

2007 Economic Impact Report



\$358,500,000

2007 ECONOMIC IMPACT OF VITP TO THE CANADIAN ECONOMY



**VANCOUVER ISLAND
TECHNOLOGY PARK**
A University of Victoria Enterprise

Exceeding Expectations



The University of Victoria's Vancouver Island Technology Park continues to surpass our expectations by expanding our capacity for knowledge transfer, creating a home to spin-off companies launched by faculty, graduates and students, as well as providing experiential learning opportunities for our co-op students.

Home to thirty-two technology companies and industry associations, VITP is one of the region's most significant contributors to economic growth and knowledge generation. In 2007, VITP generated in excess of \$358 million to the economy of Canada (including \$51.4 million in tax revenues) – an increase of 13% since 2005. VITP continues to be an employment powerhouse, generating well over 2,100 direct and indirect jobs in our region.

Its dynamic culture, encouraging close and informal consultation among its tenant companies and organizations, generates cutting-edge ideas and innovation.

With continued support, the Vancouver Island Technology Park will continue to grow and contribute to Canada's efforts in becoming more competitive on a global stage.

A handwritten signature in white ink on a dark teal background, appearing to read 'David H. Turpin'.

David H. Turpin, PhD, FRSC
President and Vice-Chancellor
University of Victoria

VITP: An Economic Force

From its beginnings in 2002, VITP has become an important economic force in Victoria, in British Columbia, and indeed in Canada and around the world. VITP's ultra-modern park enhances the creativity and productivity of its 32 tenants by clustering new media, wireless, life sciences, ocean technology and ICT companies in an environment that is second to none.

The 2007 economic impact of VITP to the Canadian economy was \$358.5 million – an increase of 13 percent over the total economic impact of \$317.5 million contributed in 2005. The economic impact data is comprised of total sales revenue, total tax revenue, construction tax, and total business visitor impact. Not only does VITP contribute significant dollars to our economy, it is also a powerhouse in generating jobs. In 2007, VITP created 2,120 direct, indirect and induced jobs – an increase of over 100 jobs since 2005.

Join us as we take an in-depth look of how the Vancouver Island Technology Park has become a key driver in providing economic and societal benefits to the region.

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Attracting a Knowledgeable Workforce



VITP provides many opportunities for skilled and educated workers to thrive. The number of VITP-based employees holding a university degree exceeds 63%, three times that of the provincial average in British Columbia. Results indicate that the level of education attained by VITP employees was significantly higher at all level of degrees when comparing with the general population. This demonstrates that the type of employment offered at VITP is attracting highly educated, highly skilled individuals. It further confirms that the companies located at VITP are engaged in a knowledge economy where it is essential to employ talented, skilled, and educated workers. Based on the education figures from the 2005 survey of VITP employees, we can determine that as VITP grows, it employs a higher percentage of educated workers.

	British Columbia	VITP Employees (2005)	VITP Employees (2007)
Undergraduate degree	17.6%	37.5%	51.9%
Master's degree	3.2%	6.3%	9.9%
PhD	0.6%	2.0%	1.7%

Driving the Canadian Economy

While technology parks have become environments that foster world-class innovation that attract and retain high quality talent, their contribution to the economic prosperity of Canada is remarkable.

For instance, the companies at VITP generate significant tax revenues to all levels of government through direct expenditure taxes on what they purchase. Indirect and induced tax revenues are associated with suppliers to VITP companies, and through employee spending. This tax revenue was so significant in 2007 that it was an astounding 22 percent higher than the \$42.1 million generated in 2005.

In 2007, activities at VITP alone, contributed a total of \$51.4 million in tax revenues to the Canadian economy, including \$5.1 million in municipal taxes, \$23.4 million in provincial taxes, and \$22.8 million in federal taxes.





Balancing Work and Play

The recipe for success at VITP is simple – its people. In today’s world, in order to attract and retain quality talent, companies need to create an environment which enhances productivity and efficiency. Access to a FIFA™ regulation soccer field, café, games room, fitness centre and walking trails are just some of the luxuries that have become a part of the daily-life for the talented individuals that populate the park. From salaries to job satisfaction the results clearly indicate why VITP is considered the best place to work in Greater Victoria.

In 2007, the average VITP employee earned \$76, 838 opposed to the \$38,888 paid to the average employee in British Columbia. In addition to providing sufficient compensation, a number of employees have chosen VITP for non-financial reasons. Results indicate that 62% of employees reported having higher job satisfaction and 63% reported having a higher quality of life since obtaining a job at VITP.

Question	Higher	Lower	Same
Compare your current salary and benefits you earned prior to working at VITP—is your current salary higher/lower/same?	60%	27%	14%
Do you feel the quality of your job at VITP is higher/lower/same as your previous job?	62%	28%	10%
Do you feel your quality of life is higher/lower/same as compared to prior to working at VITP?	63%	29%	8%

Looking Ahead: The Next Phase

With a municipally-approved master plan that will eventually allow for an additional 250,000 SF of development, VITP has identified the next building as a “Clean Tech & ICT” LEED™ facility that will attract small to medium-sized companies within these sectors. The new leading-edge facility will accommodate 533 employees and stimulate an additional \$180 million in annual economic activity including \$22M in federal, provincial and municipal tax revenue.

The tech park expansion will immediately inject \$36 million into the construction industry, which translates to 231 new construction jobs. A dedicated “Clean Tech & ICT” facility will provide a focal point to accelerate growth in this critical sector in our region. This facility will provide a framework for companies to commercialize their knowledge-based products and services to the broader marketplace in Canada and beyond.

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