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2015 Canada Winter Games– Economic Impact on the Prince George Tourism Sector

In less than a year, Prince George will host the 2015 Canada Winter Games. This will be the largest multi-sporting and cultural event ever to be held in Prince George and Northern British Columbia (BC). Prince George will welcome 2,350 athletes from 800 communities, 950 coaches and officials, 4,500 volunteers, hundreds of media and thousands of visitors for the Games.

In addition to the economic benefits, which are expected to be \$70-\$90million, the Games will also create long-term economic opportunities for local businesses. Infrastructure improvements and the potential for increased tourism will contribute to a higher quality of life in the years following the Games. The Games will stimulate growth in tourism in Prince George and the region, enhancing Northern BC's share of provincial tourism. The Games will not only create opportunities before and during the Games, but also after the Games by highlighting Prince George tourism offerings. The infrastructure created for the Games will have long-term economic benefits for the city's tourism industry.

Tourism is an important sector for Prince George; it is responsible for nearly 4% of direct total employment¹ and several hundred indirect jobs. Tourism is also an important source of revenue for the province especially adventure sport; in 2012, BC ski resorts recorded 6.5 million skier visits; 46% were from outside of BC. This accounts for 34% of national skier visits. Snow sport contributes nearly \$1.1 billion to the BC economy, which is roughly 10% of the province's tourism revenue. BC tourism has had a growth rate of 4% per year for the last three years and adventure tourism has grown at an annual rate of 10%-30%². The labour demand in the adventure sport sector in BC is expected to reach 13,100 workers by 2015. Prince George is surrounded by some of the best skiing hills in the province, with five well-known spots for downhill and cross country skiing located within a short driving distance of the city. Three of these locations (Tabor Mountain Ski Resort, Purden Ski Village and the Otway Nordic Centre) are official venues for the Games. The infrastructure upgrades at these sites in preparation for the Games will benefit adventure sport tourism in the region for years after the Games.

Initiatives Prince George (IPG) is the Official Business Engagement Partner for the 2015 Canada Winter Games Host Society. In this role, IPG is responsible for developing, facilitating, and promoting a Local Business Engagement Program. The \$15 million worth of supplies and services that need to be procured for the 2015 Canada Winter Games create numerous business opportunities including Business to Game, Business to Sponsors of the Games, Business to Business, and Business to visitors, athletes etc.

Some supply and service opportunities include:

- Planning and Management Services
- Design, Fabrication and Construction
- Event Delivery
- Marketing and Media
- Security
- Human Resources
- Catering and Hospitality



With less than 350 days remaining until Prince George and the region hosts the nation, planning activities and investments leading up to the Games are supporting improvements to Prince George's tourism offering, and the exposure from the event will continue to build Northern BC's reputation as a tourist destination. This enhanced profile will be critical to increasing the value of the tourism sector in the local and regional economy and contributing to the growth of the economy overall.

¹ Statistics Canada Labour Force Survey
² BC Tourism

Economic Statistics

Employment

The number of people employed in Prince George was down in January 2014 compared to December 2013 after three consecutive months of increases. 49,300 people were employed in January, down from 49,600 in December. This is due to an increase in the number of people in the workforce from 51,900 in December 2013 to 52,200 in January 2014. The unemployment rate in Prince George increased to 5.6%; this is in contrast to an unemployment rate of 4.2% in December 2013. In BC, the number of full time jobs increased by 9,100 in January 2014 as a result of 3,800 fewer people looking for jobs, while part-time employment decreased by 2,000 jobs. Employment in the private sector decreased by 8,500 compared to an increase in public sector jobs by 9,100. Across Canada, employment rose by 29,400 jobs in January. Employment rates in BC and across Canada were 59.7% and 61.6%, respectively, while Prince George was significantly higher than both, at 69.8%. In comparison to the British Columbia (6.4%), Alberta (4.6%), Manitoba (5.6%) and national (7.2%) unemployment rates, the Prince George unemployment rate stayed below all of the provinces except for Saskatchewan (4.3%) and Alberta (4.6%).

(Source: Statistics Canada Labour Force Survey)

Real Estate

34 newly constructed single detached houses were sold in January 2014 at an average price of \$446,776. This is in contrast to 33 houses sold at an average price of \$438,189 in January 2013. Home sales in Northern BC totaled 229 units in January, up 10% from January 2013. This was the strongest month of for increases in Northern BC during January since 2008. The average price of homes sold in January 2014 was \$242,879, up 2% on a year-over-year basis. The total value of properties sold was \$55.6 million in January 2014, up 12% compared to January 2013. National home sales declined by 3.3% between December 2013 and January 2014, but the average price rose by 9.5% on a year-over-year basis in January.

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

Housing Construction

There were 7 housing starts in Prince George during January 2014 (all single family dwellings); there is no change in the number of new housing starts from the same month in 2013. There were 8 single-detached residential houses completed in January 2014 compared to 7 in 2013 same period, which is an increase of 14.2%. The total number of housing starts in BC during January 2014 was down 22% compared to December 2013. National housing starts during the same period were also down from 15,969 to 13,893, or a decrease of 13%.

(Source: Canada Mortgage and Housing Corporation)

Building Permits

The City of Prince George issued 22 building permits valued at \$2.9million in January 2014. The value of permits issued was down by 17.1% compared to the same month in 2013; although the number of permits issued in January 2014 was up 10.0% compared to same period last year.

(Source: City of Prince George; Statistics Canada)

Business Licenses

The City of Prince George received 4 new business license applications in December 2013 (2 new and 2 renewals). This was down from 15 applications in November. The City approved 324 business licenses in December³.

(Source: City of Prince George)

Airport Passenger Volumes

35,727 passengers moved through the Prince George Airport in January, 8.0% more than in January 2013. Traffic through the Vancouver International Airport was up 7.0% for the month of December 2013, in contrast to December 2012. Year-to-date passenger traffic through the airport remained slightly up⁴.

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

³January business licenses statistics for Prince George were unavailable at the time of publication released

⁴January Vancouver air traffic statistics were unavailable at the time of publication released