An aerial photograph of Halifax, Nova Scotia, showing the harbor, city buildings, and a boat moving through the water. The water is a deep blue, and the city skyline is visible in the background under a clear sky. A dark blue rectangular box is overlaid on the right side of the image, containing the title text.

Halifax

INVESTMENT PROFILE

CANADA

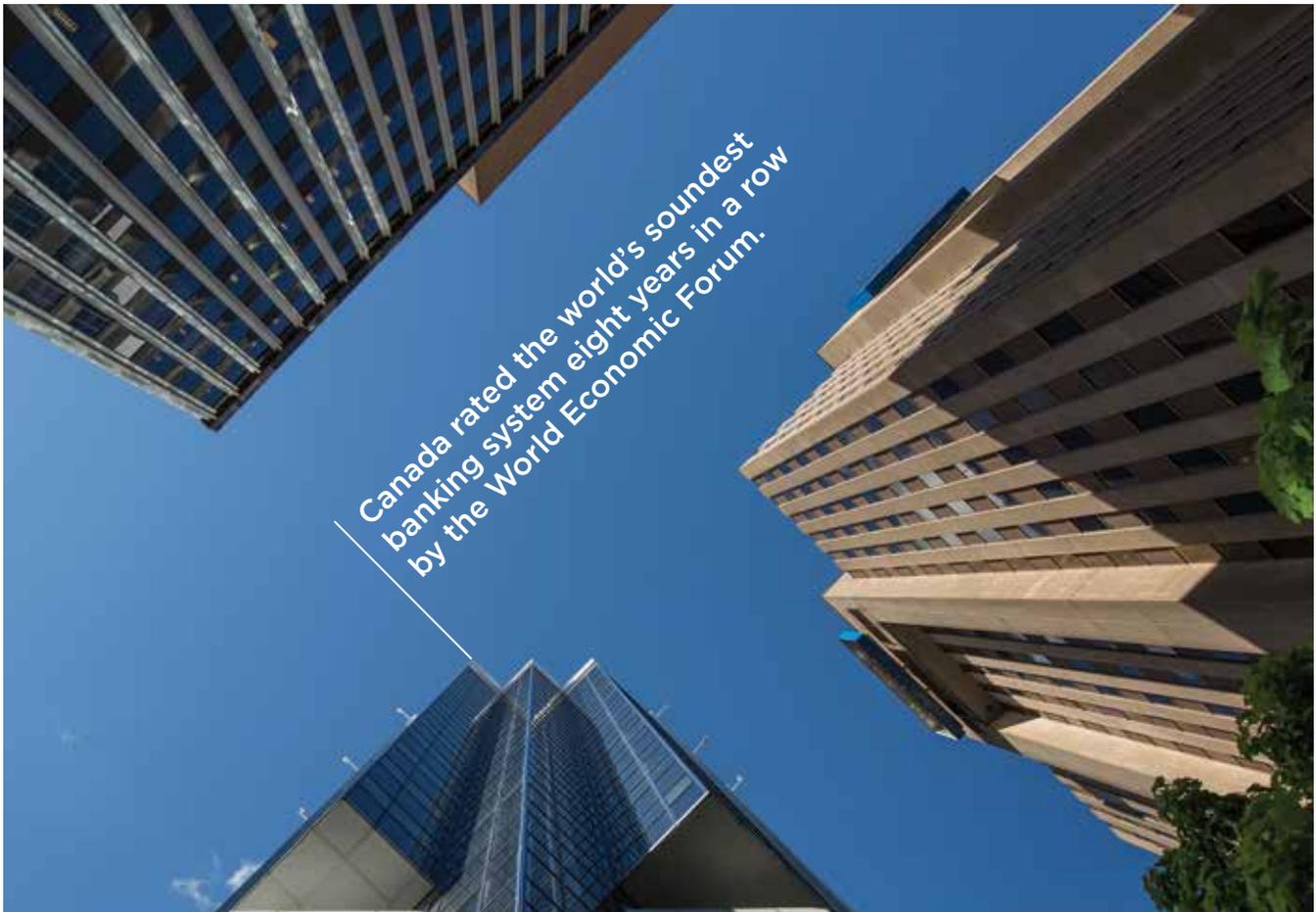
Canada is an aggressive trading nation. A growing list of trade agreements represent the most ambitious trade expansion plan in Canadian history.

Global inflows of foreign direct investment (FDI) rose by 7% to \$768 billion in 2015, up from \$720 billion in 2014. Most trade and investment flows through the world's cities. Canada's large cities—Toronto, Montréal, Vancouver, Ottawa, Calgary, London, and **Halifax**.

The country's strong focus on innovation and creativity encourages entrepreneurs and makes new entrants welcome. Canada's educated talent base and strategically leveraged natural resources sector add irresistible appeal for expanding international companies.

Consider Canada's stellar socio-economic fundamentals:

- Lowest net debt-to-GDP ratio in the G7 according to the IMF
- Lowest overall tax rate on new business investment in the G7
- Lowest costs in G7 for R&D intensive sectors, with up to a 27.7% advantage over the US
- A commitment to the rule of law and a strong justice system
- Highest proportion of college and university graduates among OECD countries—54% of the adult population has a post-secondary degree
- One of the most generous R&D tax incentives in the industrialized world
- High-quality of life featuring public healthcare



HALIFAX

Talent. Location. Cost. It's not any one of these competitive business advantages in particular, but the combination. Together, in one place.

Projected to have the second fastest growing economy in Canada, Halifax is the vibrant, prosperous capital of the East Coast. Companies large and small see Halifax as a connected, innovative, and affordable city for themselves and their employees. Halifax has prime office space in a thriving city that is strategically positioned for global markets and has a growing, talented workforce. Come and put down roots in our beautiful, affordable communities.

Low business costs, a highly educated workforce, **our ocean advantage**, and thriving industry sectors means Halifax provides all of the right ingredients for businesses to succeed and grow.



Halifax is home to:

- Over 418,000 people—nearly 45% of Nova Scotia's population and 17.6% of Atlantic Canadians.
- One of the most diverse economies in Canada with many strong business sectors including financial services; aerospace and defence; ICT; ocean technology; energy; life sciences; and transportation and logistics.
- One of the best educated workforces in North America. More than two thirds of Halifax's working age population has a trade, college or university designation.
- The Halifax Gateway offers a winning combination of multi-modal transportation and logistics assets and services, modern infrastructure, exceptional service, and global reach.
- Six degree-granting institutions and three community college campuses enrolling over 35,000 students annually.
- The headquarters of major Canadian companies including Emera, I.M.P. Group International, Clearwater Fine Foods and Maritime Travel.
- The most regional head offices in Atlantic Canada, including Canada's "Big 5" banks.
- The largest commercial aerospace and defence cluster east of Montreal and the largest share of Department of National Defence assets in Canada, including the East Coast Navy (10,700 personnel).
- Critical mass of public and private sector scientists doing world-class R&D in various industries.



“ Halifax is simply a great place to establish a business. Building a business here makes sense. ”

CALVIN GOSSE, Senior Location Executive, IBM

“ With its skilled workforce, business friendly environment, competitive costs, and advantageous geographical location, Nova Scotia has been a cornerstone of our Canadian operations for many years and will continue to be an important part of our growth strategy. ”

RICHARD D. ACKERMAN, VP – Business Development, L-3 Electronic System Services





HALIFAX'S STRONG ECONOMY IS SUPPORTING OVER \$125B IN MAJOR PROJECTS AND DEVELOPMENTS IN ATLANTIC CANADA INCLUDING THESE HALIFAX BASED PROJECTS:

\$29 BILLION combat vessel contract and **\$700 MILLION** frigate modernization and life extension contract at Halifax Shipyard

\$2 BILLION in oil and gas exploration by Shell Canada and BP

OVER \$8.9 BILLION in housing and mixed-use developments

\$2,240 MILLION in retail/commercial developments

\$812 MILLION in transportation infrastructure including ferry, bus and road services

HALIFAX 2015 ECONOMIC CONDITION

POPULATION

418,000

REAL GDP (\$2,007 MILLION)

19,104

6% UNEMPLOYMENT RATE

Sources: Conference Board of Canada

STRATEGIC LOCATION

- Located on North America's east coast, Halifax is a strategic location for moving goods in and out of North America, traveling to and from international destinations, or delivering services across European, North American and Caribbean time zones.
- With our North Atlantic time zone (UTC – 04:00), you can easily do business with Europe and across North America on the same work day.
- Halifax is two hours closer geographically by air to Europe than any other North American destination, and closer to New York and Boston than it is to any other major Canadian city.
- Halifax Stanfield International Airport offers direct flights year round to London (Heathrow), Boston, New York and other international business destinations.
- The only US preclearance facility in Atlantic Canada, 24/7 Canada Customs services, and NEXUS and CANPASS programs for frequent travelers.
- The world's largest shipping lines call on the Port of Halifax, connecting the port to more than 150 countries.

MAKE THE CONNECTION

Built for speed and volume, the Halifax Gateway is a strategic Canadian location for the efficient movement of goods and people.

It includes the Halifax Stanfield International Airport, the International Port of Halifax (including two super post-Panamax container terminals), CN Rail, a strong logistics and warehousing sector, and excellent class 1 highway infrastructure.

The Halifax Gateway offers your business:

- A natural, ice-free harbour that is only a day's sail from New York, and at 65 feet the deepest cargo berths on North America's east coast.
- A comprehensive air route network—virtually any location around the globe—and easy transport of perishable and non-perishable products worldwide.
- On-dock, double-stack rail service to over 43% of the North American population.
- Halifax Logistics Park—transloading services minutes from Border Services and next to five major highways.
- Efficient consolidation and break-down of shipments and quick, safe, cost-effective transport to regional distribution centres and stores.



- The Halifax Gateway directly employs 11,000 people and has a direct economic output of \$1.2 billion annually.
- The Port of Halifax can handle the largest vessels afloat and any type of cargo.
- Halifax Stanfield International Airport services 32 million kilograms of cargo and 3.7 million passengers annually.
- With nearly 20,000 route-miles of track, CN has the shortest route from the Atlantic coast to the US Midwest and is the only North American Railway to serve ports on three coasts.



“ With good visibility, low current and a protected, ice-free harbour, the conditions and location of Halifax are ideal for assisting commercial vessels crossing the Atlantic or coming through the St. Lawrence Seaway. ”

MIKE HUTTON, Owner, All-Sea Atlantic Ltd.



“ The Port of Halifax is at the intersection of these major project opportunities—well connected to the four Atlantic Provinces by rail, road and by shipping routes—making Halifax a reliable gateway to do business. ”

PATRICK BOHAN, Director of Supply Chain Solutions, Port of Halifax



HALIFAX GATEWAY

To learn more about the Halifax Gateway, please visit: www.HalifaxGateway.com

THRIVING INDUSTRIES

Halifax has one of the most diverse economies in Canada with a number of strong industries.

Life Sciences: Based largely in Halifax, Nova Scotia's life sciences cluster employs over 4,000 people and includes approximately 60 companies across a range of industries from medical devices to biopharmaceuticals.

Financial Services: Halifax is the regional headquarters of Canada's largest banks and has nearly 2,000 firms in the finance, insurance and real estate sector, which employ 16,000 people.

Aerospace and Defence: Nova Scotia's private commercial aerospace and defence sector—primarily based in Halifax—employs 6,000 people and generates more than \$600 million in revenues each year.

Information & Communication Technology, Gaming and Interactive Media: Some of the world's most recognizable ICT companies are based in Halifax. They span a number of industries and include IBM, CGI, and Citco.

Oceans: It should be no surprise that Halifax is a world leader in the oceans sector given our proximity to the water, the focus of our universities and community colleges, and the depth of our science-based workforce. Nova Scotia is home to an estimated 480 PhDs in oceans-related disciplines, the highest concentration in Canada.

Transportation and Logistics: Halifax is an international gateway to the world—by road, rail, air and sea. The Halifax Gateway has a total economic impact of over \$3 billion per year and directly employs over 11,000 people.

Energy: Propelled by a strategic investment in geoscience data, the region's energy sector is filled with renewable resource opportunities in wind, hydroelectricity and tidal developments along with offshore projects. According to the Atlantic Provinces Economic Council (APEC), there are currently \$61 billion worth of projects on the books that are directly tied to the energy industry in Atlantic Canada.



These top-ranked companies have operations in Halifax:

CITCO

A leading hedge
fund administrator

LOCKHEED MARTIN

13 ELECTRONIC SYSTEM SERVICES

GENERAL DYNAMICS

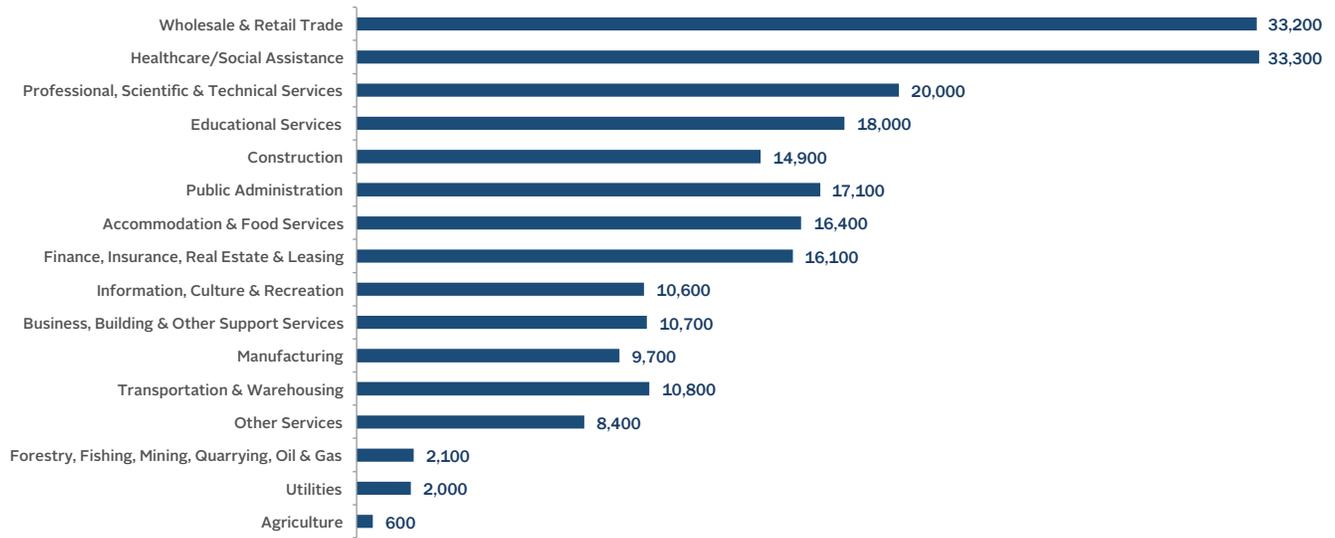
Three of the world's top defence companies

IBM

Global business
and technology leader

EMPLOYMENT BY INDUSTRY: 2015

Source: Statistics Canada



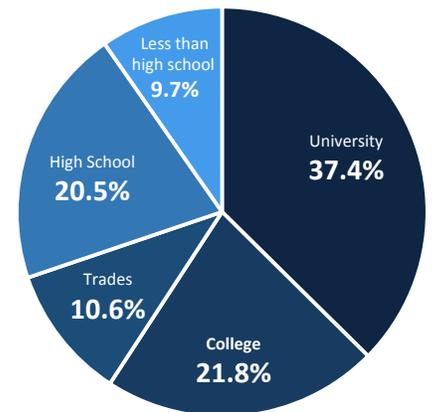
CANADA'S SMART CITY

With one of the largest concentrations of universities and best educated workforces in North America, Halifax offers a sustainable, talented workforce to support business growth.

Halifax's six universities and three community college campuses enrol over 35,000 students annually and support numerous knowledge-based clusters. Close to 70% of the workforce has post-secondary certification, and 37% have a university certificate, diploma or degree.

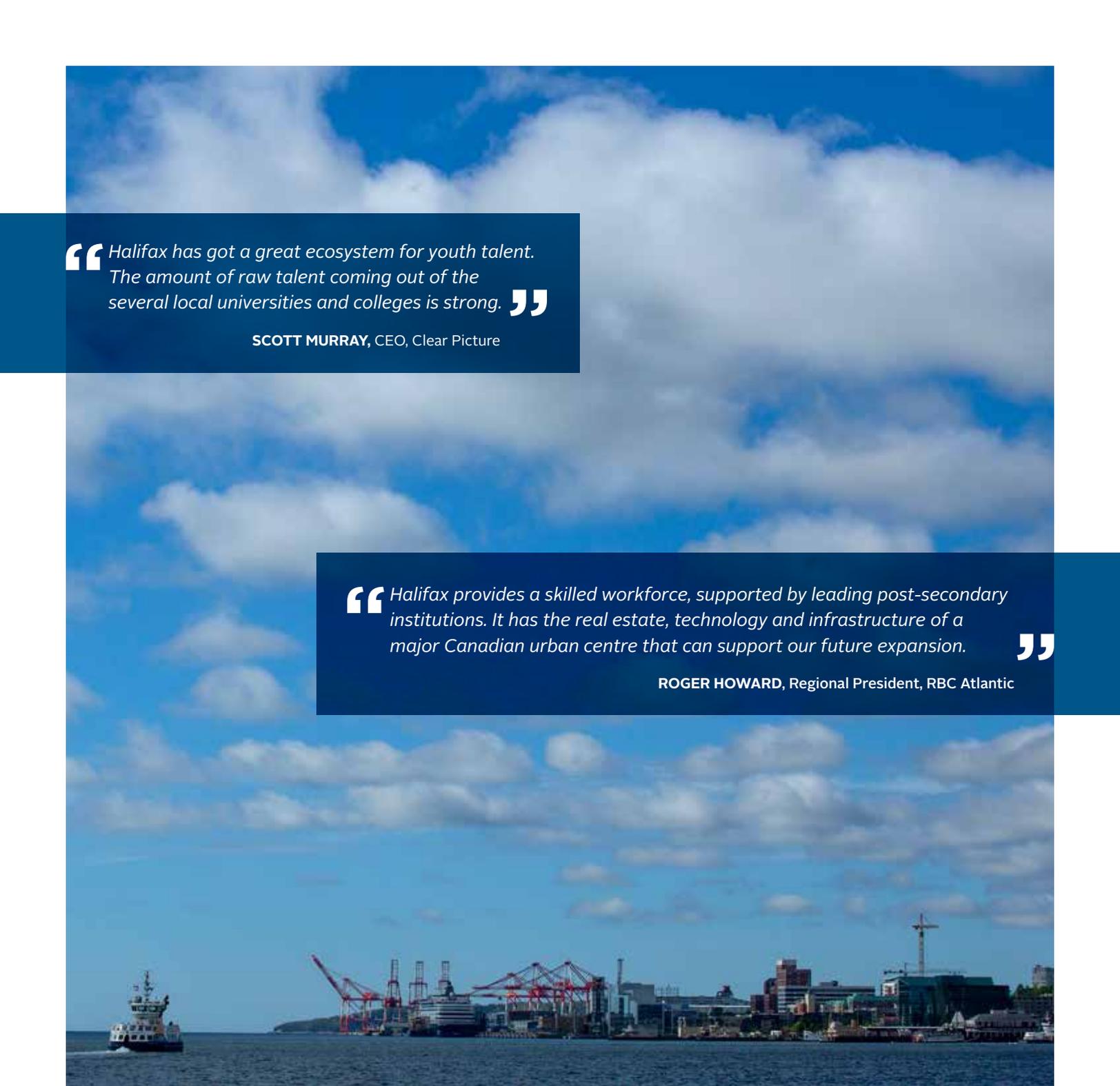
A MAGNET FOR TALENT. The Conference Board of Canada ranked Halifax 15 out of 50 Canadian cities for its ability to attract workers—ranking highly in the areas of health and the environment (City Magnets, 2014).

WINNING ENVIRONMENT FOR RESEARCH & INNOVATION. Halifax's highly-educated workforce, critical mass of scientists, and first-rate R&D tax credits, make it an ideal location for research and innovation.



“ We see Halifax as a strategic centre to develop our Canadian operations. With Nova Scotia's education infrastructure and competitive advantages, we know it is the right place for our new office and training centre. ”

WILLIAM KEUNEN, Global Director, Citco Fund Services



“Halifax has got a great ecosystem for youth talent. The amount of raw talent coming out of the several local universities and colleges is strong.”

SCOTT MURRAY, CEO, Clear Picture

“Halifax provides a skilled workforce, supported by leading post-secondary institutions. It has the real estate, technology and infrastructure of a major Canadian urban centre that can support our future expansion.”

ROGER HOWARD, Regional President, RBC Atlantic

HALIFAX IS A DESTINATION OF CHOICE FOR TALENT, RESEARCH AND INNOVATION

- The Brain Repair Centre is internationally known for its successful treatment of Parkinson's Disease symptoms
- Dalhousie University is one of Canada's leading research universities with over 47 Canada Research Chairs
- Nova Scotia has one the highest concentrations of PhDs in marine science in the world
- Over 3,020 public and private sector scientists are undertaking exciting R&D in industries like ocean acoustics, sensors and instrumentation; renewable energy; aerospace and defence; life sciences; and environmental studies

COMPETITIVE BUSINESS COSTS

Halifax offers more competitive business costs compared to other cities across North America and incentives to meet your particular needs.

INEXPENSIVE OFFICE SPACE. According to CB Richard Ellis (CBRE), the average net rental rate for class A office space in downtown Halifax is \$19.61/sq. ft., well below that of other major cities across North America, including Washington, Seattle, Boston, Vancouver, Toronto, Montréal and Ottawa.

COMPETITIVE BUSINESS COSTS. Halifax has significantly lower costs compared to major North American cities. KPMG ranked Halifax 8TH among 111 cities in its 2016 International Business Cost Competitiveness study.

COMPETITIVE SALARIES. Salaries in Nova Scotia tend to be lower than in other provinces and US states—a real competitive advantage for companies located here.

INVESTMENT INCENTIVES. Whether starting, relocating or expanding a business, we have incentives to meet your needs. There are four major incentives offered across industries. Sector specific incentives are outlined in the industry profiles.



PROVINCIAL INCENTIVES

Nova Scotia Payroll Rebate provides eligible companies with a return on gross payroll taxes.

Workplace Innovation and Productivity Skills Incentive provides funding to businesses to invest in employee and management skills development, and improve productivity.

FEDERAL INCENTIVES

Atlantic Innovation Fund aims to increase Atlantic Canada's innovation capacity by funding R&D projects linked to the commercialization of technology-based products, processes or services.

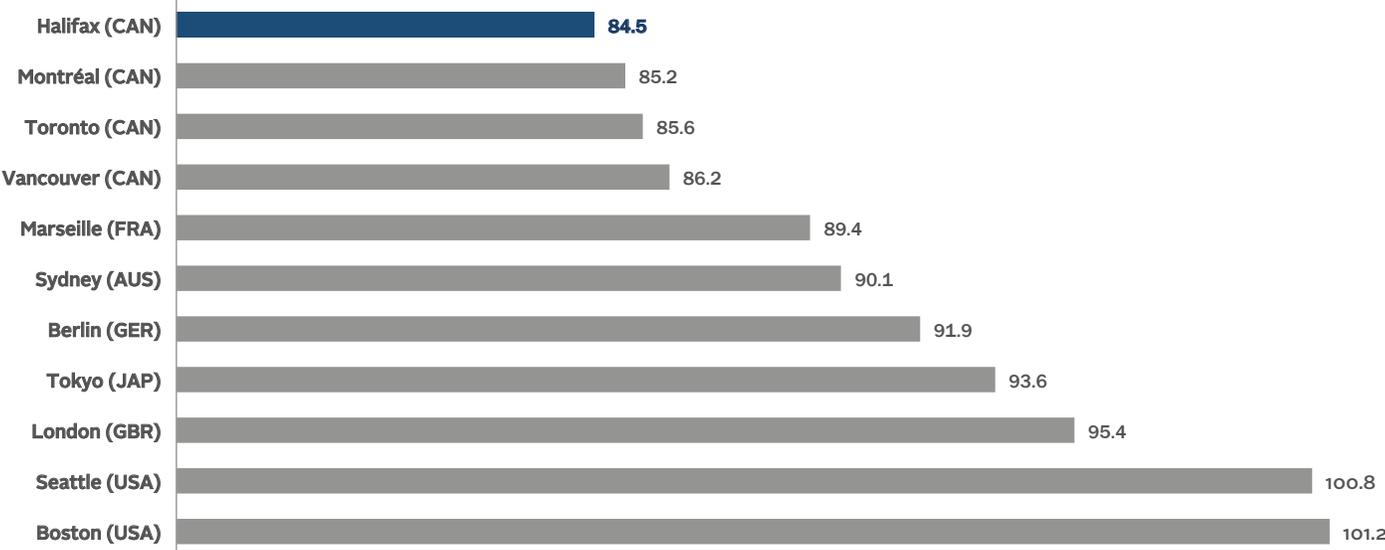
The Scientific Research & Experimental Development (SR&ED) Program supports the development of unique and advanced skills, knowledge and technological capabilities. SR&ED tax credits can be either 15% or 35% of eligible expenditures. Nova Scotia adds a 15% top-up for SR&ED.

BUSINESS COSTS & INCENTIVES

Halifax offers more competitive business costs compared to other cities across North America.

COMPARATIVE COST OF DOING BUSINESS*

(Across 19 manufacturing, corporate, IT, and R&D industries)



*KPMG compares cities across the world against the average cost of doing business across all American cities, which is represented by 100 in the graph. Source: KPMG Competitive Alternatives 2016

TAXATION

CORPORATE INCOME TAX

General Rate	16.00%
Manufacturing	16.00%
Small Business	3.00%

CORPORATE CAPITAL TAX

General Rate	Eliminated
Financial Services	4.00%
Payroll Tax	Nil

Source: Nova Scotia Department of Finance



HALIFAX IS THE PLACE WHERE PEOPLE WANT TO LIVE AND WORK

One of the oldest cities in Canada, Halifax offers a unique blend of history and modern conveniences. Both cosmopolitan and laid-back, here you'll find an affordable cost of living, endless cultural and entertainment options, and easy access to outdoor recreation without the stress and traffic jams of bigger cities (median commute is 6.5 km). Whatever your interests, there's always something exciting going on in Halifax. That's why more and more people are choosing to live and work here.

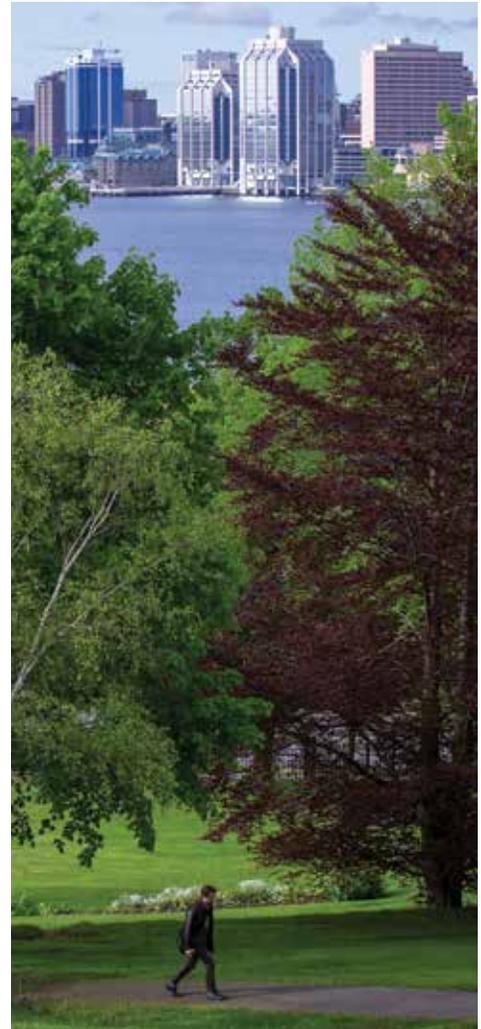
Busy Urban Centre and Beautiful Natural Environment. Halifax's mix of urban and rural landscapes and communities result in a city that balances work and play with city and nature.

Ocean. No matter where you are in Halifax, you are never far from the ocean. The commercial heart of Halifax is on the water and there is no shortage of beautiful beaches, scenic coastal villages like Peggys Cove, and water sports like sailing, deep-sea fishing and some of the best winter surfing in the world.

Food and Nightlife. With hundreds of bars and restaurants, Halifax offers a variety of fine-dining and live entertainment options.

Arts and Culture. From exploring an art gallery or museum, to taking in a symphony, theatre or festival performance, Halifax's vibrant arts and culture scene engages and entertains.

Affordable Living. The average home price in Halifax is \$283,792, well below the national average of \$442,900.



“ Culture is a reflection of the soul of a city. Halifax is blessed with an incredibly vibrant cultural scene. ”

GREGOR ASH, Former Executive Director,
Atlantic Film Festival Association

A COMMITMENT TO HELPING YOU GROW

The Halifax Partnership is the economic development organization for Halifax, Nova Scotia. As a public-private partnership, we bring together all three levels of government, industry, post-secondary and community partners to create and nurture the necessary relationships for business development across a broad range of industry sectors.

We can assist you during your site selection process and relocation to Halifax by providing you with:

- Strategic support
- In-depth research and economic data
- Connection to business resources, incentives and financing
- The customized business case and unique value proposition relevant to your business needs
- Focused after-care program
- SmartBusiness, our business retention and expansion program

FOR MORE INFORMATION, CONTACT

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HALIFAX PARTNERSHIP