

August 2014

Professional, Scientific, and Technical Services sector contribution to the local economy

The Professional, Scientific, and Technical Services sector includes service firms that provide services and solutions to businesses. Companies in this sector are diverse and vary widely in size and scale. A wide array of activities are performed in this sector including: providing legal advice and representation; medical services; safety compliance services; accounting, bookkeeping, payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services. These activities require a high degree of knowledge, skills and training.

...The national average weekly earnings for workers in the sector are \$1,298 well above the national average for all sectors (\$927) and employees in this sector are fourth highly paid....



The Professional, Scientific & Technical Services sector in Prince George represents a well-developed network of businesses that can support a wide range of activities in other industries to facilitate growth and development across the economy. The city's transportation, construction, healthcare, and financial services are vital to natural resource extraction activities in Northern British Columbia and continued wealth generation for the province as a whole. The well-developed supply network within the Wholesale & Retail Trade sector meets the needs of both businesses and residents alike, strengthening the business climate in the community and throughout the region.

Many local entrepreneurs and startup companies were established recently to support the development of the resource sector in northern BC. The total number of businesses in the Professional, Scientific, and Technical Services sector in Prince George is over 550, which accounts for nearly 10 per cent of the total business locations, and grew 11 per cent during 2010-2014. This sector in Prince George employs nearly 5 per cent of the total workforce.

The Professional, Scientific & Technical Services sector in Canada is projected to post the fastest growth in production and employment, driven by increase in monitoring and evaluation (M&E) information and communication technologies (ICT) investment, R&D spending, and business to business outsourcing services. This sector is growing and sales of services have increased by 13.5% over the period 2007-2011, reaching \$122.3 billion in 2011. Employment grew by 13.7% during the same period¹.

The proliferation of degrees and diplomas in business, finance, marketing, trades training, and related higher education as well as the overall improvements in educational attainment in Prince George through the University of Northern British Columbia and the College of New Caledonia will continue to make the region more competitive and build a larger and more concentrated base of professionals.

¹ Statistics Canada

Economic Statistics

Employment

The number of people employed in Prince George increased substantially from 50,500 in June 2014 to 51,200 in July 2014. There was a slight decline in the number of people in the workforce, from 54,400 in June to 54,100 in July. The unemployment rate went up from 5.4% in June to 5.5% in July. In BC, the number of full time jobs increased by 14,200 in July 2014, while part-time jobs fell by an equal amount. As a result, the unemployment rate in BC went down marginally from 6.2% in June to 5.9% in July. The number of people employed in the public sector in BC rose significantly by 11,300, but dropped by 10,500 in the private sector and by 800 in the self-employed category. Employment rates in BC and across Canada were 59.5% and 61.4%, respectively, while Prince George was significantly higher than both at 72.5%. Prince George remained below the provincial (5.9%) and national (7.0%) unemployment rates at 5.5%.

(Source: Statistics Canada Labour Force Survey)

Real Estate

36 newly constructed single detached houses were sold in July 2014 at an average price of \$427,381. This was in comparison to 39 houses sold at an average price of \$440,113 in July 2013. Home sales in northern BC totaled 542 units in July 2014, up 21% compared to July 2013. The average home price in Northern BC in June was \$263,178, up 6% on a year-over-year basis. The total value of properties sold in northern BC was \$142.9 million in July 2014, up by 28% on a year-over-year basis. This was the highest July level on record, and just the fifth time in history that the dollar value of sales in a single month topped the \$120 million mark. National home sales were up 0.8% between June and July 2014, and the average price rose by 5% on a year-over-year basis in July.

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

Housing Construction

There were 11 housing starts in Prince George during July 2014 (all single family dwellings) and 69 housing starts year-to-date. A total of 12 single-detached residential houses and 10 apartments were completed in July 2014, which represents a nearly 50% increase from the previous year. Comparatively, the total number of housing starts in BC during July 2014 went down by 16% compared to July 2013.

(Source: Canada Mortgage and Housing Corporation)

Building Permits

The City of Prince George issued 69 building permits valued at \$22.8 million in July 2014 compared to 56 building permits worth \$38.4 million in July 2013. The value of new commercial permits issued was \$12 million in July 2014 compared to \$18.1 million in July 2013. Industrial permits accounted for \$3 million in July 2014 in comparison to \$13 million in July 2013; the value of permits issued for new single family detached units was \$3.7 million during the month of July 2014, compared to \$3.8 million in July 2013.

(Source: City of Prince George; Statistics Canada)

Business Licenses

The City of Prince George received 39 new business license applications and 29 renewal applications in July 2014. The City approved 44 new and renewal applications for business licenses in July 2014.

(Source: City of Prince George)

Airport Passenger Volumes

35,415 passengers moved through the Prince George International Airport in July 2014, which is 1.1% higher than in July 2013. Year-to-date traffic is up by 2.6%. Traffic through the Vancouver International Airport was up 7.8% for the month of June 2014, in comparison to June 2013. Year-to-date passenger traffic through the Vancouver Airport remained significantly up by 8.3%³.

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

³July Vancouver air traffic statistics were unavailable at the time of publication released