



April 2012



In three short years, Prince George will play host to 3600 athletes, coaches and officials, 6000 volunteers, thousands of visitors and hundreds of media & medical professionals from across the country when the city hosts the 2015 Canada Winter Games.

The 2015 Canada Games will be the largest multi-sporting and cultural event ever to be held in Prince George and Northern BC. In addition to the economic benefits that will be generated by preparatory activities over the next three years, the Games are forecasted to have an economic impact of \$70-\$90M while building champions and inspiring dreams amongst Canadian youth.

The tourism spinoff of the Canada Winter Games is expected to be significant; Prince George has been receiving a much higher profile across the country since winning the Games, and the opportunity to showcase the region will provide a significant boost to the Tourism sector in Prince George and Northern BC, both during and after the event.

Tourism already plays a considerable part in the Prince George economy. Employment in industries that provide direct services to tourists¹ makes up approximately 22.9% of the total employment in the city; businesses in these industries make up 14.6% of the total business locations in Prince George. In these industries, employment has increased at an annual average of 1.9% over the past five years; the number of businesses has

increased by 1.2%. The growth in these sectors is indicative of the overall growth in the Prince George economy, but also suggests an increase in visitors to the city.

Additional visitor traffic into the city has been reflected in increases in airport passenger volumes and hotel occupancy rates. Passenger traffic through the Prince George Airport (YXS) was up 3.1% in 2011, following a 3.8% increase in 2010. Occupancy rates reached an average of 60.0% in 2011; hotel occupancy has increased steadily since 2009 alongside a 5.5% increase in the inventory of rooms over the same period.

Tourism is an important target sector for economic growth and diversification. It attracts dollars from outside the region to the economy, supporting growth in service-producing businesses and employment. In 2010, tourism activities are estimated to have contributed \$7.2B to the province's GDP, and to have supported employment for more than 127,000 persons.²

The Canada Winter Games will be the catalyst to stimulate sustained growth in the Tourism industry in Prince George and the region, augmenting Northern BC's share of provincial tourism activity.

With just over 1000 days remaining until Prince George and the region hosts the nation, the 2015 Canada Winter Games Committee has unveiled its new logo and

branding, featuring Prince George as the undiscovered gem of the northern region of British Columbia, on a journey of enduring advancement.

The Federal and Provincial governments, combined, have contributed more than \$22M in funding to support the Games in Prince George. Additional funds will be raised through corporate and other private partnerships to assist preparations for the Games over the next three years.

Planning activities and investments leading up to the event will support improvements in Prince George's tourism offering, and the exposure from the Games will continue to build the city's reputation as a preferred tourist destination. This augmented profile will be critical to increasing the value of the Tourism sector in the local and regional economy.



In 2015, choose your path, leave your tracks, and journey with Prince George and our region as we host the nation and share our northern story.

¹ Retail Trade and Accommodation & Food Services.

² BC Stats.

ECONOMIC UPDATE

Economic Statistics

Employment

49,200 persons were employed in Prince George in March, up 200 (0.4%) from the previous month, while the number of persons in the labour force decreased by 300 (0.6%). Consequently, the number of unemployed persons declined by 9.3%; the unemployment rate declined 0.7% to 7.4%. In BC, the number of persons employed declined by 0.1% while the number in the labour force was relatively unchanged; the number of unemployed persons increased by 0.7% and the unemployment rate increased 0.1% (to 7.0%). Across Canada, the number of employed persons and those in the labour force increased by 0.5% and 0.3%, respectively; the number of unemployed persons decreased by 2.2% and the unemployment rate decreased 0.2% (to 7.2%). Prince George's working age population was relatively unchanged last month, and the employment rate increased 0.4% (to 69.2%); the employment rate decreased 0.1% (to 60.4%) in BC and increased 0.2% (to 61.8%) in Canada.

(Source: Statistics Canada Labour Force Survey)

Real Estate

256 properties with a total value of \$58.6M changed hands in Prince George in the first quarter of 2012, up from 236 properties valued at \$54.6M in the same period last year. 77 single family homes were sold in the city in March, 1 more than in the same month in 2011, with an average price of \$232,737. Year-to-date, the average house price was relatively unchanged compared to the first three months of 2011; unit sales



were up 15.4%. Comparatively, the year-to-date average house price in BC was down 5.0%; unit sales were down 12.7%. In Canada, the average price was up 0.7% and units were up 4.4%.

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



Housing Construction

There were 8 housing starts in Prince George in March, compared to 2 in the same month last year. Year-to-date starts were down 63.4% at the end of March, compared to 2011, although market housing starts were up 200.0%.³ Comparatively, starts were up 14.0% and 19.6%, in BC and Canada, respectively, at the end of March. There were 51 residential units completed in the city (15 single family and 36 multiple units), 34 more than in March of last year. 107 housing units were under construction (98 single family and 9 multiple dwelling units); 36.3% fewer than in the same month in 2011.

(Source: Canada Mortgage and Housing Corporation)

Building Permits

The City of Prince George issued 52 building permits valued at \$7.9M in March, up 97.9% compared to the same month last year. Residential building permits accounted for 80.3% of the total value of permits issued in the city last month, with permits for 15 single family dwellings and 15 multi-family

units making up 83.1% of this category. Commercial permits made up the remaining 19.7% of the value of permits issued; permits for downtown building improvements made up 50.7% of the category. Year-to-date, the value of permits issued by the City was down 3.0% at the end of March; the number of permits issued was up 50.8%, indicating a higher level of overall building activity. Comparatively, permits were up 47.0% provincially and 12.2% nationally at the end of February.

(Source: City of Prince George; Statistics Canada)

Business Licenses

The City of Prince George issued 234 business licenses in March (43 new licenses⁴ and 191 renewals). 3 of the new licenses issued were a result of businesses changing location.

(Source: City of Prince George)

Airport Passenger Volumes

37,666 passengers passed through the Prince George airport in March, 2.5% more than in March 2011. Year-to-date passenger traffic through the airport was up 6.0% compared to the first three months of last year. Comparatively, traffic through the Vancouver airport was up 5.1% at the end of March.

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



³ The recently completed 36-unit senior's housing development, Elizabeth Fry Place, was started in the first quarter of 2011.

⁴ 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.