support of a green and just recovery.

» [C40 Cities](#)

## Equity and Inclusion

**The Government of Canada recently launched a \$221 million Black Entrepreneurship Program.** This program intends to support Black Canadian entrepreneurs and SME owners through COVID-19 and beyond through a National Ecosystem Fund, Black Entrepreneurship Loan Fund, and Black Entrepreneurship Knowledge Hub.

» [BetaKit](#)

**A Feminist Economic Recovery Plan for Canada.** Results of a new [survey](#) reveal that one in three Canadian women have considered quitting their jobs so their children can attend school virtually. This statistic vividly illustrates the need for the kind of [feminist economic recovery plan](#) by YWCA Canada and the Institute for Gender and The Economy (GATE).

» [YWCA Canada & GATE](#)

## Policy

**Province of British Columbia launches new Economic Recovery Plan.**

Highlights of BC's recovery plan include greater recruitment into healthcare, creating job opportunities in high-demand fields, supporting communities across BC with infrastructure investments, and helping SMEs grow with a 15 percent tax credit on payroll and a PST rebate on machinery. These could yield impressive employment results when combined with federal stimulus funding. However, the minimal references to CleanBC and climate action are concerning given the climate emergency and a once-in-a-lifetime opportunity for a clean reset.

» [BC Gov News](#)

**The case for why cities need better funding and revenue tools to recover from COVID.**

In the final installation of their three-part report, "Building the foundation for cities to thrive after COVID-19," Deloitte proposes key questions related to changes in urban lifestyles and planning, and sets out potential new revenue tool options that could help alleviate budget shortfalls.

» [Deloitte](#)



# New and Noteworthy

## **Innovation**

### **BDC launches \$160 million fund to support IP development in Canada.**

Retaining ownership of IP developed in Canada has long been the nation's Achilles heel despite its concentration of phenomenal minds and professionals. The Business Development Bank of Canada's new Intellectual Property-Backed Financing solution should help address this issue of vital national and local importance.

» [BDC](#)

## **Infrastructure**

### **Construction on the Broadway Line underway.**

The Province awarded a \$1.728 billion contract to build the Broadway Subway to the Broadway Subway Project Corporation. Construction on the 5.7 kilometre extension, with six new stations, will begin in fall 2020, with anticipated completion and service start in 2025. VEC helped make the [business case](#) for this important infrastructure project back in 2013.

» [Gov News BC](#)

## **People**

### **Wage subsidies for young sustainability workers.**

ECO Canada offers wage subsidies for young professionals in sustainability-related posts. The not-for-profit had three program streams with up to \$25,000 available to successful applicants. Applications for the final one (Digital Skills) must be in by December 31, 2020.

» [ECO Canada](#)

### **Recent and upcoming VEC resources related to business and economic development**

#### **Cross-Border Investment Guide:**

VEC, in partnership with Fasken and Deloitte, have launched a new [Cross-Border Investment Guide](#). Private capital – particularly from US investors – comprises most of the investment that enable Vancouver companies to develop and commercialize their prized IP. This guide intends to facilitate and streamline investment into Vancouver's innovation ecosystem by filling any gaps in knowledge.

**Affordability Guide:** This [newly launched guide](#) was developed in collaboration with [Dr. Andrey Pavlov](#), Professor of Finance at SFU Beedie School of Business, along with two SFU Beedie graduate students as Mitacs research interns. The affordability guide is a comprehensive online data source that consolidates the most important metrics shaping Metro Vancouver's affordability landscape.

**New Metrics Project:** VEC has been collaborating with Statistics Canada and the City of Vancouver on a pilot project to generate smarter local-level economic and business statistics. Even common economic metrics – such as GDP – are not often available from Statistics Canada at a regional or city level. This project aims to rectify that.

**Vancouver and BC Esports Ecosystem Report:** VEC's research team is putting the final touches on its [anticipated esports ecosystem](#) research and strategy recommendations for building cohesion and success in Vancouver's esports hub. Look for it later this fall.