

## May 2014

### British Columbia Celebrated Mining Week

In recognition of the valuable contribution the mining sector makes to the provincial economy, BC celebrated Mining Week from May 11-17. Nearly 5,000 people participated in a series of events held across the province. Spending in BC during exploration alone is valued at over \$460 million, and the mining sector invests over \$2 billion in the province every year. In 2013, the value of mining products in BC was estimated to be \$8.0 billion<sup>1</sup>.

Prince George is a staging centre for mining companies in the region. Regional mining activities rely on the capabilities of Prince George firms to provide drilling, engineering and environmental services, manufacturing and fabrication of equipment, transportation, and other supplies and services. The broad range of products that local companies can provide to larger operations throughout the region facilitates a significant economic impact to the city. A considerable number of Prince George drilling, engineering, manufacturing, fabrication and transportation companies are providing services to mining operations throughout Northern BC. Approximately 20 per cent of Northern BC's employment in the mining sector is located in Prince George, with a similar per centage for the number of businesses focused primarily on mining or support activities for mining operations.



One of the economic impacts of mining activities taking place in Northern BC on Prince George is job creation. The number of people employed in the mining sector in BC has more than doubled in the last 10 years from 14,700 to 30,000. One of the highlights of last year was the beginning of production at the Mt. Milligan copper-gold mine north of Prince George, which has generated 350 permanent jobs. A total of 171 Prince George suppliers supported construction of the Endako mine, representing an economic impact of approximately \$16 million, and nearly the same number of suppliers supported construction of the Mt. Milligan Mine, representing approximately \$60 million worth of contracts.

The challenge ahead for the mining industry in BC is addressing a skilled workforce shortage. The Mining Association of Canada estimates BC's mining industry requires over 17,000 new employees within the next 10 years<sup>1</sup>. According to Canada's Mining Industry Human Resources Council, the aging demographic is creating the demand for employees, with an estimated 40 per cent of the resource extraction industry's workforce at least 50 years old and one third of which is expected to retire by 2022<sup>2</sup>.

In order to help fill the skills shortage, the College of New Caledonia, in consultation with the mining industry, has developed a new Mining Industry Certificate program that is offered at campuses in five of BC's central interior communities including Prince George. This certification<sup>3</sup> program provides recognized industry standards training to students for entry level jobs in the mining sector<sup>3</sup>.

<sup>1</sup> Mining Association of BC

<sup>2</sup> Canada's Mining Industry Human Resources Council

<sup>3</sup> College of New Caledonia

## Economic Statistics

### Employment

The number of people employed in Prince George continued on an upward trend for the third consecutive month since February 2014. There were 50,200 people employed in April, up 100 from 50,100 in March 2014. There was a slight decline in the number of people in the workforce from 53,000 in March to 52,700 in April. The unemployment rate has gone down significantly from 5.5% in March to 4.7% in April. In BC, the number of full time jobs decreased by 5,000 while part-time jobs went up by 1,300 in April 2014. As a result, the unemployment rate remained unchanged at 5.8% in April. The number of people employed in both the public and private sector in BC decreased by 7,700 and 9,600 respectively, while the number of self-employed grew by 13,700. Employment rates in BC and across Canada were 59.6% and 61.5%, respectively, while Prince George was significantly higher than both at 71.1%. Prince George remained below the provincial (5.8%) and national (6.9%) unemployment rate at 4.7%.

*(Source: Statistics Canada Labour Force Survey)*

### Real Estate

29 newly constructed single detached houses were sold in April 2014 at an average price of \$439,933. This was in comparison to 37 houses sold at an average price of \$449,647 in April 2013. Home sales in Northern BC totaled 401 units in April compared to 360 units in March, up 11.3%. The average home price in April was \$248,418, up 0.4% on a year-over-year basis. The total value of properties sold in Northern BC was \$100 million in April 2014, up 12% compared to April 2013. National home sales were up 2.7% between March and April 2014, and the average price rose by 7.6% on a year-over-year basis in April.

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

### Housing Construction

There were 10 housing starts in Prince George during April 2014 (all single family dwellings) and 27 housing starts year-to-date. A total of 17 single-detached residential houses were completed in April 2014, compared to 6 in 2013 during the same period. Year-to-date, 37 single-detached residential houses were completed. The total number of housing starts in BC during April 2014 went up by 8.8% compared to April 2013.

*(Source: Canada Mortgage and Housing Corporation)*

### Building Permits

The City of Prince George issued 37 building permits valued at \$6 million in April 2014. The value of commercial permits issued was \$1.7 million and industrial permits accounted for \$37,800; the value of permits issued for new single family detached units was \$3.7 million during the month of April.

*(Source: City of Prince George; Statistics Canada)*

### Business Licenses

The City of Prince George received 71 new business license applications and 153 renewal applications in April 2014. The City approved 92 business licenses in April 2014.

*(Source: City of Prince George)*

### Airport Passenger Volumes

36,016 passengers moved through the Prince George International Airport in April 2014, 3.4% less than in April 2013. Year-to-date traffic is up by 2.41%. Traffic through the Vancouver International Airport was up 6.9% for the month of March 2014, in comparison to March 2013. Year-to-date passenger traffic through the Vancouver Airport remained significantly up by 7.5%<sup>4</sup>.

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

<sup>4</sup>April Vancouver air traffic statistics were unavailable at the time of publication