

March 2014

Small Businesses Contribution to BC Economy

Small businesses are the foundation of the British Columbia economy; they account for 98% of all businesses in the province. According to the 2013 Small Business Profile, BC has the most small businesses per capita in Canada, at 83.5 per 1,000 people. Small businesses represent the core of business activities in most communities. BC's small business sector is the primary provider of private sector jobs in the province, reflecting an important and ongoing trend which will continue to support economic diversification in the province. BC small businesses shipped approximately \$12.2 billion worth of merchandise to international destinations in 2011, which accounts for 42% of all goods exported from the province. Sectors with outstanding business growth in the province between 2007 and 2012 include:

- The real estate sector is by far the leader in small business growth, with a net addition of almost 3,120 small businesses;
- Professional, scientific and technical services added more than 1,000 new small businesses during this period;
- The specialty trade contractors industry added about 850 new small business establishments

The characteristics of the Prince George small business sector are reflective of small business in the province as a whole. Prince George has a slightly larger proportion of businesses with 5-49 employees (25.5% of all businesses, compared to 18.6% in BC as a whole). The prevalence of small business in the Prince George economy is reflected in the fact that the largest sectors, ranked by number of firms, are also the sectors with the largest number of small firms.

In the following sectors, between 98.0% and 99.8% of the businesses have fewer than fifty employees:

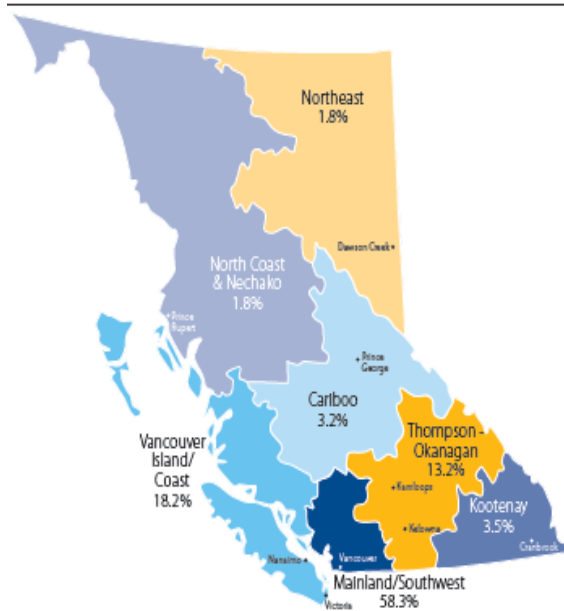
- Construction;
- Real estate and rental & leasing
- Other services; professional
- Scientific & technical services
- Retail trade
- Transportation & warehousing
- Agriculture & forestry.

These sectors, combined, make up 66.3% of the total number of businesses operating in the Prince George economy.

Initiatives Prince George provides support to small businesses through its workforce attraction resources, and business retention and expansion programs. More information is available by contacting IPG at 250.564.0282 or info@initiativespg.com

(Source: Statistics Canada Business Register Dec 2011)

SMALL BUSINESS DISTRIBUTION BY REGION, BRITISH COLUMBIA, 2012



Did you know?

- There were nearly 385,900 small businesses operating in BC in 2012
- Small businesses provide employment to over a million people in BC
- Small businesses account for 85% of all exporters in BC
- Small business provides about 55% of all private-sector jobs in BC, the second-highest rate in Canada
- 97.7% of Prince George businesses are small businesses
- 72.2% of Prince George businesses have fewer than five employees

Economic Statistics

Employment

Employment in Prince George gained momentum in February after a slight decline in January. There were 49,900 people employed in February, up by 600 compared to 49,300 in January. There was an increase in the number of people in the workforce for the second straight month from 52,200 in January to 53,100 in February. There was also a slight increase in the unemployment rate to 6.0% in Prince George during February; this is in contrast to an unemployment rate of 5.6% in January. In BC, the number of full time jobs decreased by 5,000 and part-time by 5,400 in February 2014. However, the unemployment rate remained at 6.4% as a result of 11,400 fewer people looking for jobs. Employment in the private sector decreased modestly by 200 compared to a decrease of 10,000 jobs in public sector. Employment rates in BC and across Canada were 59.4% and 61.6%, respectively, while Prince George was significantly higher than both, at 70.7%. In contrast to provincial (6.4%) and national (7.0%) unemployment rate, Prince George remained above both at 6.0%.

(Source: Statistics Canada Labour Force Survey)

Real Estate

28 newly constructed single detached houses were sold in February 2014 at an average price of \$434,624. This was in comparison to 34 houses sold at an average price of \$444,663 in February 2013. Home sales in Northern BC totaled 268 units in February, down 3% from February 2013. The average price of homes sold in February 2014 was \$242,082, up 10% on a year-over-year basis. The total value of properties sold was \$64.3 million in February 2014, up 7% compared to February 2013. National home sales were up slightly by 0.3% between January and February 2014, and the average price rose by 10.1% on a year-over-year basis in February.

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

Housing Construction

There were 7 housing starts in Prince George during February 2014 (all single family dwellings), up from 6 in February 2013. There were 28 single-detached residential houses completed in February 2014 compared to 14 in 2013 during the same period, which is an increase of 100%. The total number of housing starts in BC during February 2014 was up 6.75% compared to February 2013. National housing starts were also up from 10,434 units in February 2013 to 11,097 in February 2014, or an increase of 6.3%.

(Source: Canada Mortgage and Housing Corporation)

Building Permits

The City of Prince George issued 30 building permits valued at \$10.4million in February 2014. The value of permits issued was up by 112.2% compared to the same month in 2013; the number of permits issued in February 2014 was up 25.0% 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

35,426 passengers moved through the Prince George Airport in February 2014, 2.61% more than in February 2013. Traffic through the Vancouver International Airport was up 9.0% for the month of January 2014, in comparison to January 2013. Year-to-date passenger traffic through the airport remained slightly up⁴.

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

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

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