

ECONOMIC UPDATE

INITIATIVES PRINCE GEORGE

December 2011



PricewaterhouseCoopers (PwC) has completed the 7th report in a series¹ assessing the impacts associated with the 2010 Olympic and Paralympic Games. The most recent report provides a summary of the impacts of the 2010 Olympic Games through to the end of 2010 and an overview of the key findings of previous reports, which considered economic development in relation to communities, Canadian business, global markets and federal and provincial governments.

Prince George was profiled within the report as an example of how communities beyond Vancouver and Whistler were able to leverage opportunities from the Games, some of which resulted in significant legacy benefits. For Prince George, these benefits included the Northern Sport Centre, the building of community spirit and an enhanced ability to take on larger projects.

Leadership of Prince George's support for the Olympic Games was jointly held by Mayor and City Council, Initiatives Prince George, UNBC and the Spirit of BC Committee. The partnership worked diligently to ensure that the city benefited from community programming and funding opportunities created by the province hosting the Games. The PwC report effectively summarizes the results of these efforts.

The partnership's 'Five Rings of Opportunity' strategy identified a number of project areas, which included:

- *Development of a sport centre:* This strategy resulted in the construction of the \$30M Charles Jago Northern Sport Centre, funded jointly by the Province of BC, City of PG and UNBC.
- *Development of PG as a destination for sport tourism:* The marketing of Prince George as a destination for pre-games training led to the successful attraction of the Road to the Roar curling competition. The city also became aware of its capacity to host large sporting events.
- *Procurement opportunities:* Through the 2010 Commerce Centre, a number of program workshops were held in Prince George, which resulted in several local businesses being awarded contracts with VANOC. Prince George also participated in networking and business development at the BC Showcase in Vancouver during the Games.
- *Destination tourism:* Prince George was a beneficiary of the provincial marketing campaign to increase exposure for all parts of the province, reinforcing and creating awareness among potential visitors to the city.
- *Media and communications:* Prince George utilized available provincial funding to build capacity to support tourism and marketing campaigns by developing a photo and video databank.

The successful results of the 'Five Rings of Opportunity' strategy have post-Games significance for the community. The Northern Sport Centre was an important component of Prince George's successful bid to host the Canada Winter Games in 2015, and the city's successful hosting of pre-games training and other major sporting

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events has solidified Prince George's reputation as a host community, and has raised the profile of the city as a destination for indoor and outdoor tourist activities.

Between February 12th and March 1st, 2015, Prince George and the region will host 2,800 athletes, up to 6,000 volunteers, 1,300 officials, media and medical professionals, and thousands of visitors for the 2015 Canada Winter Games. The event will be the largest multi-sporting event to ever be held in Prince George and is projected to create an economic impact of \$70-\$90M for Prince George while building champions and inspiring young athletes. The Games will have considerable long-term benefits for the community, with new legacy projects and an enhanced national profile paving the way for future economic opportunities for Prince George and the region.

¹ <http://www.fin.gov.bc.ca/reports/olympics.html>



Economic Statistics

Employment

There were 49,400 persons employed in Prince George in November, down 800 persons (1.6%) from the previous month. The number of persons engaged in the labour force declined slightly (2.0%; 1,100 persons). The larger decline in the labour force relative to the decline in employment led the number of unemployed persons to decrease slightly (7.7%; 300 persons); as a result, the unemployment rate decreased 0.4% to 6.8%. In BC, the number of persons employed decreased by 0.3% and those in the labour force increased 0.2%; as a result, the number of unemployed persons increased by 6.8%. Across Canada, the number of employed persons declined by 0.1% while the number in the labour force was relatively unchanged. This led the number of unemployed persons to increase by 1.5%. As a result, the unemployment rate increased by 0.4% (to 7.0%) in BC and 0.1% (to 7.4%) in Canada. Prince George's working age population was unchanged last month and the employment rate decreased 1.1% to 69.4%; employment rates declined 0.2% and 0.2% (to 60.2% and 61.6%, respectively) in BC and Canada.

(Source: Statistics Canada Labour Force Survey)

Real Estate

There were 68 single family homes sold in Prince George last month, 5 more than in November 2010, with an average price of \$247,861 (3.0% higher than in the same month last year). Year-to-date, the average price of a single family home was up 1.8% compared to the first eleven months of 2010; unit sales were up 5.8%. Comparatively, average prices were up 11.9% and 7.5% in BC and Canada, respectively, year-to-date; unit sales were up 3.2% in BC and 2.1% across Canada, as of the end of November.

(Source: BC Northern Real Estate Board; Canadian Real Estate Association)

Housing Construction

There were 7 housing starts in Prince George in November (all single family dwelling units), compared to 17 starts (9 single family and 8 multiple dwelling units) in the same month last year. Year-to-date starts at the end of November were down 27.0%, relative to the first eleven months of



2010. Comparatively, housing starts were up 6.7% and 2.8%, respectively, in BC and across Canada year-to-date. There were 22 residential units completed in the city in November (all single family units), 6 fewer than in the same month in 2010, and there were 162 housing units under construction (125 single family and 37 multiple dwelling units); 29.6% fewer than in November 2010.

(Source: Canada Mortgage and Housing Corporation)

Building Permits

The City of Prince George issued 110 building permits valued at \$31.0M in October and November, up 368.0% compared to the same period last year. Institutional building permits accounted for 73.4% of the total value of permits issued in the city over the last two months, with the \$22.7M permit for the new RCMP detachment making up the majority of this category. Residential permits made up 15.6% of permits issued, with 16 new single family dwellings making up more than three-quarters of this category. The Commercial and Industrial categories

accounted for 8.1% and 2.9%, respectively, of the value of permits issued in October and November. At the end of November, the year-to-date value of permits issued in the city was down 25.9%. Comparatively, year-to-date permits were down 10.8% provincially and 1.1% nationally at the end of October.

(Source: City of Prince George; Statistics Canada)

Business Licenses

The City of Prince George issued 25 business licenses in November (18 new licenses² and 7 renewals). 1 of the new licenses issued was a result of a change of location.

(Source: City of Prince George)



Airport Passenger Volumes

36,313 passengers passed through the Prince George airport in November, 14.0% more than in November 2010. Year-to-date, passenger traffic through the airport was up 2.8% compared to the first eleven months of last year. Comparatively, traffic through the Vancouver airport was up 1.2%, year-to-date, at the end of October.

(Source: Prince George Airport Authority; Vancouver Airport Authority)

² New business licenses are issued when a new business is established, when a business is re-established after not operating for a period of time and when a business changes ownership or relocates.