



Incorporations (Updated July 2016)

The number of new business incorporations in the ICET region declined slightly in 2015, falling 1.4% compared to the previous year.

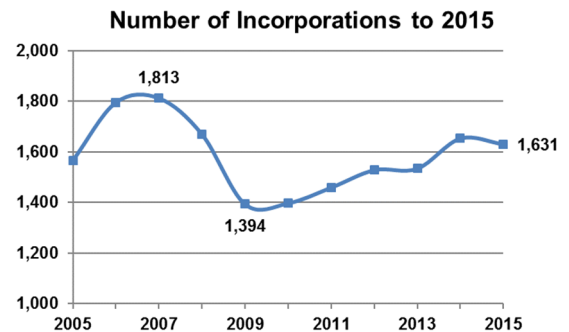
Overall, the rate of incorporations has been consistently trending up since the recession year of 2009, but has yet to regain the levels seen in the 2006 to 2008 period.

Trends have been very similar in the other rural regions of the province – both the Southern Interior and Northern BC also had a drop in incorporations in 2015, but remain on an overall upward trend.

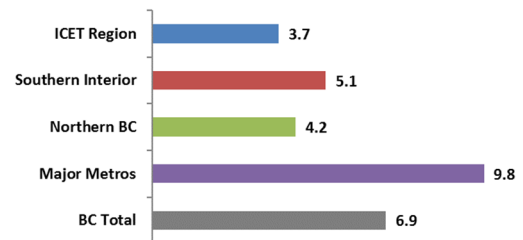
On a per capita basis, the ICET region has the lowest number of incorporations, averaging 3.7 per 1,000 residents in 2015. This is only slightly less than the rate of 4.2 per 1,000 residents for Northern BC but significantly less than the 5.1 per 1,000 residents in the Southern Interior.

There are many possible explanations for the lower rate of new business formation in the ICET region, including having a more elderly population (and fewer people engaged in the labour force) to the challenges of an Island location for businesses that rely on ground transportation for shopping products or key inputs.

Provincial data on incorporations back to 2001 shows the ICET region consistently generating fewer new businesses relative to the Southern Interior, but for most of the 2001 to 2009 period it ranked higher than Northern BC. Whether due to new opportunities related to major resource projections or the benefits of a more youthful population, Northern BC has ranked higher than the ICET region for the last six years.



Incorporations per 1,000 Residents in BC Regions, 2015



Incorporations by BC Region, 2010-2015

Region	Incorporations						Change, 2014-2015	Latest Year Compared to Previous 5 Years
	2010	2011	2012	2013	2014	2015		
ICET Region	1,398	1,460	1,529	1,535	1,654	1,631	-1.4%	7.6%
Southern Interior	3,261	3,146	3,354	3,337	3,779	3,751	-0.7%	11.1%
Northern BC	1,102	1,209	1,273	1,393	1,466	1,370	-6.5%	6.3%
Major Metros	24,543	25,037	24,908	25,960	28,049	31,178	11.2%	21.3%
BC Total	30,305	30,853	31,066	32,225	31,066	32,225	3.7%	3.6%

Source: BC Stats

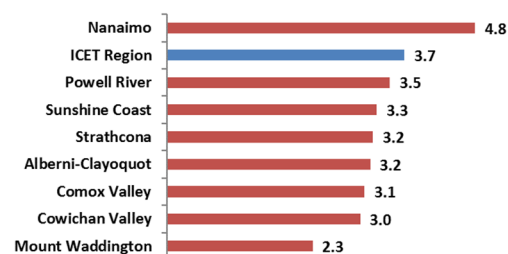
Looking at the growth in incorporations in the ICET region over the last five years, nearly 60% of the growth has occurred in the RD of Nanaimo. To some degree this reflects the same pattern as the rest of BC, where the largest business centres (the Major Metros) attract a higher share of new business growth due to a concentration of support services, centralized transportation linkages, larger pools of labour, etc.

Although it should be noted that not all new businesses are incorporated. It may be the case that new businesses in smaller communities and regions are less likely to be incorporated and may operate as partnerships or sole proprietorships, in which case they would not show up in these figures.

The RDN had nearly 5 incorporations per 1,000 residents in 2015, which is easily the highest rate within the ICET region, but is not particularly high compared to the rest of the province. Most of the other RDs in the ICET region cluster between 3.0 and 3.5 incorporations per 1,000 residents, with the RD of Mount Waddington (the least populous and most remote RD) having the lowest rate of new incorporated businesses.

One positive note is that every part of the region had more incorporations in 2015 compared to 2010 (except the Strathcona RD, which had the same).

Incorporations per 1,000 Residents by RD in ICET Region, 2015



Incorporations by Regional District within the ICET Region, 2010-2015

Regional District	Incorporations						Change, 2014-2015	Latest Year Compared to Previous 5 Years
	2010	2011	2012	2013	2014	2015		
Nanaimo	610	623	613	610	722	747	3.5%	17.5%
Alberni-Clayoquot	56	81	101	110	90	96	6.7%	9.6%
Sunshine Coast	74	84	97	99	109	96	-11.9%	3.7%
Powell River	80	55	71	74	59	68	15.3%	0.3%
Cowichan Valley	238	243	262	234	283	251	-11.3%	-0.4%
Mount Waddington	13	24	30	30	34	26	-23.5%	-0.8%
Comox Valley	180	209	212	209	201	200	-0.5%	-1.1%
Strathcona	147	141	143	169	156	147	-5.8%	-2.8%
ICET Region	1,398	1,460	1,529	1,535	1,654	1,631	-1.4%	7.6%

Source: BC Stats

Appendix: Geographic Areas

The four BC regions shown in this report are based on amalgamations of regional districts. Note that the ICET Region boundaries are an exact match for the area covered by the Trust, but the Southern Interior and Northern BC regions do not exactly match the boundaries of the other two regional trusts in BC (the Southern Interior Development Initiative Trust and the Northern Development Initiative Trust).

ICET Region

Cowichan Valley, Nanaimo, Alberni-Clayoquot, Comox Valley, Strathcona, Mount Waddington, Powell River, Sunshine Coast

Southern Interior

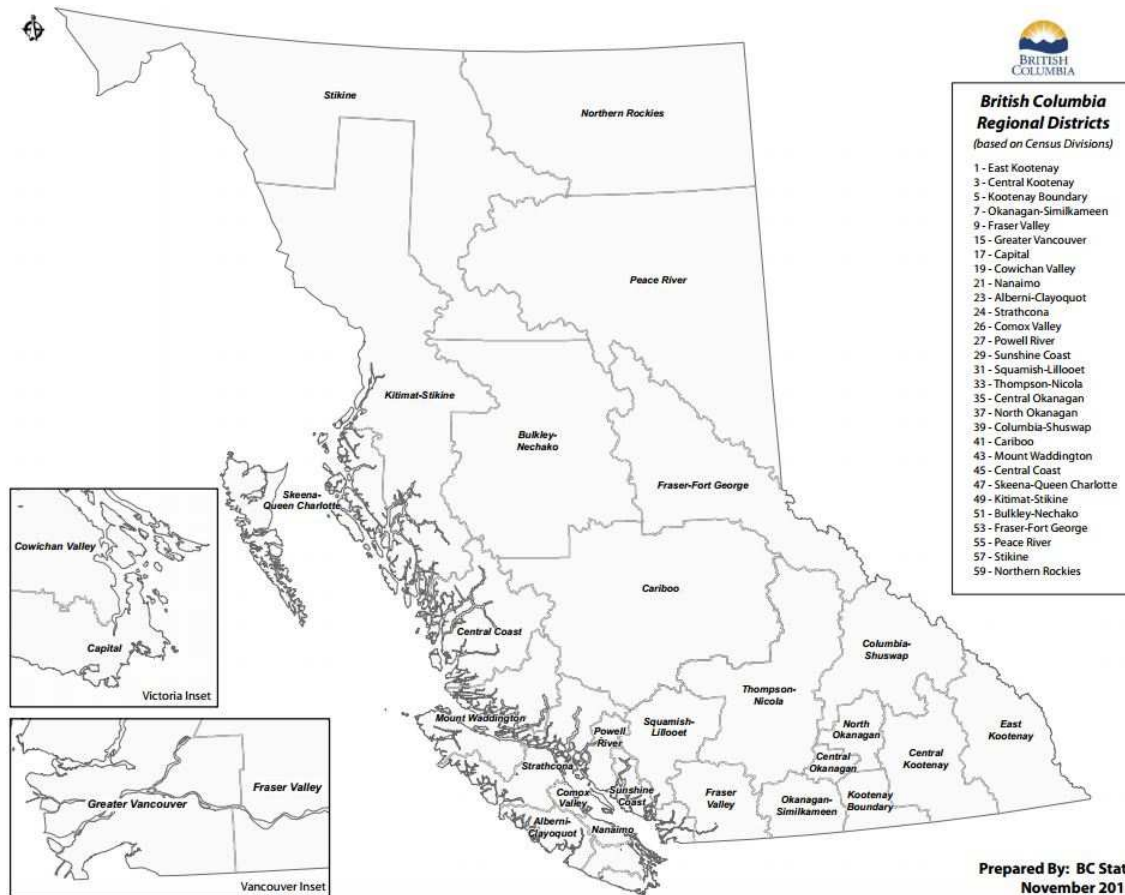
East Kootenay, Central Kootenay, Kootenay-Boundary, Okanagan-Similkameen, Central Okanagan, North Okanagan, Columbia-Shuswap, Thompson-Nicola, Squamish-Lillooet

Northern BC

Cariboo, Fraser-Fort George, Peace River, Northern Rockies, Bulkley-Nechako, Stikine, Kitimat-Stikine, Skeena-Queen Charlotte, Central Coast

Major Metros

Capital, Greater Vancouver, Fraser Valley



Prepared By: BC Stats
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