

Strategic Industry Analytics Project Industry Spotlight: High-tech Services

High-tech Services is flourishing in the region

Diving deep into the High-tech Services industry reveals that it is one of the rising stars among Invest Vancouver’s key industries. High-tech Services have grown rapidly over the last two decades, with both employment and GDP more than doubling.

This report snapshot provides a detailed overview of the High-tech Services industry within the context of the overall regional economy.

For all fourteen components of High-tech Services, Figure 1 shows changes in employment and GDP ranked by percentage change in employment since 2001. Overall employment in High-tech Services increased 109%, with the greatest percentage growth in environmental consulting services, data processing services, and computer systems design.

Figure 1: Employment (2021), contribution to regional GDP (2020), and percentage change since 2001 for components of High-tech Services

High-tech Services	Employment 2021 Q4	GDP 2020 Q4*	Change in Employment	Change in GDP
Environmental consulting services	2,524	\$42.8	278%	96%
Data processing, hosting & related services	3,666	\$103.3	208%	368%
Computer systems design & related	30,677	\$918.3	193%	269%
Software publishers (except video game publishers)	7,090	\$144.8	133%	248%
Other scientific & technical consulting services	2,144	\$111.6	104%	96%
Engineering services	14,644	\$441.4	84%	126%
Telecommunications resellers	1,656	\$120.7	82%	41%
Surveying and mapping (except geophysical) services	1,004	\$41.5	73%	126%
Internet broadcasting & web search portals	870	\$79.4	67%	95%
Other telecommunications	1,967	\$290.1	57%	41%
Geophysical surveying & mapping services	212	\$19.0	54%	126%
Wired & wireless telecommunications (except satellite)	13,067	\$270.0	32%	51%
All other telecommunications	311	\$290.1	-8%	41%
Satellite telecommunications	76	\$36.4	-67%	91%
Total	79,908	\$2,909.4	109%	116%

*millions of chained 2012 dollars

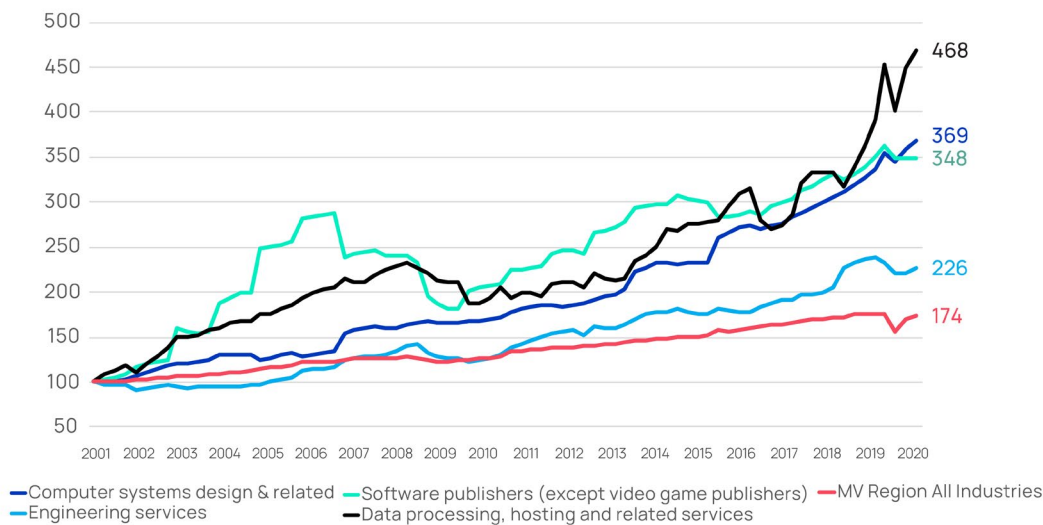
Computer system design and related services is the giant of High-tech Services in the Metro Vancouver region, accounting for almost 32% of its contribution to regional GDP, and 38% of its employment. Firms in this group provide expertise such as writing, modifying, testing, and supporting software to meet the needs of a particular customer; planning and designing computer systems that integrate hardware, software and communications technologies; managing clients' computer and data processing facilities; and other information technology-related advice and services.¹

High-tech Services consistently outperform the regional economy

Regional GDP from all industries increased 74% to \$140.68 billion, while High-tech Services as a group increased 116% to \$2.91 billion. The top performers in High-tech Services were computer systems design, and related, engineering services, software publishers, and data processing, hosting, and related services.

Figure 2 compares the cumulative percentage change in contribution to regional GDP from the top performing components of High-tech Services with the total regional economy, 2001-2020. All starting values in 2001 are set to 100, making the relative changes easy to compare.

Figure 2: Fastest growing components of High-tech Services by cumulative percentage change in contribution to GDP (2001 = 100)



SOURCE: INVEST VANCOUVER STRATEGIC INDUSTRIES ANALYTICS PROJECT

High-tech Services highlights in the Metro Vancouver region:

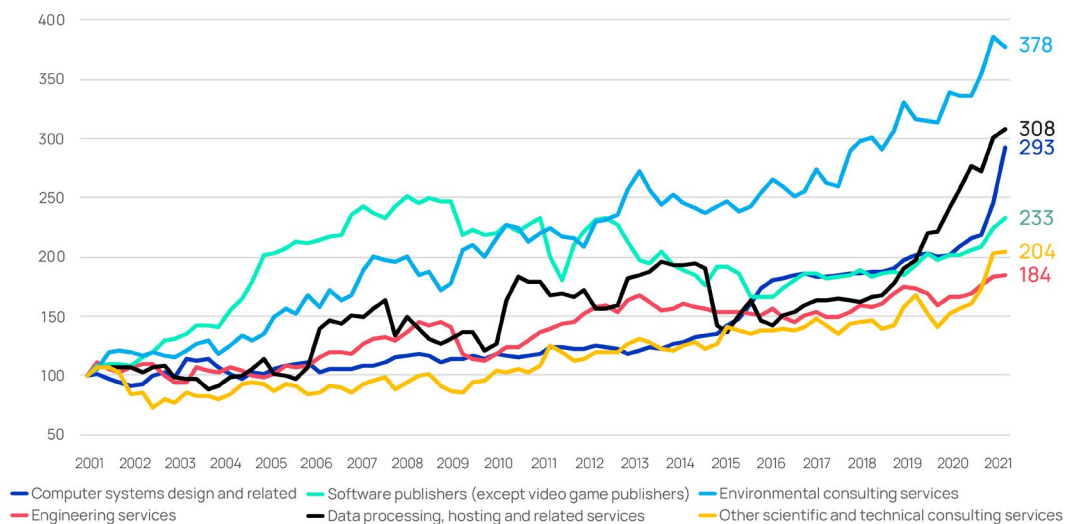
- The component with the largest percentage increase in contribution to GDP was data processing, hosting, and related services, which increased 368%, 2001-2020, to \$103 million.
- Computer systems design, and related increased 269% to \$918 million and software publishers (except video game publishers) increased 248% to \$145 million in 2020.
- Engineering services increased 126% to \$441 million in 2020.

1 Statistics Canada. NAICS 541514 Computer systems design and related services (except video game design and development).

High-tech Services were resilient to the economic impact of the pandemic

High-tech Services employment increased from 38,271 jobs in 2001 to 79,908 jobs in 2021, a 109% increase, almost double the 57% increase in employment in the regional economy. While there was a small dip in employment due to the COVID-19 pandemic, High-tech Services were more resilient than the overall economy, quickly recovering and growing at a faster rate than previously. Figure 3 shows the six components of High-tech Services with the greatest percentage increase in employment, 2001-2021. (As shown in Figure 1, all but two High-tech Services components have seen employment growth over the past two decades.) The starting values in 2001 have been set to 100 to allow easy comparison of the relative changes in employment.

Figure 3: Fastest growing components of High-tech Services by cumulative percentage change in employment (2001 = 100)



SOURCE: INVEST VANCOUVER STRATEGIC INDUSTRIES ANALYTICS PROJECT

High-tech Services highlights in the Metro Vancouver region:

- Reflecting the increasing focus on environmental issues throughout the period, environmental consulting services saw the largest percentage increase (278%) among High-tech Services components, growing to 2,524 jobs in 2021.
- The next largest increases were in data processing, hosting and related services (208%) and computer system design (193%), which had 3,666 and 30,677 jobs, respectively, in 2021. Engineering services increased 84% to 14,644 jobs in 2021.
- Software publishers (except video game publishers) increased 133% to 7,090 jobs while other scientific and technical consulting services increased 104% to 2,144 jobs in 2021.



About the Strategic Industries Analytics Project

There is a critical need for granular data covering some of the Metro Vancouver region's export-oriented industries to support data-driven identification of economic development opportunities and to guide investment attraction efforts. The Strategic Industries Analytics (SIA) project fills this need with regional datasets for components of selected industries covering 20 years of gross domestic product (GDP), employment, labour hours, and capital stock. Analysis of these datasets supports a granular understanding of key industries. Invest Vancouver is releasing the results to provoke further investigation, discussion, and collaboration among public and private sector stakeholders and will use the analysis to narrow its focus and guide future investment attraction efforts.

Read the full report for more about the regional economy, and more granular findings on industries of interest like Digital Media & Entertainment and Transportation & Logistics.

About Invest Vancouver

Invest Vancouver is the economic development leadership service for the Metro Vancouver region. By working to secure strategic investment, promote the region to a global audience, and advise decision-makers through forward-thinking economic research and policy analysis, Invest Vancouver is amplifying opportunity and advancing shared prosperity for all residents in the region.

Interested in investing in the region's world-class High-tech Services industry?

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