

Launching in North America Successfully Without Breaking Your Bank Account

Expanding to new markets is a strategic endeavour that requires careful consideration of various factors, with talent availability among the top priorities— [PwC's Global CEO Survey](#) shows availability of skills was a serious concern among 63% of business leaders. Connectivity and a variety of cost factors like taxes and labour costs also weigh heavily on the process.

These costs can be especially challenging when contemplating entry into the North American market. The U.S. is often an obvious destination of choice but can actually be more expensive than other regions.



Is there a way to have it all - access to top talent, strong connectivity with international markets and low costs? The answer is yes: Alberta checks all those boxes and has offered the proof to back up those claims.

A study by Invest Alberta looked at three leading Canadian tech cities and two other U.S. regions. As Boston, New York and San Francisco are among the most expensive tech markets in the world, we focused on highly competitive tech hubs Austin and Seattle for a more appropriate comparison. This analysis shows the



financial implications for a “typical” tech office project into North America, with consistent variables for an even comparison across locations. While each project has its nuances and varying requirements, here are the assumptions this study was based upon for a fair result.

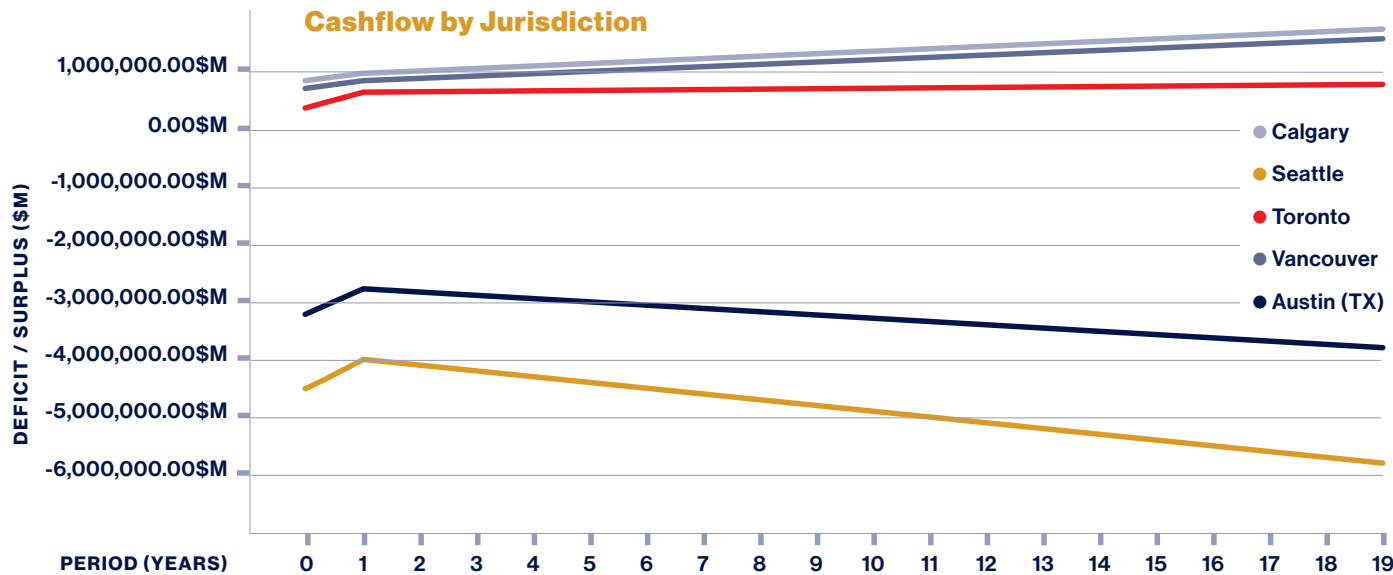
Business	Computer software company
Labour Requirements	100
Office Space Requirements	2,000 sqm
Financial Assumptions	
Inflation	2 %
Discount Rate	5 %
Upfront Machinery Costs	\$300,000
Revenue	\$10,000,000



Canada's Leading Tech Cities Are Top Value Versus the U.S.

In looking at the overall comparisons in the below chart, all three Canadian cities rank considerably lower in costs than their U.S. peers. In particular, the Canadian trio ranked most affordable in labour costs, office space and net profit. Calgary stands out as the most competitive city among those studied, followed closely by Vancouver and Toronto. Austin and Seattle are experiencing soaring real estate and labour costs, which accounts for the gap between the two countries.

But cost is not everything, especially in high-tech fields. Canada also rates highly in a number of economic statistics, ranking as the No. 1 most educated workforce



in the world (OECD 2021), 3rd most stable economy in the world (U.S News & World Report), and possessing one of the most open immigration systems for international talent recruitment of specialty skills.

Why Calgary – and Alberta – Are a Rising Force in Canada’s Tech Industry

Looking more specifically at the Canadian data given the large cost gap, Calgary rises to the top among our city comparisons, led by lower office space and tax costs. Located in the province of Alberta, the city has the largest concentration of company headquarters in all of Canada and is home to 7 of the top 10 world banks, yet still maintains lower lease rates than its competitors. The quality remains high with top-level talent from its

strong academic credentials—Calgary has the highest concentration of STEM degree completions of any Canadian city.

In Alberta, a burgeoning technology hub is emerging, characterized by expanding networks of startups, research organizations, and government assistance, all designed to entice and ignite the advancement of

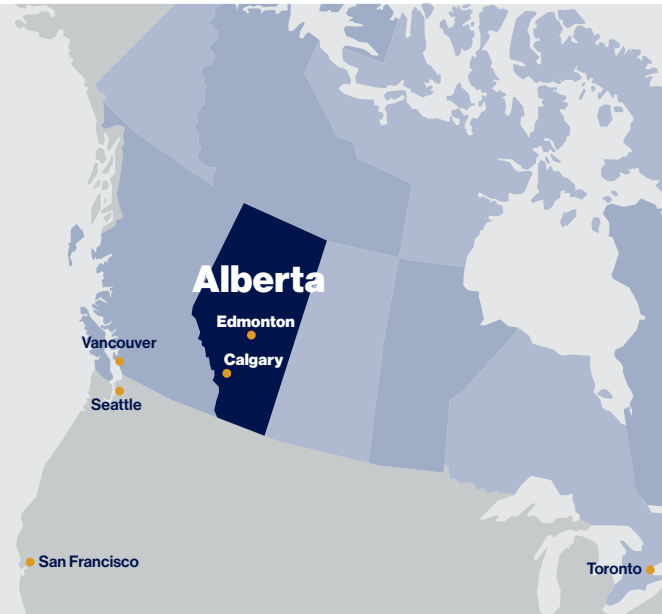
City	Office Space - Lease OpEx (2,000sqm)
Calgary	\$656,824
Toronto	\$1,225,561
Vancouver	\$1,253,380

City	Calgary	Toronto	Vancouver
Province	Alberta	Ontario	British Columbia
Provincial-tax	8.00%	11.50%	12.00%
Federal-tax	15.00%	15.00%	15.00%
Total %	23.00%	26.50%	27.00%
\$Tax per \$1M in profit	\$230,000	\$265,000	\$270,000

cutting-edge technologies. Calgary jumped seven spots since last year on CBRE’s North America Tech Talent Scorecard to No. 21. This is recognition that Alberta is a place where bright and diverse talent from around the globe—and also Canada’s youngest workforce—come to live, work and study.

Launching and expanding into the North American market is undoubtedly a complex endeavor that demands a thorough evaluation of factors from talent availability to cost considerations. Amidst this dynamic landscape, Alberta emerges as a beacon of opportunity and, in particular, Calgary provides a unique blend of advantages for businesses. It offers not only access to top-tier talent but also competitive connectivity, favourable office space costs, and tax benefits.

Big. Bold. Alberta.



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Canada's Headquarters for Top Talent

Two cities (Calgary and Edmonton) ranked in
CBRE's top 50 tech talent markets



#1

YOUNGEST WORKFORCE

*With the highest
concentration of STEM
degree completions of
any Canadian city.*

Awe-Inspiring, Affordable Living

Tech companies saving anywhere from
\$30,000 to \$400,000 CAD annually for an
average office space



#1

LOWEST CORP TAX

*Making Alberta one of
Canada's most business-
friendly locations.*

Future Forward Industries

Home to more than 3,000 technology
companies with more than 53,700 employees
across cleantech, agritech and innovation



#1

FOR RENEWABLE INVESTMENT

*Alberta is an ideal
location for companies
looking to reduce their
carbon footprint.*

Wide Open for Business

One of the lowest corporate tax rates in
North America



19

FREE TRADE AGREEMENTS

*Offering access to global
markets for you to grow
your business.*