

Atlantic Canada Cities Ranked Best Places In The World For Businesses

Bernama

27 March, 2014

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TORONTO, March 27 (Bernama) -- Canada was ranked the world's most competitive mature market for business with its lower cost in sea freight and natural gas, stable facility costs, limited labour cost increase, and a drop in the Canadian dollar.

A KPMG Competitive Alternatives 2014 report released Thursday picked Moncton City in New Brunswick as the world's most competitive city among 15 Canadian cities featured in the survey of 107 cities worldwide.

In the study, conducted biennially, of 10 countries and more than 100 cities to do business in the world, Mexico led the High Growth Market category.

Over a period of two years Canada has seen only a 0.7 per cent increase in total business costs despite increases in electricity, air freight and property tax costs. Business costs are also 7.2 per cent lower than those in the United States.

The slightly weaker Canadian dollar and cost fundamentals against a slight increase in the strength of the pound and euro, more competitive transportation costs in North America, and a significant increase in European utility rates had boosted Canada's place in the survey.

Canada was strongest in the digital services subsector, with a cost advantage of 17.8 per cent relative to the US, partly due to the substantial incentives provided to digital media production firms by some Canadian provinces.

Canada's low effective corporate tax rates, which are abreast with those of France, the United Kingdom and the Netherlands, were also a factor of choice.

Four of the top five cities gleaned in the survey were in Atlantic Canada, led by Moncton City with a 2014 Cost Index of 90.1, followed by Charlottetown (90.4), Quebec City (90.7) and Fredericton (90.8).

Elio Luongo, Canadian Managing Partner, Tax, KPMG said in a statement that Canada is not only a top mature market country and cost-competitive location but its high quality lifestyle offers an attractive investment opportunity for organisations and their employees.

"Businesses may look to set up shop in larger cities, but this year's study shows that many regional cities remain attractive options and offer great value for organisations focused on keeping costs low

while responding to market and customer needs," said its Partner, Advisory Services, Benjie Thomas.

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