

Economic Development Strategy District of Vanderhoof

Report 1 of 2 – Socio-Economic Assessment

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1 INTRODUCTION


1.1 Overview

In August 2009, the District of Vanderhoof invited proposals to develop a comprehensive economic development strategic plan in consultation with Vanderhoof’s business and community groups. The overall objectives of the study included:

- ▶ Conducting a review of the local economy and its current economic base;
- ▶ Developing future economic scenarios: one assuming no economic development, and the other with economic development;
- ▶ Identifying specific opportunities for economic development;
- ▶ Developing goals, objectives and competitive economic development strategies;
- ▶ Identifying resources, business assistance, partnerships and policy changes required to implement identified opportunities;
- ▶ Advising on options and providing a recommendation for a delivery model;
- ▶ Identifying funding or grant sources to support plan implementation;
- ▶ Developing measurement criteria to assess the future economic development function; and,
- ▶ Conducting appropriate community consultation.

This report is the first to be prepared as part of the strategic plan process. It consists of a socio-economic profile describing demographic, labour force and other economic trends, and how changes are affecting the community’s economic base. This report also outlines the forecast scenarios that the community might anticipate given possible future economic circumstances. A final report comprising of the full strategic plan will be submitted at the end of February 2010. The content of each report and their scheduled release are illustrated below.

Table 1-1 Study Reporting Schedule

Project Component	Report	Community Consultation
<ul style="list-style-type: none"> ▶ Review economic base ▶ Opportunity analysis ▶ Economic scenarios 	Report 1 (this report)	 <p>Occurs throughout</p>
<ul style="list-style-type: none"> ▶ Goals, objectives and strategy formulation ▶ Implementation and action plan ▶ Delivery model ▶ Funding options ▶ Monitoring plan 	Report 2	

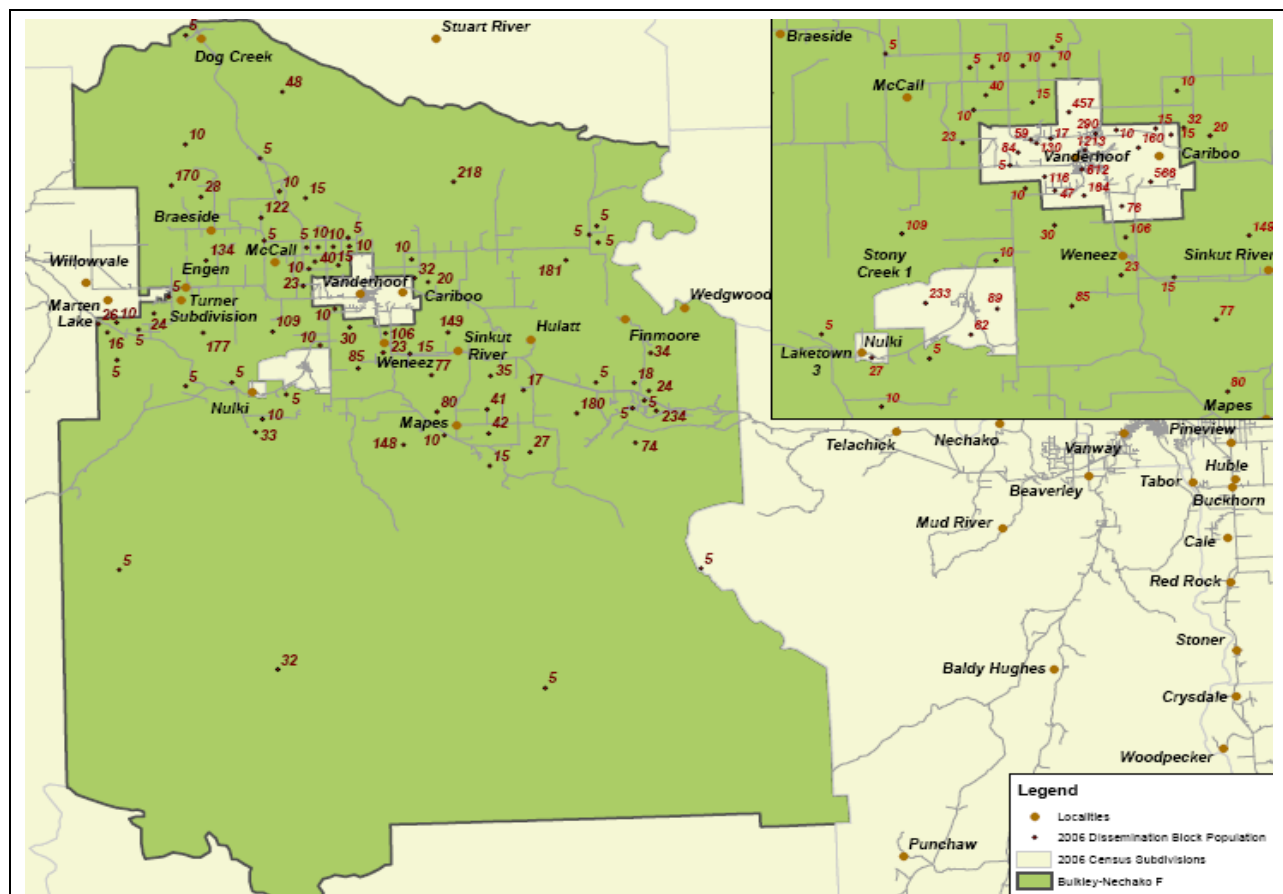
1.2 Study Area Boundary

The District of Vanderhoof has developed as a regional centre and has an economy that is closely linked to activities in the surrounding area. As a result, the economic development strategy for the District of Vanderhoof will consider actions and activities that support basic sector economic activities in the neighbouring local areas.

The term Vanderhoof and Area is used throughout this report and the economic development strategy planning report and is defined as Vanderhoof and the surrounding area. The study area consists of the District of Vanderhoof, Electoral Area F of the Regional District of Bulkley Nechako (RDBN) and the Saik'uz First Nation community. The Saik'uz First Nation community is located in close proximity to Vanderhoof on the Stony Creek Reserve 1 and Laketown Reserve 3. In addition, the Saik'uz First Nation traditional territory includes the entire local area.

Figure 1-1 provides an overview of the local area and the approximate location of the population in Vanderhoof and Area.

Figure 1-1 Vanderhoof and Area



Source: BC Stats.

2 SOCIO-ECONOMIC ANALYSIS

2.1 Population

2.1.1 Historical Population

The population for the District of Vanderhoof, Electoral Area F of the Regional District of Bulkley Nechako, and Saik’uz First Nation community are highlighted in Table 2-1. Collectively these three communities have all seen their population decline over the past decade. Conversely, at the provincial level the population has experienced steady growth.

Table 2-1 Population Change, 1996 to 2008

	District of Vanderhoof	RDBN EA F	Saik’uz First Nation	Total Area	BC
1996	4,580	3,390	390	8,360	3,724,500
2001	4,560	3,385	440	8,385	3,907,740
2006	4,170	3,140	410	7,715	4,113,485
2008	3,865	--	--	---	4,381,605
Growth (1996 to 2008)	-15.6%				+17.6%

Source: BC Stats (February 2009).

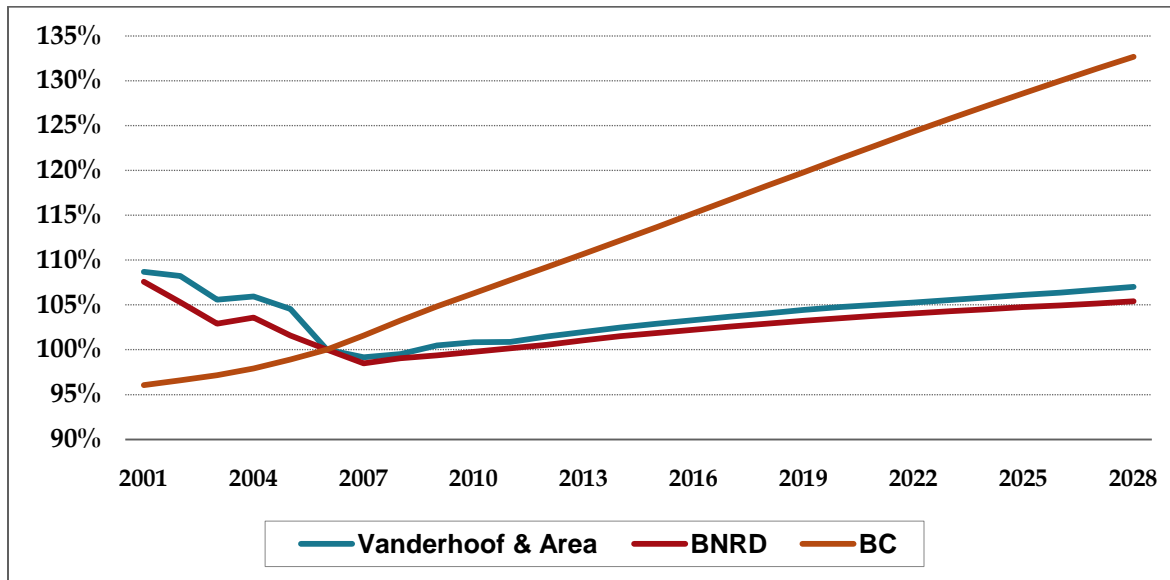
Note: Saik’uz First Nation community is based on two reserves including Stony Creek 1 and Laketown 3. In addition, Saik’uz First Nation population consists of approximately 515 members living outside of the main reserve community.

2.1.2 Population Projections

Looking ahead, and as illustrated in Figure 2-1, the population for Vanderhoof and Area is anticipated to reverse its population decline and begin growing again.¹ While it is challenging to predict future populations in small communities given that one significant development or event can dramatically impact future population forecasts, the current projections suggest that the area will manage small population growth over the next twenty years. However, it is estimated that it will take approximately twenty years to rebuild the population back to the levels experienced in 2001.

¹ BC Stats undertakes population forecasts by Local Health Areas, with the Nechako LHA (LHA 56) having a 2006 population of 14,975 of which 7,715 would have been from Vanderhoof and Area. The growth rates for LHA 56 are used as a proxy for the growth anticipated for Vanderhoof and Area.

Figure 2-1 Population Forecast for 2001 to 2028 (2006=100%)



Source: BC Stats. (February 2009) and Peak Solutions Consulting Inc.

2.2 Age characteristics

2.2.1 Current Age Characteristics

Table 2-2 highlights the age characteristics for 2001 and 2006 for Vanderhoof and Area and BC. As illustrated, the Area has a significantly higher percentage of residents in the 19 years and younger category when compared to the province. This is not typical of many rural areas of the province which typically have grown to experience much smaller percentages of younger residents. However, the age characteristics have changed noticeably between 2001 and 2006 as the younger population share has declined rapidly between 2001 and 2006 in Vanderhoof and Area. Conversely, the over 65 age group makes up a smaller percentage than experienced at the provincial level.

Table 2-2 Age Characteristics for Vanderhoof and Area and BC, 1996 and 2006

Age Characteristics	Age 0 to 19		Age 20 to 44		Age 45 to 64		Age 65+		Total	
	#	%	#	%	#	%	#	%	#	%
Vanderhoof										
2001	1,499	32.9%	1,702	37.3%	903	19.8%	457	10.0%	4,560	100.0%
2006	1,310	31.4%	1,381	33.1%	1,007	24.1%	472	11.3%	4,170	100.0%
Bulkley Nechako EA F										
2001	1,195	35.3%	1,120	33.1%	785	23.2%	285	8.4%	3,385	100.0%
2006	950	30.3%	875	27.9%	985	31.4%	330	10.5%	3,140	100.0%
Saik'uz First Nation										
2001	188	42.6%	161	36.6%	75	17.1%	16	3.7%	440	100.0%
2006	149	36.4%	133	32.5%	96	23.4%	32	7.8%	410	100.0%
Vanderhoof & Area (Total)										
2001	2,882	34.4%	2,983	35.6%	1,763	21.0%	758	9.0%	8,385	100.0%
2006	2,409	31.2%	2,389	31.0%	2,088	27.0%	834	10.8%	7,720	100.0%
BC										
2001	--	25.0%	--	36.3%	--	25.1%	--	13.6%	--	100.0%
2006	--	23.2%	--	33.8%	--	28.4%	--	14.6%	--	100.0%

Source: Statistics Canada Census of Canada (1996, 2006).

For the three individual areas that make up Vanderhoof and Area, the median age has increased rapidly in recent years with:

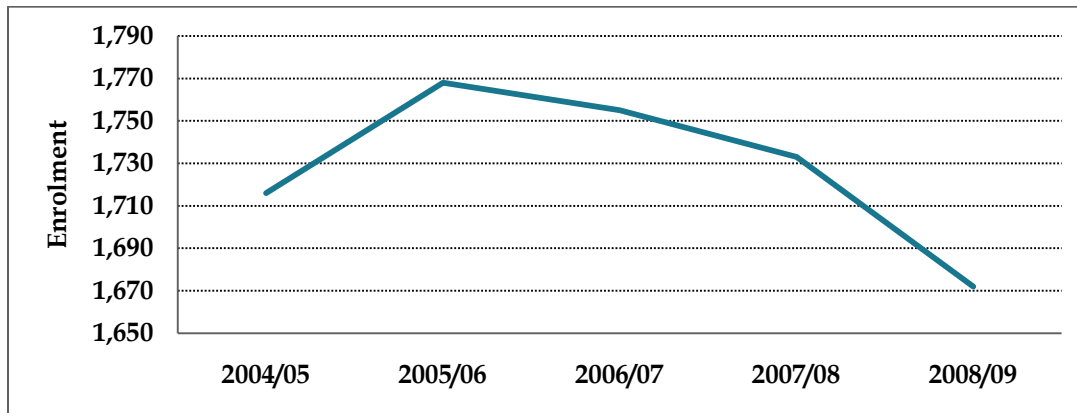
- District of Vanderhoof increasing to 34.9 years in 2006 from 32.0 years in 2001;
- Electoral Area F increasing to 39.6 years in 2006 from 34.5 years in 2001; and,
- Saik'uz First Nation community increasing to 33.6 years in 2006 from 30.1 years in 2001.

In comparison, the BC median age has increased from 38.4 years in 2001 to 40.8 years in 2006.

2.2.2 School Age Enrolment

School enrolments in Vanderhoof and Area are available for the past five years, including the most recently completed school year (2008/09), and are outlined in Figure 2-2 below. As highlighted, there has been a continued decline since 2006 in the school enrolment in the community. In the past four school years, school enrolment has declined by 96 students or by 5.4%.

Figure 2-2 School Enrolment in Vanderhoof and Area for School Years 2004 to 2009

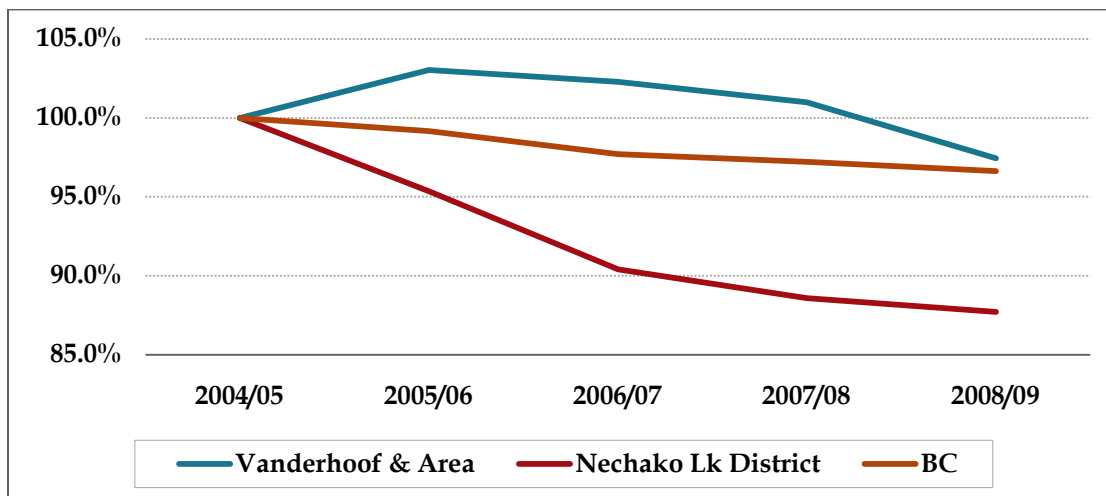


Source: BC Ministry of Education (2009).

Note 1: Includes both private and public school enrolment for Vanderhoof and Area. Does not include EBUS Academy enrolment.

Figure 2-3 compares the change in enrolment for Vanderhoof and Area, the larger Nechako Lake School District (School District 91) and BC. As illustrated, Vanderhoof and Area has had a smaller decline in school enrolment than observed elsewhere; however, the trend at all levels is for declining enrolment.

Figure 2-3 Change in Enrolment (2004/05=100%)



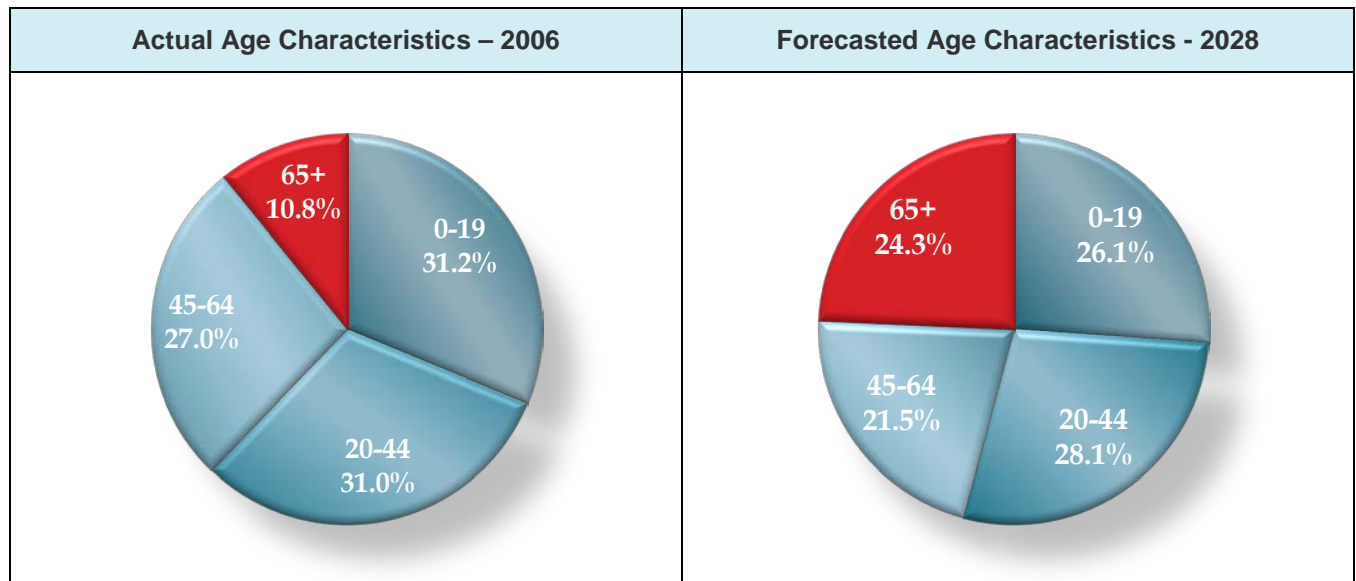
Source: BC Ministry of Education (2009).

Note1: Change based on both private and public school enrolment for Vanderhoof and Area and BC and public enrolment only for Nechako Lake District .

2.2.3 Anticipated Age Characteristics

Moving forward, and as illustrated in Figure 2-4, the population characteristics for Vanderhoof and Area are anticipated to see the population continue to age over the next twenty years. Most noticeable will be the increase in share of the population over the age of 65 years which will grow its share very rapidly, doubling from under 11% in 2006 to over 24% of total population by 2028. Conversely all age categories under 65 years of age will see their share of the total population decline.

Figure 2-4 Vanderhoof and Area Age Characteristics, 2006 and 2028



Source: Statistics Canada Census (2006), BC Stats (2009) and Peak Solutions Consulting Inc.

The shift in age characteristics in Vanderhoof and Area will also result in the share of key working age population (age 20 years to 64 years) declining from 58% in 2006 to a forecasted 50% by 2028. Also, the population 19 years and younger will decline from just over 31% in 2006 to just over 26% in 2028.

2.3 Education characteristics

Table 2-3 highlights the education attainment for working age residents of the District of Vanderhoof, and surrounding area and the province. Overall, a higher percentage of Vanderhoof and Area residents age 25 to 64 have not graduated from high school than generally observed for the province. However, a slightly higher percentage of Vanderhoof and Area working age population have a trade certificate or diploma or other non-university diploma or certificate than is generally observed in the province.

Table 2-3 Education Characteristics for Vanderhoof and Area and BC, 2006 (age 25 to 64)

Age 25 to 64	Vanderhoof		BRND F & Saik'uz FN		Total Area		BC
No certificate; diploma or degree	390	19.0%	510	27.1%	900	22.9%	12.4%
High school certificate or equivalent	670	32.7%	630	33.5%	1,300	33.1%	25.8%
Apprenticeship or trades certificate or diploma	230	11.2%	290	15.4%	520	13.2%	12.0%
College; CEGEP or other non-university certificate or diploma	360	17.6%	300	16.0%	660	16.8%	19.6%
University certificate or diploma below the bachelor level	60	2.9%	50	2.7%	110	2.8%	6.1%
University certificate; diploma or degree	340	16.6%	100	5.3%	440	11.2%	24.1%
Total	2,050	100.0%	1,880	100.0%	3,930	100.0%	100.0%

Source: Statistics Canada Census (2006).

2.4 Incomes

2.4.1 Median Income

As illustrated in Table 2-4, median incomes in Vanderhoof and Area differ considerably between men and women, with women reporting income that averages only 44% of that earned by men in the area. This represents a smaller ratio between that observed between men and women at the provincial level where women earn 63% of that of men. Overall, the median income for men in Vanderhoof and Area is noticeably higher than for men at the provincial level, while women in Vanderhoof and Area earn noticeably less than women at the provincial level.

Table 2-4 Median Income for Vanderhoof and Area and BC, 2000 to 2007

	Vanderhoof and Area		BC	
	Male	Female	Male	Female
2007	\$42,445	\$18,565	\$36,350	\$23,005
2006	\$42,050	\$17,695	\$34,585	\$21,030
2005	\$40,000	\$16,610	\$32,430	\$19,980
2004	\$36,415	\$15,190	\$30,995	\$18,845
2003	\$36,180	\$14,420	\$29,990	\$18,195
2002	\$33,055	\$14,685	\$29,480	\$17,850
2001	\$32,155	\$14,235	\$29,395	\$17,765
2000	\$31,255	\$13,845	\$28,880	\$17,315
% Change (2000- 2007)	+35.8%	+34.1%	+25.9%	+32.9%

Source: BC Stats. Neighbourhood Income and Demographics (2002-2009).

Note: Revenue Canada defines the Vanderhoof area based on postal codes and incomes of the District of Vanderhoof and the part of the surrounding Electoral Area F.

Over the past seven years, median incomes for men in Vanderhoof and Area has been increasing relative to median incomes for men at the provincial level, while the gap between women in Vanderhoof and Area and women at the provincial level has not changed noticeably.

2.4.2 Personal Income Source

The source of most personal income in Vanderhoof and Area is from employment sources and makes up almost 77% of all personal income. As illustrated in Table 2-5, this is a much higher share than generally observed at the provincial level. Pension incomes have increased in share over the past ten years in the Vanderhoof area; however, they continue to trail the share observed at the provincial level. This difference corresponds with Vanderhoof and Area's younger population when compared to BC. Overall, the share of employment income from pension income may highlight an increasing number of residents that may be staying in the area once they reach retirement age, but still this is not at the same level as generally observed at the provincial level.

Table 2-5 Source of Personal Income for Vanderhoof and Area and BC, 1996 and 2006

	Vanderhoof and Area		BC	
	1996	2006	1996	2006
Employment	76.1%	76.9%	65.5%	65.1%
Pension	6.9%	8.6%	12.3%	12.3%
Investment	4.5%	4.5%	8.9%	10.0%
Self-Employ	3.4%	3.3%	5.1%	5.9%
Other	5.8%	4.6%	5.2%	4.8%
Tax Exempt	3.3%	2.1%	3.0%	1.9%
Total (\$'000s)	\$129,643	\$198,775	\$76,011,805	\$121,821,316

Source: BC Stats (2009, 1998).

3 QUALITY OF LIFE

3.1 Socio-Economic Well-Being Index

BC Stats, in cooperation with the social ministries, has developed a comprehensive set of over 80 indicators describing socio-economic conditions across various regions within British Columbia. In an effort to effectively synthesize large volumes of data across many regions, BC Stats has developed a method to summarize the various indicators into a digestible package.

This has resulted in the development of four basic indicators of regional hardships (i.e., Human Economic Hardship, Crime, Health Problems, and Education Concerns), each being a composite of three or four variables. In addition, BC Stats has developed indicators for “target groups” of children and youth. BC Stats compiles their data by Local Health Area (LHA). More detail on the methodology used by BC Stats is highlighted in Appendix C of this report.

The Vanderhoof and Area is part of the Nechako LHA (Appendix C for a map of the Nechako LHA). As illustrated in Table 3-1, the socio-economic indices for the Nechako LHA are weighted and compared against the other 78 LHAs with data in the province. As illustrated, the lower the ranking assigned to an LHA, the poorer the performance against the other BC LHAs; conversely, the higher the ranking the better the ranking against other BC LHAs. For example, a ranking of 78 for an LHA means it performed the best in the province, while a ranking of 1 suggests that it was the worst performing LHA in a particular category.

The Nechako LHA ranked poorly when compared to other LHAs in BC in the categories of economic hardship and health. Conversely, the Nechako LHA scored much better against other LHAs when compared for education and crime rates. Overall, the Nechako LHA ranked ninth out of 78 LHAs. This overall ranking puts the Nechako LHA towards the bottom. The neighbouring LHAs of Prince George and Burns Lake are included in Figure 4-1 for comparison. Burns Lake LHA had an overall ranking of eighth, slightly behind the Nechako LHA, while the Prince George LHA had an overall ranking of 14th, ranking ahead of the Nechako LHA.

Table 3-1 Socio-Economic Indices Comparison for Nechako LHA, 2008

Lowest Ranked LHAs			Nechako LHA	Prince George LHA	Burns Lake LHA	Highest Ranked LHAs		
Index of Economic Hardship (30% weighting)								
1.42 Upper Skeena	1.15 Pr. Rupert	1.09 Terrace	1.01 Rank 4 out of 77	0.79 Rank 12 out of 77	0.59 Rank 15 out of 77	-0.83 Windermere	-0.86 W Vancouver Bowen Is	-0.92 Summerland
Index of Crime (20% weighting)								
1.34 Campbell Riv.	1.15 Bella Coola	1.06 Nisga'a	0.15 Rank 34 of 78 ²	0.64 Rank 15 out of 78	0.39 Rank 21 out of 78	-0.96 Saanich	-0.96 W Vancouver Bowen Is	-1.17 Agassiz-Harrison
Index of Health (20% weighting)								
1.24 Bella Coola	1.20 Upper Skeena	1.04 Hope	0.72 Rank 9 out of 78	0.25 Rank 31 out of 78	0.52 Rank 12 out of 78	-0.80 Summerland	-0.85 W Vancouver Bowen Is	-0.92 Richmond
Index of Education (20% weighting)								
1.02 Burns Lake	1.01 Upper Skeena	1.00 Alberni	0.46 Rank 19 out of 78	0.13 Rank 31 out of 78	1.02 Rank 1 out of 78	-0.94 Richmond	-1.06 North Vancouver	-1.19 W Vancouver Bowen Is
Index of Children at Risk (5% weighting)								
1.18 Bella Coola	1.12 Upper Skeena	0.98 Alberni	0.50 Rank 17 out of 78	0.35 Rank 19 out of 78	0.80 Rank 7 out of 78	-0.58 Richmond	-0.68 North Vancouver	-0.86 W Vancouver Bowen Is
Index of Youth at Risk (5% weighting)								
1.39 Bella Coola	1.16 Upper Skeena	1.10 Alberni	0.58 Rank 12 out of 78	0.57 Rank 13 out of 78	0.56 Rank 14 out of 78	-0.73 Golden	-0.76 North Vancouver	-0.93 W Vancouver Bowen Is

Source: BC Stats. (2009 update).

² The LHAs of Snow Country (51), Central Coast (83), Stikine (87), and Telegraph Creek (94) are excluded due to their small population.

3.2 Housing Affordability

The amount spent by residents on housing is an important indicator of community affordability and provides insight into family disposable income. Table 3-2 highlights housing costs and income required for housing in the District of Vanderhoof and RDBN Electoral Area F and BC. This is considered from both the perspective of the home owner and the renter.

Table 3-2 Housing Affordability for Vanderhoof and RDBN Electoral Area F and BC, 2006

	Vanderhoof	Area F	Total Area	BC
Total Private Dwellings Occupied by Usual Residents	1,550	1,040	2,590	1,606,875
Tenant Occupied				
• Number of Dwellings	445	95	540	488,720
• Average Gross Rent	\$605	\$540	\$590	\$830
• Over 30% of household income spent on rent	43%	26%	40%	43%
Owner Occupied				
• Number of Dwellings	1,105	945	2,050	1,118,160
• Average value of Dwelling	\$168,075	\$187,365	\$176,970	\$418,705
• Average Major Payments	\$830	\$760	\$800	\$1,060
• Over 30% of hsehld income spent on mortgage	11%	19%	15%	23%

Source: BC Stats (2009).

Note: Information for Stony Creek 1 was not available and is not included in the table above.

Approximately 21% of households are in a rental arrangement in the Vanderhoof and Electoral Area F area, compared to 30% at the provincial level. Inside the District of Vanderhoof the rental rate is 29% and closer to the provincial rate. While rents are considerably lower in the local area, a comparable number of renters (40% in local area and 43% in Vanderhoof) spend 30% or more of their household income on rent.

The majority of households (79%) own their own dwelling in the local area. This is a noticeably higher rate than the 70% observed at the provincial level. In 2006, the average dwelling value was considerably lower than generally observed at the provincial level. This also corresponds to lower mortgage payments and ultimately to a smaller percentage of local area home owners paying more than 30% or more of their household income for their residence.

3.3 Incidents of Low Income

Statistics Canada's low-income rate measures the percentage of families below the low-income cut off (LICO).³ The LICO is a statistical measure of the income thresholds below which Canadians likely devote a larger share of income than average to the necessities of food, shelter and clothing (Statistics Canada, 2006). As illustrated in Table 3-3, Vanderhoof and Area compares favourably with the provincial averages for incidents of low income for all residents. However, the incidents for younger residents in the District of Vanderhoof are noticeably higher than for the general local population or for residents in the surrounding area outside of Vanderhoof.

Table 3-3 Incidence of Low Income for Vanderhoof and RDBN Electoral Area F and BC, 2005

	Vanderhoof			RDBN Area F			BC		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
All residents									
% Low income before tax	11.8%	15.8%	13.9%	9.2%	8.0%	8.6%	16.2%	18.2%	17.3%
Residents (Less than 18 yrs)									
% Low income before tax	12.0%	18.0%	15.2%	8.0%	n/a	7.3%	19.5%	19.6%	19.6%

Source: Statistics Canada, 2006 Census.
Note: Residents less than 18 years of age are primarily in economic families as defined by Statistics Canada.

3.4 Work Related Travel

In many places in the province, workers spend a considerable amount of time commuting to work; however, in the District of Vanderhoof this is generally not the case as most workers work in close proximity to where they reside. As illustrated in Table 3-4, Vanderhoof had a total employed work force of 2,020 of which 160 (8%) worked from home and an additional 180 worked at no fixed address in 2006.

³ Family refers to economic family. Economic family is defined as all individuals living under the same roof and related by blood, marriage, common-law marriage or adoption. See Statistics Canada family definitions at website: <http://www.statcan.gc.ca/concepts/definitions/fam-eng.htm>

Table 3-4 Usual Place of Work in Vanderhoof, RDBN Area F and BC, 2006

	Vanderhoof	RDBN Area F	BC
Worked At Home	160	320	188,755
Worked at no fixed address	180	195	274,055
Usual Place of work for Employed Labour Force	1,680	1,150	1,615,995
Total Employed workforce	2,020	1,660	2,092,770
Usual Place of Work	1,680	1,150	1,615,995
Worked in municipality of residence	91%	0%	49%
Worked in different municipality within the Regional District	5%	n/a	42%
Worked in municipalities within the BNRD	n/a	86%	
Worked in Regional District or Prince George	2%	13%	4%
Worked in Different Province	1%	1%	1%
	100%	100%	100%

Source: BC Stats (2009).

The remaining employed labour force of 1,680 was identified as having a usual place of work that can provide insight into the distance they must travel for work. Of the 1,680 in Vanderhoof with an usual place of work, a total of 1,530 (91%) of the labour force worked in Vanderhoof. A further 100 (8%) workers work within the surrounding communities and in the electoral areas of the Regional District. Of note is Fraser Lake which was identified by 50 workers and Prince George with 25 workers from Vanderhoof as their usual place of work.

For the RDBN Electoral Area F, 320 (19%) workers worked from home and 195 (12%) had no usual place of work. Of those in the labour force with usual place of work, 990 (86%) worked in municipalities or on First Nation Reserves within the Bulkley Nechako Regional District. More specifically, of the 990 labour force from Electoral Area F, a full 915 identified Vanderhoof as the municipality of work, while 35 worked in Fort St. James, and 25 worked in Fraser Lake. A further 145 (13%) worked within the other Electoral Areas of the Regional District or Prince George. Of the labour force of 145, a total of 105 Electoral Area F residents worked in Prince George.

Overall, while the province (9%) had a slightly higher share of the employed workforce working from home, Vanderhoof had a much higher percentage of its workforce working within the municipal boundaries than generally seen by other communities in the province. With commute times directly impacting a worker's leisure time, it appears that most of the employed labour force in Vanderhoof enjoys a distinct advantage when compared to other workers in the province.

4 ECONOMIC BASE ANALYSIS

4.1 Labour Force

Table 4-1 highlights the experienced labour force for the District of Vanderhoof, Bulkley RDBN Electoral Area F and the Saik'uz First Nation community and the combination of the three areas (Vanderhoof and Area) for 2001 and 2006.

Table 4-1 Experienced Labour Force, 2001 and 2006

	District of Vanderhoof		RDBN Area F & Saik'uz FN		Vanderhoof & Area		% Distribution 2006	
	2001	2006	2001	2006	2001	2006	Vanderhoof & Area	BC
Agriculture	15	10	210	205	225	215	5.3%	1.8%
Logging & Forestry	125	170	230	225	335	395	9.7%	1.0%
Supporting serv. agric. & forestry	55	70	40	75	95	145	3.6%	0.3%
Mining/Oil and gas	25	0	0	10	25	10	0.2%	0.9%
Utilities	15	0	0	10	15	10	0.2%	0.5%
Construction	150	100	140	90	290	190	4.6%	7.5%
Manufacturing (incl. wood man.)	385	400	305	350	690	750	18.3%	8.5%
• Wood products manufacturing	310	320	255	280	555	600	14.7%	1.7%
Total Goods Producing	770	750	925	965	1,675	1,715	41.9%	20.5%
Wholesale	60	20	30	45	90	65	1.6%	4.1%
Retail	305	245	165	145	470	390	9.6%	11.2%
Transportation & Warehousing	105	80	95	85	200	165	4.0%	5.2%
Info & cultural industries	15	0	20	20	35	20	0.5%	2.6%
Finance & Insurance	70	45	20	30	90	75	1.8%	3.8%
Real Estate & Rental/Leasing	20	40	0	0	20	40	1.0%	2.3
Prof., Scientific & Technical Serv.	80	80	70	35	150	115	2.8%	7.3%
Admin & Support, Waste Mang.	30	40	35	35	35	75	1.8%	4.4
Education Services	275	245	110	110	385	355	8.7%	6.9%
Health care & social assistance	180	170	100	120	280	290	7.1%	9.6%
Arts, entertainment & recreation	25	30	20	0	45	30	0.7%	2.3%
Accommodation	130	180	45	125	175	305	7.4%	8.1%
• Accommodation services	55	30	15	35	70	65	1.6%	1.7%
• Food serv. & drinking places	75	150	30	100	105	250	6.1%	6.4%
Other Services	115	140	85	60	200	200	4.9%	4.9%
Public Administration	85	85	90	120	175	205	5.0%	5.0%
Total Services Sector	1,495	1,400	880	930	2,375	2,330	56.9%	77.7%
Unclassified	30	0	45	50	75	50	1.2%	1.8%
Total Labour Force	2,295	2,150	1,850	1,945	4,125	4,095	100.0%	100.0%

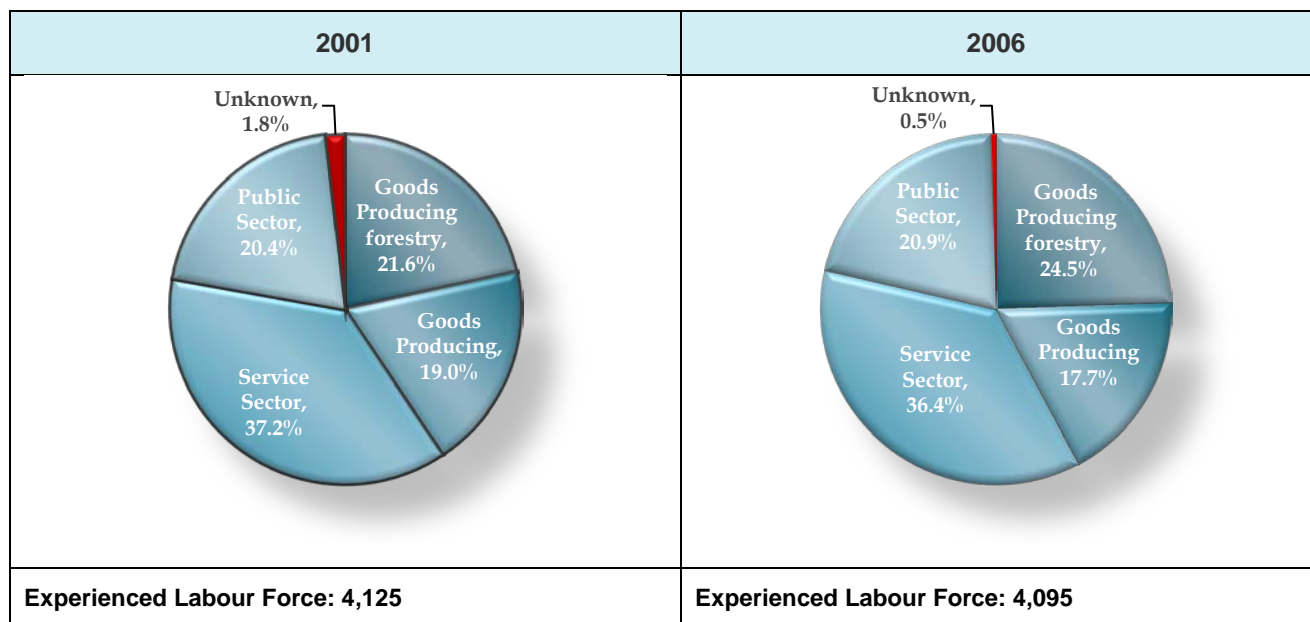
Source: BC Stats (June 2009). Note: Manufacturing number includes wood processing which is a subgroup of manufacturing.

The Vanderhoof and Area labour force did not change noticeably in size between 2001 and 2006. However, within the area, the District of Vanderhoof labour force declined by 145 while the surrounding area increased by 95, resulting in only a slight change in the labour force for Vanderhoof and Area. Much of this decline can be attributed to the service producing sector with declines in retail services, transportation, and education services over the 2001 to 2006 period. Conversely, the goods producing sector lead growth in the labour force with the forest sector (logging and wood processing) increasing by 105, and support services to forestry and agriculture increasing by 50. The increase in the forest sector is likely attributed to the uplift in timber harvest as a result of the mountain pine beetle epidemic (See Section 5.1)

The transformation of labour force structure for Vanderhoof and Area between 2001 and 2006 can be seen in Figure 4-1, which compares the proportion of goods producing and service producing jobs for 2001 and 2006. Service employment is disaggregated into public and non-public components. The proportion of non-public services declined from 37.2% to 36.4%, while the public sector component of the service sector increased slightly. In 2006, the non-public component of the service producing sector represented 56.2% of the labour force at the provincial level.

On the goods producing side, the forest sector managed to grow its overall share of the labour force, moving from 21.6% to 24.5% between 2001 and 2006. Conversely, the remaining goods producing sector experienced a decline from 19.0% to 17.7%. Overall, the goods producing sector made up 42.2% of the labour force in 2006. This is much larger than the 20.5% share experienced by the province in 2006.

Figure 4-1 Change in Vanderhoof and Area Labour Force Proportion, 2001 and 2006



Source: Statistics Canada Census (2001, 2006).

The labour force participation rate is based on the population that is 15 years and older and, as illustrated in Table 4-2, the participation rate for the District of Vanderhoof is slightly higher for men and slightly lower for women than in the surrounding area in 2006. At the same time the participation rates for both men and women within the local area is noticeably higher than observed at the province level. The higher participation rate in the local area is partially attributed to the overall younger age of the local population than observed at the provincial level

Table 4-2 Labour Force Participation Rates, 2006

	District of Vanderhoof	RDBN EA F & Saik'uz FN	Vanderhoof & Area	BC
Male	76.9%	76.0%	76.5%	70.7%
Female	64.8%	64.7%	64.7%	60.7%
Total	70.7%	71.3%	70.9%	65.6%

Source: Statistics Canada.

4.2 Economic Dependencies

BC Stats produces income dependencies for 63 local areas in British Columbia. The income dependencies are based on the premise that the economy of a community can be represented by income flows that can be classified as basic or non-basic, depending on the source of income. Basic income is defined as income that flows into the community from the outside, in the form of either employment income or non-employment income (BC Stats. 2009). BC Stats has incorporated the District of Vanderhoof with Fraser Lake, Fort St. James, Bulkley Nechako Electoral Areas C, D, and F, and area First Nation communities to form the Vanderhoof local area.

Table 4-3 highlights the percentage of income by basic sector dependencies for the Vanderhoof local area for the period from 1991 to 2006. The income dependencies are calculated using after-tax income in the local area. As illustrated, the highest share in the Vanderhoof local area is forestry (42%), followed by public administration (20%), and transfer payments and “other” non-employment income sources (12%). Collectively these three sectors made up 74% of all after-tax income in the local area.

Table 4-3 Vanderhoof and Area Local Area Economic Dependencies, 1991 to 2006

	FOR	MIN	AGR	TOU	PUB	CONST	OTHER	Trans	ONEI
2006	42	8	3	3	20	3	1	12	7
2001	44	5	2	2	21	5	1	14	5
1996	46	6	5	4	19	3	1	12	4
1991	35	6	5	4	18		9	13	10

Source: BC Stats (2009, 1998).

Notes: 1. In 1991 data for construction was not separated from other basic sectors.

2. Transfer Payments (Trans) includes income from senior governments including: welfare payments, OAS, CPP, employment insurance, federal child tax credit, guaranteed income supplements and others.

3. Other Non-Employment Income (ONEI) includes investment income, such as dividends and interest; retirement pensions, superannuation, annuities, alimony, etc.

The District of Vanderhoof draws residents and businesses from the surrounding areas to Vanderhoof for retail service. As a result, Vanderhoof has developed a retail and service sector that is larger than required to service the local population. This results in wealth being generated in Vanderhoof from outside the community and as such BC Stats has specifically recognized this non-local wealth creation to the local service sector as a basic sector (RURS). In 2006, this represented 9% of after-tax income in the District of Vanderhoof. However, the top three contributors to the District of Vanderhoof were the same and of similar magnitude as those in the larger area. Table 4-4 highlights the area dependencies for the District of Vanderhoof only.

Table 4-4 District of Vanderhoof Economic Dependencies, 2001 and 2006

	FOR	MIN	AGR	TOU	PUB	CONST	RURS	OTHER	Trans	ONEI
2006	40	0	0	2	26	3	9	1	13	6
2001	34	1	2	5	26	10	3	1	12	6

Source: BC Stats. Unpublished data.

Notes: 1. RURS refers to service sector activities dependent on the local area outside of the District of Vanderhoof.

4.3 Location Quotients

Table 4-5 shows location quotients (LQ) for the last two census periods ending in 2006 for 11 industries comprising the local economic base. Location quotients are a way of estimating industrial specialization as measured by job concentration compared to a reference area, in our case the province of BC. An LQ value of greater than “1” indicates that Vanderhoof has, compared to the province, a higher job concentration in the particular industry. This is said to be indicative of a comparative advantage in the specific sector. On the other hand, a value of less than “1” indicates the opposite—low job concentration and the absence of comparative advantages.

In 2006, forestry had the highest LQ among all industries, while agriculture and manufacturing were also well above the provincial norm. On the other hand, mining, utilities, construction and services (excluding

public) showed job concentrations well below the provincial level. Accommodation and public services were close to the provincial benchmark.

Job concentration rose dramatically in forestry between 2001 and 2006, with agriculture, accommodation and public services also showing gains. All other industries trended lower.

The data clearly underlines the area’s heavy and growing dependence on the forest industry and highlights the potential risk to the local economy if the forest sector is negatively impacted in the future.

Table 4-5 Location Quotients for Vanderhoof and Area, 2001 to 2006

	Trend Line 2001~2006	2001	2006
Agriculture	↑	2.93	3.16
Logging and Forestry	↑	6.31	9.36
Mining	↓	0.89	0.27
Utilities	↓	0.64	0.48
Construction	↓	1.22	0.61
Manufacturing	↑	1.78	2.12
Trade	↓	0.89	0.71
Transportation	↓	0.88	0.77
Services	↓	0.53	0.48
Education	↓	1.38	1.25
Health	↑	0.70	0.73
Government	↑	0.78	0.99
Accommodation	↑	0.52	0.91

Notes 1: A value of “1” indicates that the percentage of jobs in the sector in Vanderhoof is the same as it is for the province as a whole. Values above “1” indicate higher job concentration (when compared to the province), while values less than “1” indicate the opposite.

5 SECTOR ASSESSMENTS

5.1 Forestry

5.1.1 Profile

Forest activity in Vanderhoof and Area is linked primarily to timber extracted from the Crown land base in the Prince George Timber Supply Area (TSA). The TSA covers approximately 7.5 million hectares and stretches from near the Alberta border in the southeast to Tweedsmuir Park in the southwest and Spatsizi Plateau in the northwest. The Prince George TSA is administered by the Prince George Forest District, Vanderhoof Forest District and the Fort St. James Forest District.

The current allowable annual cut (AAC) for the Prince George TSA is 14,944,000 m³, and was effective October 1, 2004. Of this total 5,700,000 m³ or 38% of total AAC allocation is associated with the harvest of mountain pine beetle impacted pine (BC Ministry of Forests. September 2009). The current pine beetle harvest is referred to as the uplift as it represents an increase in the AAC over historical levels. In 1996 the AAC was 9,363,661 m³. By 2002 the AAC was 12,244,000 m³ with 3,000,000 m³ associated with salvage of the mountain pine beetle killed wood (BC Ministry of Forests. 2004).

Locally, the Vanderhoof Forest District provides forest stewardship to the surrounding land base which services approximately 1.4 million hectares. Of this, the Crown Land is 1,072,708 hectares, and the current timber harvesting land base is 817,115 hectares.

Employment in the forest industry in Vanderhoof and Area was 1,110 in 2006: 36% of this total was in logging, while 54% was in wood products manufacturing, and the remaining 10% in forestry support services. Approximately half the work force in the local area resides within the District of Vanderhoof which is home to a labour force of 170 forestry and logging workers, 320 wood processing workers, and 70 employed in support services to forestry. The forestry labour force (logging and processing) has increased by 15% since 2001. Much of this increase in labour force activity is likely associated with the increased harvest associated with the AAC uplift, with the AAC being 60% higher in 2006 than it was in 2001.

Three large wood processing facilities are located in Vanderhoof and Area including:

- L & M Lumber which operates a stud lumber mill that has log capacity of 677,420 m³ annually;
- Canfor's Plateau lumber mill that utilizes 1,810,345 m³ of logs annually; and,
- Premium Pellet which can handle upwards of 370,000 m³ of logs annually (Omineca Beetle Action Coalition. 2008).

The area also has some smaller wood processors such as Vanderhoof Speciality Wood Products.

Table 5-1 Forestry Indicators

Labour Force (2006)		Percent of Total Community Income (2006)	
Forestry and logging	395		42%
Wood product manufacturing	600	Prince George TSA - Allowable Annual Cut	
Support services for forestry	115		14,944,000 m ³
Total Forestry	<u>1,110</u>	Prince George TSA Licenses	
Total Labour Force	4,095	(Operating Areas in Vanderhoof Forest District)	
		• CANFOR	• Lakeland Mill Ltd.
Forestry as % of Total	27.1%	• L & M Lumber	• West Fraser Mills Ltd.

5.1.2 Development Issues

The forest industry in Vanderhoof Forest District is shaped by external conditions and events, particularly as they affect US lumber markets and the competitiveness of BC producers. For the most part, the trends for lumber products have been downward, and there are few signs the industry will regain its position as the province’s leading economic sector any time soon. An eventual recovery in the US housing market may stabilize the industry temporarily, but BC and Canada are among the worst performers in the world with dim prospects for revival (Hamilton 2009). However, on the wood processing front, Vanderhoof may be in a better position given recent investments at local mill processing facilities.

Another pressure facing the local forest industry is the future implications of the mountain pine beetle epidemic (MPB). The predicted cumulative pine mortality to 2024 as a result of the MPB is estimated at 220.9 million m³ in the Prince George TSA including:

- 91.1 million m³ in the Fort St. James Forest District;
- 75.0 million m³ in the Vanderhoof Forest District; and,
- 54.8 million m³ in the Prince George Forest District.

These forecasts are based on MPB attacking mature stands only, but MPB has also begun attacking immature pine trees as well (Ministry of Forests. 2008). To utilize the existing dead wood, the Prince George TSA has seen an uplift in the allowable annual cut from 9.2 million m³ in 2002 to the current harvest of 14.9 million m³, with the Vanderhoof Forest District going from 2.0 million m³ in 2002 to 5.9 million m³ currently (Pousette and Hawkins. 2006). This increase in harvest is forecast to result in a fall down in the AAC at some point in the future which will have implications for local logging and wood processing employment.

Estimates range from 3 to 40 years for the shelf-life of the dead wood before it can no longer be feasibly utilized in area sawmills. In the current timber supply review for the Prince George TSA, the base case is utilizing a shelf life of 15 years, which is the average period identified from various studies (Ministry of Forests. 2008). It is speculated that in this period around when the timber can no longer be utilized that the AAC will begin declining.

Despite the pessimism, opportunities in value-added products continue to exist, and emerging technologies in bio-energy and bio-refining could be future areas of expansion; however, commercialization of these technologies is still in its infancy. In work done for the Omineca Beetle Action Coalition on how to deal with the considerable volume of dead pine, in the region there is discussion on moving forward in the near term regionally on this opportunity (Timberline Natural Resource Group. 2008). Locally, BID Group is working on plans to build a pellet plant in Vanderhoof in conjunction with their reman plant at Vanderhoof Speciality Wood Products.

5.2 Mineral and Mining Resources

5.2.1 Profile

Mining has a long history in the Bulkley Nechako region and there are currently two large operating mines in the region, including the Endako Mine and the Huckleberry Mine. The Endako Mine is located 95 kilometres west of Vanderhoof and is an open pit molybdenum mine employing approximately 250 workers; meanwhile the Huckleberry Mine is located 120 kilometres south of Houston and is an open pit copper/molybdenum mine employing a further 250 people (BC Ministry of Energy and Mines. 2009). However, these two mines do not appear to have translated into noticeable mining employment in Vanderhoof and Area in recent years, as direct employment in the 2006 Census identified 10 mining workers.

Exploration activity has been growing in recent years with increased exploration expenditures locally. In 2001 only \$7 million was spent on exploration in the North-Central Mining Region.⁴ This climbed each year until 2007 when it reached \$95 million (BC Ministry of Energy and Mines. 2009). Currently, several significant exploration projects are underway in Vanderhoof and Area including:

- TTM Resource Inc.'s Chu molybdenum prospect located 80 kilometres southwest of Vanderhoof;
- Quest Resource Ltd is working on its Capoose-Silver Trend property, a silver-gold deposit located 142 kilometres from Vanderhoof;
- Leeward Capital Corp has undertaken drilling on its Nithi Mountain molybdenum deposit located 75 kilometres west of Vanderhoof; and,
- Porpoise Bay Minerals is undertaking preliminary work on their Hoof project looking for magnesium and nickel, and it is located 20 kilometres south of Vanderhoof.

These projects may hold opportunities for future mining development in the local area. In addition, the Mount Milligan project will likely create economic benefits for Vanderhoof. Mount Milligan is forecast to create 700 construction jobs and have a mine life in excess of 15 years. At full operation a further 400 workers would be employed. Recently this project received its environmental certificate and continues to move towards start-up. (BCMEM. 2009) Furthermore, the Federal Government has agreed to invest in

⁴ Vanderhoof is located in the North-Central Mining Region, the Endako Mine and Huckleberry Mine are in close proximity but are located in the Northwest Mining Region.

road upgrades that connect the mine site to Fort St. James and position Vanderhoof as one of the strategic local service centres to the mine. As part of Terrane’s environmental assessment submission, Terrane outlined their intention to use local and regional suppliers and that they recognized the importance of creating local employment opportunities and economic benefits where possible (AMEC. 2008).

Table 5-2 Minerals and Mining

Labour Force (2006)		Percent of Total Community Income (2006)	
Mining Labour Force	10	0%	
Total Labour Force	4,095	Operating Mines	
Mining as a Percent of Total	0.2%	Endako Mine (molybdenum mine)	95 km west
		Mineral Exploration Projects	
		• Chu project (in EA)	• Capoose-Silver
		• Nithi	• Hoof
		• Mount Milligan (recently completed EA process)	

5.2.2 Development Issues

Mineral exploration and development activities are expected to continue in the area due to rising commodity prices and promising geology locally. The four exploration projects located around Vanderhoof will continue to be explored and it will take more effort to determine if any of these sites will proceed to development, with all projects requiring additional planning and feasibility work prior to the development of a new mine. With Mount Milligan successfully completing the environmental process, it is the closest to developing a new mine. The close proximity of the TTM Resource’s Chu prospect and its early plans for a “viable open pit mine” operating for 31 years could hold significant economic opportunity for Vanderhoof. TTM Resource has now entered into the environmental assessment phase for their Chu property.

5.3 Agriculture

5.3.1 Profile

Vanderhoof’s roots as one of the first agricultural settlements in the province go back almost 100 years. Today, extensive agricultural development occurs throughout the Nechako Valley which has become the second largest forage-producing region in BC. The main advantages of the area include its large forage capacity, abundance of favourably-priced and available agricultural land, and supportive community.

Local agriculture production consists mainly of forage crops, barley, oats and livestock on medium-sized farm operations. In 2006, there were a total of 311 farms in Area F of the Bulkley Nechako Regional District, with an average farm size of 286 hectares and a combined output (i.e. sales) of \$23.2 million. Output on a per farm basis was \$75,000; however, the large majority of farms report incomes of less than \$10,000. The average “commercial” farm would generate significantly higher revenues. The average age of farm operators in Vanderhoof and Area is 52 years.

In 2006, 215 workers (mainly farm owners and their families) were employed in agriculture, while the contribution to total community income was in the range of three percent (Table 5-3).

Table 5-3 Agriculture Indicators

Labour Force (2006)		Percent of Total Community Income (2006)..		3%
Agriculture Labour Force	215	Number of Farms (Area F RDBN)		311
Total Labour Force	4,095	Average Farm Size (Area F RDBN) (ha)		286
Agriculture as a % of Total	5.2%	Gross Receipts (Area F RDBN) (2006)		\$23.2 million
Leading Crops and Livestock				
• Alfalfa	• Tame Hay/Fodder	• Barley	• Oats	• Cattle/calves

5.3.2 Development Issues

The bulk of local production, other than forage, is believed destined for export markets. Local beef cattle producers run either a cow/calf or cow/yearling operation where cattle are sent to Alberta feedlots to be finished before slaughter. Cattle prices have experienced a steady decline throughout this decade due to intensive consolidation of Alberta slaughter capacity. At the same time, US trade policy and setbacks due to Bovine Spongiform Encephalopathy (BSE) have constrained international demand and shipments of Canadian beef. Although many operators have been reducing their herds for parts of this decade, the 2006 cattle herd in Vanderhoof and Area was 10% larger than it was five years earlier in 2001. There is some regional capacity in finishing and processing capacity for beef, with a feedlot, abattoir and two provincially licensed meat plants; going forward there are opportunities to expand this production.

Currently many ranchers and farmers in Vanderhoof and Area are finding it challenging to maintain the viability of their farming operations in this economic climate. In addition, some local farm land has recently been converted back to forest lands in carbon credit agreements, thus removing these agriculture lands for future agriculture production. This has become a concern locally as it holds the potential to erode the area’s agriculture diversity and flexibility and further impair future farming activities.

Overall, Vanderhoof and Area has large inventories of agricultural land in production with the opportunity to support local producers and small scale, integrated food production. An increasing demand for local, direct market and products produced under different production systems is likely to encourage growth of more specialized and small-lot food production, but to date this aspect of the industry is still in its formative stages. Through the combined efforts of the Nechako Valley Food Network, the Northern Agricultural Alliance and Northern Health, a coordinated increase in local demand and supply of food products could diversify the agriculture sector and lead to more value-added production. (Don Cameron Associates 2009)

5.4 Tourism

5.4.1 Profile

In 2006, the tourism industry in Vanderhoof and Area accounted for 8.9% of the labour force and three percent of total local income (Table 5-4). The market base for tourism is oriented towards BC (39%) and European (31%) visitors, with Alberta (4%), Other Canada (9%) and US (9%) making up the majority of the remainder. Europeans represent a much higher share of total visitors in Vanderhoof when compared to BC, and conversely, US and Other Canadians are less likely to visit. According to Tourism BC, the primary purpose of travellers was leisure, followed by visiting friends and relatives.

Table 5-4 Tourism Indicators

Labour Force (2006)		Percent of Total Community Income (2006)		3%			
Tourism Labour Force	365	Key Attractions					
Total Labour Force	4,095	• Fishing Lodges	• Kenney Dam				
Tourism as a Percent of Total	8.9%	• Nechako Valley Exhibition	• Nechako River				
		• Heritage Museum					
Origin of Visitors (2008)		Proportion of GDP Attributable to Tourism					
BC	39%	Other Canada	9%	Transportation	27%	Restaurants/pubs	27%
Europe	31%	US	9%	Food stores	13%	Clothing stores	10%
Alberta	4%	Other	8%	Service stations	15%	Car/truck leasing	75%

Source: Tourism BC (2003).

Notes: 1. The Tourism Labour Force estimate is by BC Stats for the Vanderhoof Forest District. It represents most of the accommodation industry labour force as well as portions of the food and beverage, transportation and retail trade labour forces outlined in Table 4-1.

2. GDP (Gross Domestic Product) is the market value of goods and services produced in a given area and given period, less the cost of goods and services utilized in production. Source for tourism-related GDP (BC) is BC Stats.

5.4.2 Development Issues

The strengths and advantages of Vanderhoof are associated with the outdoor landscape of the Nechako Plateau and the many lakes and streams that draw in anglers and other outdoor adventure enthusiasts from around the world. The on-going development of a local trail system in town, extensive cross country ski trail system, unique cultural-heritage, strong agricultural sector and four distinct seasons support year-round activities. In addition, Vanderhoof also benefits from the many events, particularly sporting events, that take place in the community throughout the year and that contribute to the accommodation and food service sector locally. As the geographic centre of the province, the community is reasonably accessible from major population centres.

In spite of its natural and historical assets, Vanderhoof and Area, like many rural areas in BC, does not have the built-in attractions or services to draw in more travellers and hold them for extended periods. Enhanced shopping opportunities, greater accommodation options, improved visual appeal and more destination attractions with a stronger appeal to visitor markets would help tourism replace some the lost jobs in the important resource sector. An expansion of First Nations tourism products would also assist with development.

Environmental protection is also a challenge for the region, as the continued viability and productivity of the Nechako River and other streams and lakes are critical to angling and other nature-based tourism products.

5.5 Manufacturing

5.5.1 Profile

In 2006, 750 workers were employed in Vanderhoof and Area’s manufacturing sector, accounting for more than 18% of the total labour force. Four out of every five of these workers were engaged in wood manufacturing, while the other 20% were involved mainly in machining and metal fabrication or construction products. Much of the non-wood manufacturing activity is undertaken in support of the primary resource industries and in Vanderhoof is primarily focused on the forestry and mining industries.

Manufacturing jobs are critical to the local economy because they are high-paying and create community wealth through the export of production. The 2009 business license registry for the District of Vanderhoof identifies seven manufacturing firms, two additional firms in retail and contracting that generate significant value added, and three wood manufacturing firms and are outlined in Table 6-5 (District of Vanderhoof, 2009). The list also includes P & H Supplies which is involved in trailer manufacturing.

Table 5-5 Manufacturing Indicators

Labour Force (2006)		Percent of Total Community Income (2006)	
Wood Manufacturing	600	30% (e)	
Other Manufacturing	150		
Total Manufacturing	750		
Total Labour Force	4,095		
Man. as a Percent of Total	18.3%		
		Employers	
		<ul style="list-style-type: none"> • Canfor • JW Woodcraft • Nechako Lumber • Northern Monumental • L&M Lumber • Vanderhoof Machine Works • P & H Supplies 	<ul style="list-style-type: none"> • J W Machine Works Ltd • J & L Custom Cabinets • Nechako Manufacturing (Bid Group) • Nechako Redi-Mix • Premium Pellets Ltd. • Shaper Sheet Metal

Note: 1. Manufacturing employment estimates have been previously listed for forestry and are aggregated here to provide a manufacturing total.

5.5.2 Development Issues

Driving change in manufacturing are the increasing integration of global markets, the increasingly rapid adoption of new technologies and innovation in the evolving supply chain relationship. The decline of the forest manufacturing base in the province is a sign that past success in the industry is no guarantee of future success. For communities like Vanderhoof, maintaining the manufacturing base is critical because it is the main source of community wealth and prosperity.

According to the BC Competition Council, the key areas where BC manufacturers need to improve include building a cohesive industry vision at the provincial level, investment in worker training, R&D

investments and tax reform (BC Competition Council 2006). The government's HST pronouncement earlier this year has been endorsed by the BC Business Council and the Canadian Manufacturers and Exporters, and may improve the competitiveness of local manufacturers as well. However, municipal tax policy, infrastructure systems (e.g. telecommunications, highways, airports, ports) and access to training are still seen as areas where the business climate could be improved in the province.

On a local level, Vanderhoof has available land with access to rail, port and air services, as well as abundant power and natural gas supplies which allows for many different forms of manufacturing investment. Further improvements to the highway system, the electrical grid, ports and telecommunications capacity have all been identified as priorities. (DPRA 2008)

5.6 Services and Trade

5.6.1 Profile

In economic base analysis, the majority of trade and service activity is aggregated into the non-basic sector, which does not create wealth (i.e. does not bring in income from the outside through export activities) but instead caters to local residents. Even so, the non-basic sector is important because it drives the multiplier effect by keeping basic sector income circulating throughout the local economy and is a major factor in drawing new residents and investment.

Vanderhoof has a relatively small service and trade sector due to the sparse population base and proximity to Prince George, which acts as the service centre for northern BC. In 2006, more than 49% of the Vanderhoof workforce was employed in the retail and service sectors (excluding the accommodation and food and beverage sectors). This percentage is slowly expected to increase in the future as the economy loses goods-producing jobs in the forestry sector.

Except for public services such as education, health, and government offices, the trade and service industries are supported primarily by the spending of the primary (e.g., logging, mining), manufacturing, and tourism industries and their employees. Public services are supported by transfer payments from senior governments, as well as local property taxes. Major employers include School District #91, the Northern Health Authority, which operates St. John's Hospital, as well as several other care facilities in the community, Vanderhoof Coop, Avison Management and the District of Vanderhoof.

Table 5-6 Services and Trade Indicators

Labour Force (2006)		Percent of Total Community Income (2006)..	21%
• Trade	455	Trade Area Population	~23,000
• Transportation	165	Major Employers	
• Education	355	• School District #91	• Avison Management
• Health	290	• Northern Health	• District of Vanderhoof
• Other	555	• Vanderhoof Coop	• College of New Caledonia
Total Services and Trade	1,820		
Total Labour Force	4,095		
Percent of Total	44.4%		

Note: 1. Excludes accommodation and food services (i.e. tourism).

5.6.2 Development Issues

Development trends in the retail, service, and public sectors are highly correlated with population growth because they depend on local demand and spending. Historically, Vanderhoof and Area has lagged behind the robust population growth of the Lower Mainland, and BC Stats is anticipating this lag to continue going forward. The most critical influences driving future population will be firstly the performance of the forestry and public administration sectors, and secondly other resource activities , including mining, tourism and agriculture.

New sources of growth from amenity migration, retirement living, telecommuting businesses, and footloose service industries could help diversify growth patterns. In Vanderhoof, an attractive quality of life, reasonable cost of living, low real estate prices, proximity to Prince George and available development lands are advantages that could be the foundation for future investment and employment growth.

Important trends in the trade, commercial, and public services sectors include the following:

- ▶ The aging population and increasing ethnic and racial diversity are changing buying power and roles. Large regional centres with strong shopping clusters will continue to draw spending from small communities like Vanderhoof.
- ▶ The aging population is also giving impetus to the amenity migration phenomena, where people move, either permanently or part-time, to places principally because of their actual or perceived higher environmental quality and cultural differentiation. Communities that are able to appeal and attract the “retirement” or semi-retirement cohorts will have an added element of diversification in their economies.
- ▶ Downtown revitalization efforts have been successful at attracting new investments and development into town centres that over the last 30 years have lost much of their tenancy to suburban and highway-oriented malls.

- ▶ Retail space is expected to grow more slowly than in the past and in more localized developments close to new residential/population growth. There will be a corresponding decline in super regional retail development. Some of this new space will be in redevelopments.
- ▶ As many as 60 percent of all new businesses are believed to be started at home. The percentage is even higher for female-owned business start-ups. The advance of telecommunications technology has made it much easier for many businesses, particularly in the professional fields, to operate out of their homes (and in smaller communities).
- ▶ Government policy, administrative, and budget changes have centralized many health services since 2001, and while this has created access issues for very small communities, it has also benefited regional centres with a critical mass of services and population.
- ▶ The declining birth rate and school age cohorts are expected to lead to school closures in the years ahead. This could destabilize some communities and neighbourhoods.

6 COMMUNITY ASSETS

Community Asset Mapping (CAM) is a tool for identifying a community's assets that could be utilized for sustainable development. It is based on the principle that a community is more likely to mobilize its citizens and create positive change by focusing on its strengths and capacities, instead of its deficiencies and problems.

Assets include broadly recognized attributes and advantages that bring wealth and stability to a community. As such, they are things the community would want to sustain, expand and diversify for future generations. Most people would recognize important resources and built assets. Few realize the human and organizational capital that is equally important for positive community change.

The following assets are listed into four major groups:

- ▶ **Natural:** inherent biophysical features, including natural resources and animal life.
- ▶ **Infrastructure:** human-built facilities meant to support socio-economic activities.
- ▶ **Economic:** characteristics contributing to the production or consumption of goods and services.
- ▶ **Socio-community:** elements contributing to the human context, including services, organizations, associations and networks that define the social fabric and sense of community.

One of the major advantages of recognizing these assets is that it provides insights into real opportunities for future development and how they might be managed and implemented by the community, for the community. Rather than viewing community economic development from a top-down, outside-in perspective limited to the application of land (and resources), labour and capital, CAM acknowledges a more expansive definition that includes the potentially valuable contribution of social networks and organizations. For small and rural communities, this is the key to developing a bottom-up, inside-out approach that does not rely on interventions by senior governments or the necessity of large developments.

Natural Assets

- | | |
|---|--|
| <ul style="list-style-type: none">• Location (nearness to Prince George)• Nechako River• Agricultural land• Mineral resources (molybdenum, gold, copper)• Timber (pine, spruce, fir, deciduous)• Recreation resources (lake, river, land-based)• Nechako White Sturgeon (recovery initiative) | <ul style="list-style-type: none">• Geographical Centre of the province• Ecological quality• Fish and wildlife• Nechako Migratory Bird Sanctuary• Viewscapes and visuals• Parks and protected areas |
|---|--|
-

Built Facilities and Infrastructure

- Junction of highways 16 and 27; 95 kms from Highway 97, BC's main highway linking Vancouver with the Yukon and Alaska
- Significant highway traffic volumes
- Affordable but limited available housing
- Vanderhoof airport (1529 metre asphalt runway, lighting & GPS upgrades)
- Access to the Port of Prince Rupert - container and bulk loading capabilities
- Access to container loading facilities (95 kms away)
- Saik'uz First Nation: general store, church, band office/training centre, community hall, Elders' centre (Potlatch House), adult education centre, multiplex, sports field, picnic site, RV Park (with showers, water, sani-station, cabins and boat launch)
- St. John Hospital
- Light & heavy industrial land; downtown, highway & airport commercial and development property; residential lots and subdivision lands
- Reasonable land costs
- Utilities (electrical, gas, water, municipal services)
- Telecomm services
- Access to international air cargo handling facilities (under development in Prince George)
- College of New Caledonia campus
- Vanderhoof Riverside Park & Campground, , Nechako Community Museum, Nechako Valley Exhibition Grounds, Spray Park, Community trails and parks
- Vanderhoof arena, curling rink, BMX park, premier playing field with six-lane track and stadium, sports fields, tennis courts, ball diamonds, municipal golf course, bowling alley.

Economic Assets

- Transportation services (rail - passenger & freight – reasonable access to container loading facilities on the Prince Rupert to Chicago corridor; road - passenger & freight; air - charter services)
- Available labour
- Viable downtown
- Operating molybdenum mine in area
- New potential development projects (mines)
- Cluculz Lake Livestock Association, Dairyman's Association, Fort Fraser Livestock Association, Nechako Valley Regional Cattlemen's Association, Northern BC Quarter Horse Association, Sinkut Mountain Cattlemen's Association, Yellowhead Draft Horse Association, BC Trappers Association
- Vanderhoof Chamber of Commerce and Tourist Information Centre
- Available capital (banks - CIBC, RBC, Integris Credit Union, CFDC, Northern Development Initiative Trust, Nechako Kitimat Development Fund)
- Reasonable labour costs
- Low development costs
- Home-based enterprises
- Fabrication and equipment manufacturing companies (furniture, agriculture, forestry, mining)
- Forestry cluster: Canfor Plateau sawmill, L & M Lumber, Nechako Lumber (planer mill), Premium Pellet plant, Vanderhoof Specialty Wood Products finger joint plant, forestry consultants, Ministry of Range & Forests District Office
- Agricultural Centre: dairy, beef farms and ranches, equipment dealers, fertilizer and supplies, abattoir, feedlot, bees, fruit and vegetables, egg and poultry

Note: CFDC-Community Futures Development Corporation

Socio-community Assets

- High quality of life
- Neighbourliness
- Available housing
- Park space
- Religious organizations (19 churches)
- 3 rural Community Halls
- **Arts and Culture Clubs:** Nechako Valley Arts Council, Nechako Valley Festival of the Performing Arts, Nechako Valley Historical Society (museum), Northern Orchestra, Nechako Valley Concert Committee, Vanderhoof Children's Theatre, Vanderhoof Community Theatre Society
- **Education:** College of New Caledonia (adult education from literacy to university transfer including vocational and professional development), E-Bus Academy (distance learning via computers for K-12), Free Public Internet Access (Vanderhoof Public Library and Community Futures), Nechako Learning Centre (up to Grade
- First Nations, diversity
- Safety
- Good participation in community events
- Affordable rents
- Volunteerism and community ethic

- 12 education for adults), School District #91 (4 elementary schools, 1 high school, 1 alternate high school), Strong Start Outreach (drop-in early learning program), 4 private schools (offering Grades 1 to 12 in a Christian environment), Vanderhoof Public Library
- **Social service agencies:** Nechako Valley Community Services Society, NeighbourLink (food bank plus assistance to those requiring it), Carrier Sekani Family Services, Hospice / Palliative Care, Meals on Wheels, Omineca Safe Home Society (women and children), Big Brothers and Big Sisters
 - **Clubs and community groups:** Nechako Quilter's Guild, Community Kitchen, Community Garden, Elks, Kinettes, Kinsmen, Knights of Columbus, Legion, Masonic Lodge, Northside Women's Institute, Order of the Eastern Star, Rotary, Sinkut Women's Institute, Boy Scouts, Girl Guides, Air Cadets, church youth groups, 4-H Clubs (five clubs)
 - **Health:** Northern Health Authority (Mental Health Services, Northern Interior Health Unit (home care, long term care, community nursing services), BC Ambulance, St. John Hospital (33 beds, emergency medical services), Health Station (Saik'uz First Nation), Alcohol and Drug Services, Nechako Valley Community Services Society (counselling & support services for children and teens and services to individuals with mental challenges), Northern Health Connections (a bus service for patients needing to travel for out-of-town medical appointments in northern BC and between Northern BC and Vancouver)
 - **Emergency Services:** Police - RCMP, Nechako Valley Search and Rescue, Vanderhoof Volunteer Fire Department, Vanderhoof Volunteer Extrication Society, Crimestoppers, Citizens on Patrol, St. John Hospital
 - **Seniors:** Nechako View Seniors Home Society (independent living), Nechako Senior Friendship Centre, Riverside Place (assisted living), Stuart Nechako Manor (long-term care)
 - **First Nations:** Saik'uz First Nation, Carrier Sekani Tribal Council
 - **Recreation and Sports:** Omineca Golf Course, Vanderhoof Flying Club, Highpoint Hikers, Vanderhoof YMCA, Curling Club, Nechako Valley Sporting Association (offers Nordic Skiing, biathlon, trapshooting, sporting clays, practical pistol, large bore rifle, silhouette shooting, CORE training, archery and has an active fish and game section, maintains some of the many trails in area), Nechako Valley Archers, ATV Club, badminton, basketball, baseball, figure skating, Tracks and Treds (snowmobile and ATV club), hockey, martial arts, racquetball, rugby, speed skating, soccer, squash, tennis, volleyball clubs and leagues.

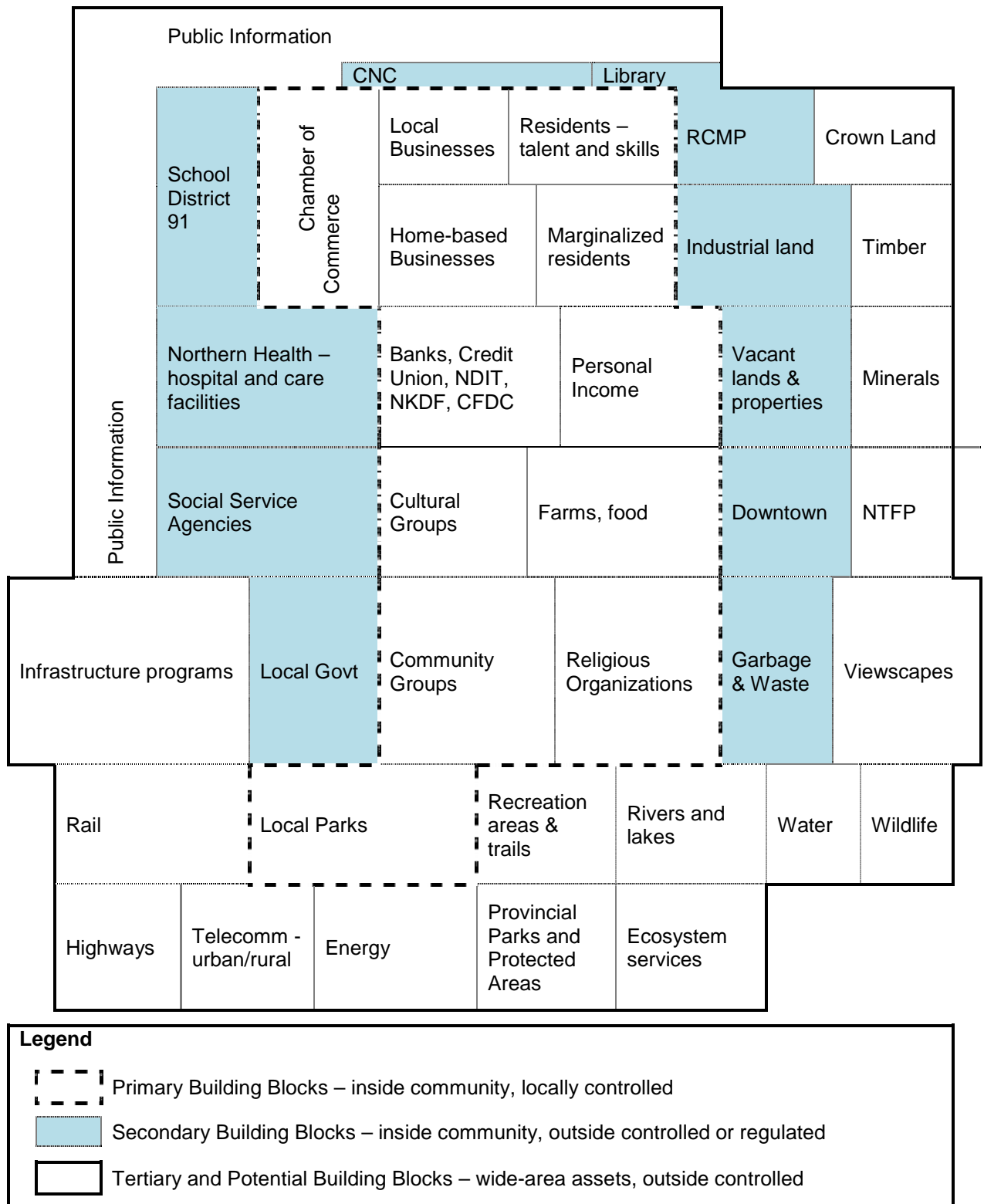
Source: Vanderhoof Chamber of Commerce and District of Vanderhoof websites.

A “map” of community assets is shown in Figure 7-1 —it is not meant to identify the spatial coordinates of assets but rather how they are clustered according to the extent of local control and therefore their capacity for generating local courses of action. The basic building blocks constitute assets that are locally controlled, primarily for use by residents, local businesses and local organizations and represent core internal assets.

The secondary building blocks comprise of important local services such as health and education that are locally based, for are either regulated or controlled externally. The tertiary assets are regional or provincial in nature (for example major transportation infrastructure such as rail and highways) and for the most part are controlled by external decision-making.

The issue of control is elementary to the building block concept and its role in economic development practice for small, rural communities. Projects or initiatives that focus solely on the tertiary assets often are unsuccessful first because they rely on external decision-makers who may not have local development goals in mind, and second because not enough primary and secondary building blocks have been developed to the extent they can influence external decision-making. By working inside the primary building blocks and graduating outward, local resources can evolve the linkages, partnerships and alliances that will provide benefits from all community assets.

Figure 6-1 Vanderhoof and Area Community Asset Map



Source: Adapted from McKnight and Kretzman (1996).

7 FUTURE DEVELOPMENT SCENARIOS

7.1 Overview

This section presents two development scenarios that are meant to illustrate the potential effects of a community-based economic development program that is supported throughout a 20-year period ending in 2028. The base year is 2006, the latest available year of annualized data. The four indicators used are population, population age characteristics, labour force and municipal revenue share, which can be used to demonstrate community stability and are readily measurable using standard data sets. The first three indicators (population, population age characteristics, and labour force) are presented for Vanderhoof and Area, while municipal revenue projection is presented for the District of Vanderhoof.

The definitions of these two possible futures are as follows:

- ▶ The **Base Case** is effectively the Status Quo as defined by BC Stats' population projections and change in age characteristics for the Nechako Local Health Area. Vanderhoof and Area made up approximately 52% of the population of the Nechako LHA in 2006. The labour force projections are based on the LHA age characteristics and the provincial labour force participation rates. The probable change in the municipal tax base tracks historical trends into the future and is based on our own projections (BC Stats. June 2009). Put differently, the Base Case is anticipated to happen in the future if the District affirms BC Stats' assumptions (and biases) about the region and does not institute any community economic development initiatives.
- ▶ The **Growth Scenario** is based on the Vanderhoof OCP's modest population growth forecast of 1% and our prediction of the future trends for the selected indicators based on the implementation of a modest, but continuous and strategic, economic development plan over the planning horizon of 20 years. The objective of this strategic planning would be orderly and acceptable growth aimed at a secure job base, a balanced population age distribution, and a more diversified property tax base all leading to a healthy and sustainable community.

The scenarios are not forecasts. A forecast is about a single future, while scenarios are about alternative descriptions of the future based on different planning approaches. Scenarios are most useful when dealing with the complexity, dynamism and increasing levels of uncertainty in today's world. They represent moving targets that the community can elect to move toward, or not.

A further description of the methodology for the scenarios can be found in Appendix B.

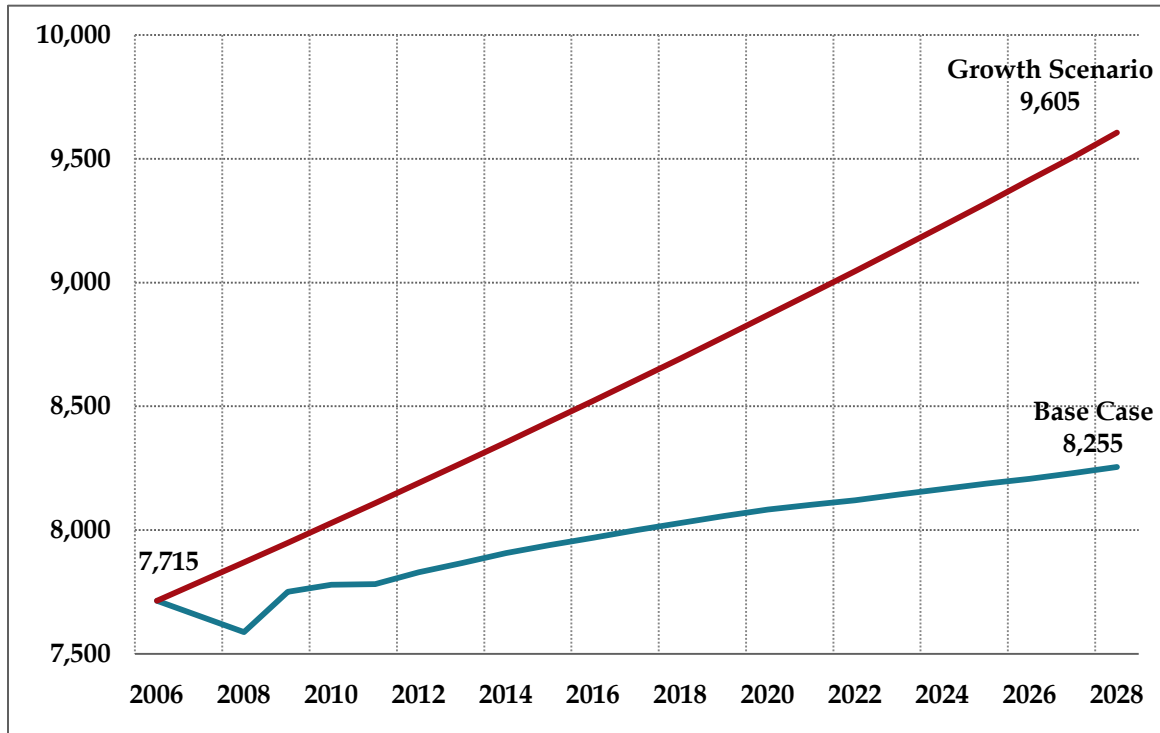
7.2 Comparison of Scenarios

Population projections for the Base Case and Growth Scenario are shown in Figure 7-1. As mentioned, the Base Case population projection mimics BC Stat's forecast of the Nechako LHA, whereas the Growth

Scenario assumes projected growth of 1% and represents the lower growth rate assumption from the Vanderhoof OCP.⁵

The Base Case Scenario suggests a population increase of 540, while the Growth Scenario would translate into 1,890 new residents. The new residents would translate into approximately 205 new housing units in the Base Case Scenario and up to 725 new housing units in the Growth Scenario.⁶

Figure 7-1 Vanderhoof and Area Population Projection, Base Case and Growth Scenario



Source: BC Stats (2009), Peak Solutions Consulting Inc.

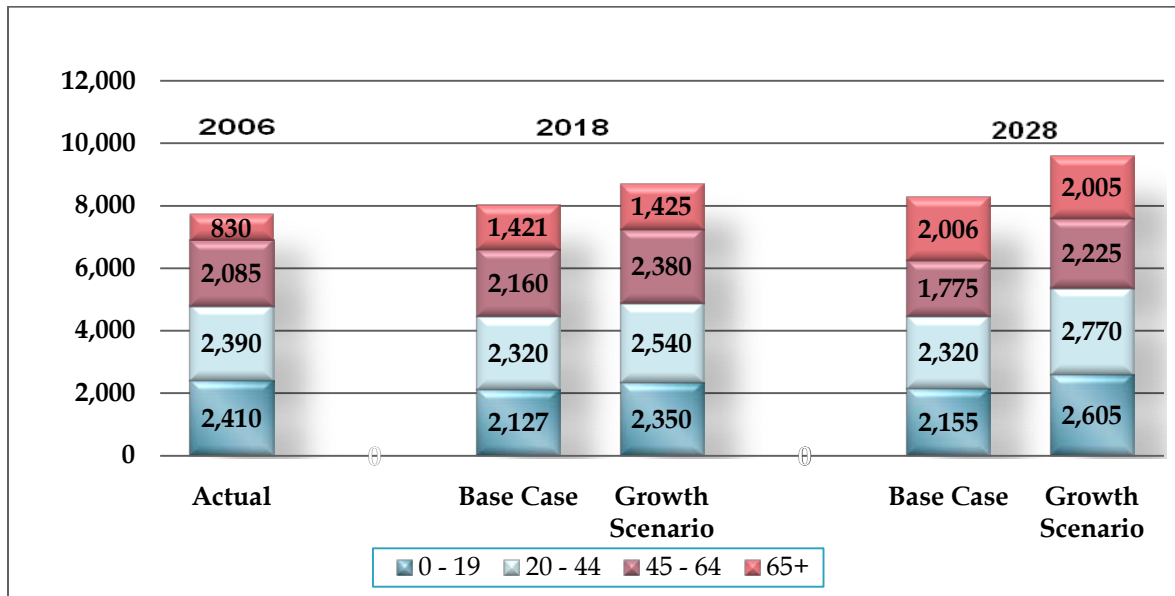
Two important outcomes of the increased population growth are anticipated to be lower average age for the community and a higher participation rate in the labour force. Projections for these two indicators are shown in Figure 7-2 and Figure 7-3, respectively.

The lower average age in the Growth Scenario is due to the influx of younger families attracted by reasonable real estate prices, a safe community with good schools and quality jobs. While retirees would grow, the share would be more balanced with the influx of new and younger residents than in the Base Case.

⁵ Since 2005 it appears that there has been a small population outflow, and given this recent event the more modest growth scenario outlined in the Vanderhoof OCP has been used as the economic development growth scenario instead of the OCP's optimal growth forecast of 2%.

⁶ The housing units associated with population growth are based on units per resident ratio of 2.6 from the 2006 Census.

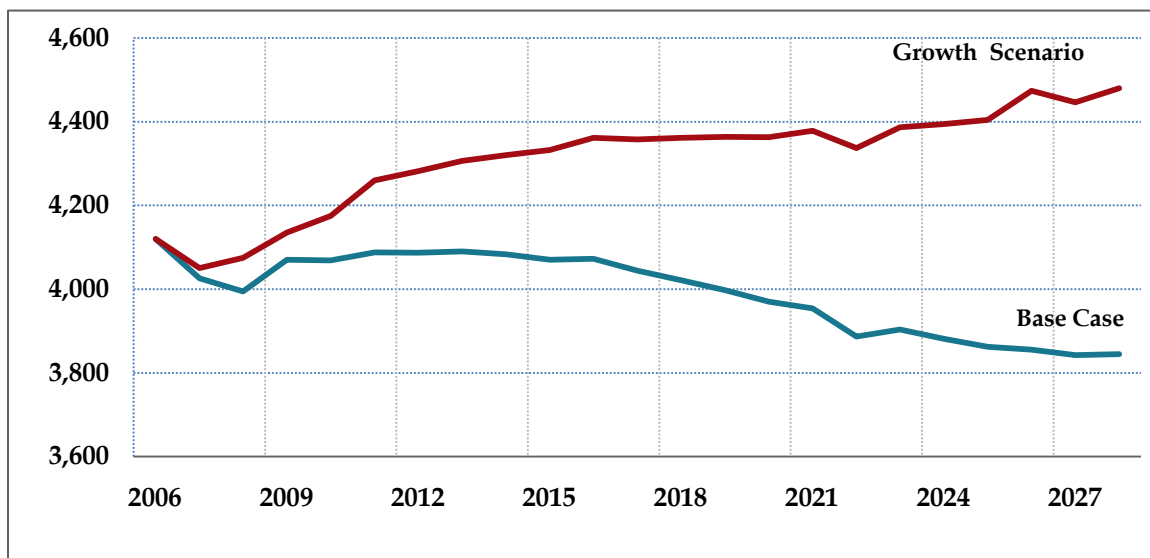
Figure 7-2 Vanderhoof and Area Population Age Projection, Base Case and Growth Scenario



Source: BC Stats (2009) and District of Vanderhoof (2005) and Peak Solutions Consulting Inc.

In the Base Case, the aging of the population results in a lower participation rate in the labour force which results in a smaller labour force in 2028, despite the increased population. So while Vanderhoof and Area grows by approximately 540 residents, its labour force could still shrink by 275 by 2028. This is not the case in the Growth Scenario, where the size of the labour force would expand because of population growth and the younger average age, which would keep a larger share of the population in the 15-65 age bracket. In the Growth Scenario, population growth of 1,890 new residents is forecast to increase the labour force by 360 over the next 20 years.

Figure 7-3 Vanderhoof and Area Labour Force, Base Case and Growth Scenario



Source: BC Stats (2009), Statistics Canada Census (2006), Peak Solutions Consulting Inc.

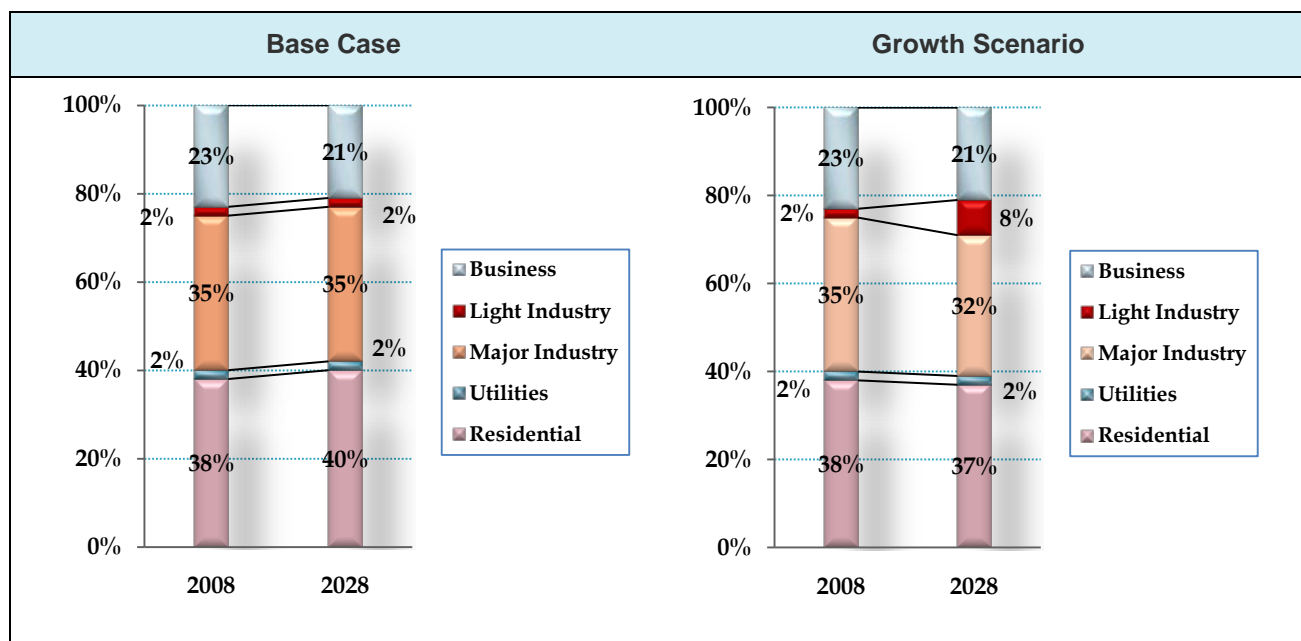
While not highlighted in the numbers above, BC Stats has forecast that over the next twenty years the participation rate in the labour force among women will increase, particularly for women between 25 and 59 years of age. At the same time the participation rates in the labour force for men in all ages over 24 years of age are anticipated to decline. (BC Stats. June 2007) If this trend is applied to Vanderhoof and Area, then women will make up a larger share of the labour force locally in the years to come.

The municipal property tax, which is a key component of the tax base for the District of Vanderhoof, has been compared to other similar sized communities in BC. Overall, the District of Vanderhoof has a well distributed tax base. Moving forward the goal would be to maintain the current distribution (Base Case) and if possible further diversify the tax base (Growth Scenario) by increasing the number of commercial and light industrial businesses inside municipal boundaries.

The residential property tax base would also increase due to the higher population and greater inventory of residential properties, but commercial development built around a more prosperous industrial and business sector with more light industrial development and the benefits of capturing new services for expanding basic sectors would also increase absorption of industrial properties to take advantage of Vanderhoof’s proximity in the region.

The premise of the Growth Scenario presented below is not simply a transfer of tax burden from one class (i.e. residential) to others, but instead an increase in overall property assessments due to increased business investments and development and the total number of businesses in the light industrial category.

Figure 7-4 Vanderhoof Property Tax Percentage Share Projections, 2008 and 2028



Source: BC Ministry of Municipal and Rural Development, Peak Solutions Consulting Inc.

7.3 Conclusions

A comparison of how indicators would change in the Base Case versus the Growth Scenario is shown in Table 7-1. In review, the population and labour force characteristics in the Base Case are those currently forecast by BC Stats for the Nechako LHA. The Growth Scenario assumes population and labour force change more in line with the modest growth scenario outlined in the District of Vanderhoof’s OCP. For property taxes, a shift in contributions from industrial and business classes is achieved not by increasing mill rates but by increasing assessed values through new development and business diversification.

For all indicators, the premise of the Growth Scenario is that the community implements targeted economic development planning that encourages the in-migration of new families and households in a form and at a pace acceptable to the community, while attracting new business investment that will expand the job base and diversify the tax base.

Table 7-1 Summary of Indicator Effects, Base Case and Growth Scenario

	Base Case Scenario	Growth Scenario
Population	Small amount of area growth (540)	Area population grows by 1% (1,890)
Age	Population ages rapidly	Population ages but at a slower rate
Labour Force	Long-term decline	Increases due to population growth and higher participation rate
Property tax Percentage shares	Small increase in residential percentage share with new households Shares remain stable	Small decrease in residential percentage share Business/industrial share redistributed due to increased number of businesses, particularly with expansion of light industrial (not higher mill rates) results in growth in percentage share.

APPENDIX A DATA TABLES

Municipal Property Tax Base

Table A-1 Table A-1 highlights the change in taxes for municipal purposes between 1998 and 2008. This is the portion of tax collected by the District of Vanderhoof for the operation of the municipal government. The local government collects revenues from a variety of other sources including grants in lieu, services provided by the government, revenues from own source, and transfers from other governments. In addition, local tax payers pay additional property taxes to the regional district, hospital, school and others as part of their overall property taxes.

Overall municipal taxes have increased over the ten year period; however, the shares between the various property classes have remained relatively stable. The primary shift has seen a slight decline in business class and residential class, while the share from the major industry and light industry classes has increased. Over the same time, the assessed values of residential and business class have declined slightly, while major and light industrial assessed values have more than doubled.

Table A-1 Vanderhoof Property Taxes, Class Proportions of Taxes & Assessments, 1998 & 2008

Property Class	1998			2008			%Change
	Municipal Taxes	% Total Tax	% Total Assess	Municipal Taxes	% Total Tax	% Total Assess	1998 to 2008
Residential	\$722,747	45%	78%	\$1,171,486	38%	73%	+62%
Utilities	\$56,106	4%	1%	\$59,921	2%	1%	+7%
Major Industry	\$345,370	22%	5%	\$1,068,071	35%	10%	+209%
Light Industry	\$1,341	0%	0%	\$58,460	2%	1%	+4,259%
Business	\$453,591	29%	16%	\$701,537	23%	15%	+55%
Recreation	\$2,656	0%	0%	\$5,514	0%	0%	+107%
Farm	\$833	0%	0%	\$737	0%	0%	-12%
Total	\$2,741,253	100%	100%	\$3,065,726	100%	100%	+94%

Source: BC Ministry of Community and Rural Development (2009), BC Ministry of Municipal Affairs (1998).

APPENDIX B SCENARIO DEVELOPMENT METHODOLOGY

Assumptions About the Base Case

The Base Case Scenario for Vanderhoof and Area extrapolates from recent historical trends, assuming they are likely to continue into the foreseeable future. The population and age characteristics are drawn from BC Stats projections for the Nechako Local Health Area (LHA 56). BC Stats forecasts the LHA will grow by approximately 7% or about 1,050 residents between 2006 and 2028. The District of Vanderhoof, Electoral Area F of the Nechako Bulkley Regional District, and the Saikuz First Nation community (Vanderhoof and Area) makes up 7,715 of 14,975 residents (52%) in the Nechako Local Health Area. BC Stats does projections for population and age characteristics by LHA to 2036.

For the labour force forecast, BC Stats has completed research on the anticipated change in the average labour force participation rates by age categories between 1976 and 2031 for BC (BC Stats. June 2007). These future labour force participations have been applied to the projected age characteristics of the Vanderhoof and Area population to determine an estimate of the future local labour force.

Property tax implications are only considered for the District of Vanderhoof. For municipal property taxes in the District of Vanderhoof, the existing shares between property classes are believed to maintain their historical share, with a small adjustment incorporated to accommodate the increased housing stock (and assessed residential property) that will result with the increase in local population.

Assumptions About the Growth Scenario

The Growth Scenario differs from the Base Case because it assumes that Vanderhoof and Area will grow at a constant rate of 1% per annum between 2006 and 2028. This represents growth of 24.5% over the 2006 to 2028 period and the addition of 1,890 residents in Vanderhoof and Area. The 1% growth rate represents the conservative growth rate outlined in the District of Vanderhoof OCP (District of Vanderhoof, 2005). The conservative scenario from the OCP has been used given that BC Stats has estimated the District of Vanderhoof has lost population between 2004 and 2006. Overall, growth of 24.5% between the 2006 to 2028 period also represents a rate more in line with the 32.6% growth forecast at the provincial level over the same period.

The age characteristics remain the same as the forecast in the Base Case Scenario; however, the additional new residents are all assumed to be in the younger age categories and have allocated equally to the three younger age categories (0 to 64 year age groups). Labour force follows the same methodology as the Base Case Scenario and is applied to the population and age characteristics of the Growth Scenario.

Like the Base Case, property tax is only considered for the District of Vanderhoof. For Vanderhoof the share of municipal property taxes by property category is assumed to remain constant; however, with the growth in population, the District will realize new property revenues, although the shares will remain

similar between the property categories. Therefore the District will see new residential property and corresponding new industrial and business properties as well. The key assumption is that the industrial growth is forecast to take place within the light industrial category with the attraction of new or expanded industrial activities.

APPENDIX C SOCIO-ECONOMIC WELL-BEING

Index Development

BC Stats, in cooperation with the social ministries, has developed a comprehensive set of over 80 indicators describing socio-economic conditions across various regions within British Columbia. However, in an effort to effectively synthesize large volumes of data across many regions, BC Stats has developed a method to summarize the various indicators into a digestible package for policy makers.

This has resulted in the development of four basic indicators of regional hardships, each being a composite of three or four variables. These four indicators have been labelled:

- ▶ Index of Human Economic Hardship;
- ▶ Index of Crime;
- ▶ Index of Health Problems; and,
- ▶ Index of Education Concerns.

Two additional indicators that highlight the “target groups” of children and youth were also developed, bringing the overall total to six indicators. (BC Stats. 2009) The socio-economic indicators have been prepared by BC Stats at the Local Health Area and Regional District geographic levels. Vanderhoof and Area is included in the Nechako Local Health Area (LHA 56) and this LHA has been used as an approximation for the Vanderhoof and Area in the economic development strategy context (See Nechako LHA map at the end of this section).

Socio-Economic Indices Composites

Table C-1 highlights the key variables that make up each of the six indices and the purpose that index is designed to address.

Table C-1 Variables Associated with Composite Indices

Composite Index of Human Economic Hardship

- **Purpose:** to measure economic hardship by region.
- **Included Variables:**
 - Percentage of population age 0-64 on income assistance >1 year
 - Percentage of population age 0-64 on income assistance <1 year
 - Percentage of seniors receiving maximum Guaranteed Income Supplement (GIS)

Composite Index of Crime

- **Purpose:** to measure the extent criminal offences committed in a region and use this as a proxy measure of the attitude of the resident population towards personal safety. The incidence of crime (or the probability that an individual will be a victim of crime), the recent increase or decrease in this incidence of crime and police strength are used to measure the perception of relative personal safety between regions.
- **Included Variables:**
 - Serious violent crime rates
 - Serious property crime rates
 - Number of serious crimes per police officer

Source: BC Stats. April (2009 update).

Table C-1 Variables Associated with Composite Indices (continued)

Composite Index on Health

- **Purpose:** to measure the comparative and mental health of the BC population by region.
- **Included Variables:**
 - Potential years of life lost due to natural causes
 - Potential years of life lost due to accidental causes
 - Potential years of life lost due to suicide/homicide

Composite Index of Education

- **Purpose:** to measure the educational well-being of the population in a particular region.
- **Included Variables:**
 - Percentage of population age 25-54 without post-secondary credentials, 2006
 - Percentage of 18 year olds who did not graduate
 - Grade 12 provincial Math exam non-completion rate
 - Percentage of students below standard in Grade 4 Reading, Writing, and Math

Composite Index of Children at Risk

- **Purpose:** to provide additional indicators on the relative well-being of the children at the regional level.
- **Included Variables:**
 - Percentage of population 0-18 on Income Assistance > 1 year
 - Percentage of population 0-18 on Income Assistance < 1 year
 - Children in care per 1,000 population 0 – 18
 - Infant mortality rate
 - Percentage of students below standard in Reading - Grade 4 and 7
 - Serious juvenile crime rates

Composite Index of Youth at Risk

- **Purpose:** to provide additional indicators on the relative well-being of the children at the regional level.
 - **Included Variables:**
 - Percentage of population 19-24 on Income Assistance > 1 year
 - Percentage of population 19-24 on Income Assistance < 1 year
 - Percentage of 18 year olds who did not Graduate
 - Total serious crime
-

Source: BC Stats (2009 update).

Overall Socio-Economic Index

The socio-economic composite indices identified above are combined to derive an overall socio-economic index. BC Stats applies a weighting to the overall socio-economic index that includes:

- Economic Hardship (30%);
- Crime (20%);
- Health (20%);
- Education (20%);
- Children at Risk (5%); and,
- Youth at Risk (5%).

For a complete discussion of the socio-economic indicators and the index development please see *British Columbia Regional Socio-Economic Indicators* prepared by BC Stats and located at www.bcstats.gov.ca.

Figure C-1: Nechako Local Health Area



Source: BC Stats.

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