



NEWS RELEASE

High tax rates, housing costs make B.C. less attractive for tech industry

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For Immediate Release

VANCOUVER—If governments in British Columbia want to attract more tech companies and encourage entrepreneurship, they must implement significant policy changes to make the province more attractive to entrepreneurs and high-skilled workers, says a new essay released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The vision of B.C. becoming a large tech hub will only become a reality if policymakers in the province improve the policy environment for business,” said Steven Globerman, professor emeritus at Western Washington University, senior fellow at the Fraser Institute and author of *The Outlook for Growth in British Columbia’s Private Sector*.

For example, the province’s business tax rate jumps from 2 per cent to 12 per cent once a company’s revenues reach \$500,000 per year, disincentivizing growth for companies already in B.C. and potentially discouraging others from relocating to the province.

Moreover, B.C.’s combined (provincial plus federal) personal income tax rates for top earners are significantly higher than combined rates in every U.S. state including high-tax jurisdictions such as California.

Finally, Vancouver and Victoria (alongside Toronto) remain the most unaffordable cities in North America, and housing costs are a key consideration for workers looking to relocate.

“By reducing top tax rates and encouraging housing construction to improve affordability, policymakers in B.C. can make the province more attractive to the tech sector, which creates jobs and wealth,” Globerman said.

MEDIA CONTACT:

Steven Globerman, Senior Fellow
Fraser Institute

To arrange media interviews or for more information, please contact:
Mark Hasiuk, Senior Media Relations Specialist, Fraser Institute
604-688-0221 ext. 517
mark.hasiuk@fraserinstitute.org

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