

## Report sounds city jobs warning

Vancouver's tax rates, regulatory burden turns off businesses, which are also needed to sustain high lifestyle quality

**Fiona Anderson**

Vancouver Sun

*Monday, November 12, 2007*

If Vancouver is to remain one of the best places to live, the city must do more to attract and retain business, according to a report released by the Vancouver Economic Development Commission (VEDC).

"Quality of life does not come free," said economist Roslyn Kunin, special adviser to the VEDC.

"If you're going to clean up the air, if you're going to have parks, if you're going to have social services and affordable housing for the citizens who need them, somebody is going to have to pay for them.

"Generally they are paid out of the tax base," she said. "And taxes are paid by businesses and taxes are paid by people who have good jobs with high income.

"And we're a little bit short on the businesses and the jobs."

So while Vancouver is seen as a great place to live, it's not considered a great place to do business, Kunin said. And that has to change if Vancouver is going to continue to be a great place to live.

Job growth in Vancouver is less than two per cent, while job growth in Metro Vancouver is close to 10 per cent, Kunin said. And many of the jobs in Vancouver are lower paying, reducing the tax base.

Vancouver is also losing businesses that choose to either start up or move outside the city, Kunin said.

The main issues raised by businesses, who were consulted in preparing the report, were an excessive regulatory burden, high taxes and Vancouver's crime rate, she said.

To make Vancouver more business-friendly, the city and its inhabitants have to realize the important role business plays in making Vancouver a great place to live, Kunin said.

There are three main components to sustainability: the social side, the environmental side and the economic side. "And you can't afford to support the social and environmental side unless you have the economic base to do it," she said.

"We want [people] to think not only is Vancouver one of the greatest places in the world to live, but also one of the greatest places in the world to do business."

Laura Jones, western vice-president of the Canadian Federation of

Independent Business, has long been lobbying for fewer regulations and lower taxes.

"Vancouver is one of the worst offenders when it comes to charging businesses more than residents for property taxes," Jones said. "So the city needs to look at getting that situation fixed."

And while the city froze tax levels for businesses this year, the gap between what residents pay and what businesses pay is still very high, she said.

"Business owners are still paying in Vancouver upward of five times what residents are paying," she said. "And they're not using five times the services."

But taxes shouldn't be shifted to residents. Instead, the city should curb its spending, she said.

Over the past six years spending has doubled what population and inflation growth would warrant, Jones said.

"And I think that's a key challenge the report didn't emphasize enough," she said.

fionaanderson@png.canwest.com

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