

# REGIONAL CHECK-UP 2018



## WORK

Continued population and economic growth increased demand for labour and drove unemployment rate down to 5.1%.


## INVEST

BC lost some of its investment appeal, due to the cancellation of several LNG and other projects. However, business climate remained positive.

## LIVE


BC's economic growth over the past few years attracted more skilled workers. Its economic prosperity also made BC a better place to live.

### JOB CREATION



- ① KOOTENAY (+6.7%)
- ② VANCOUVER ISLAND/COAST (+5.5%)
- ③ THOMPSON-OKANAGAN (+4.6%)

### UNEMPLOYMENT



- ① NORTHEAST BC (-3.8 PPT)
- ② NORTHWEST BC\* (-1.9 PPT)
- ③ SOUTHWEST BC (-0.9 PPT)

### BUSINESS AND INVESTMENT ACTIVITY




- ① NORTH COAST (-14.4%)
- ② SOUTHWEST BC (-3.1%)
- ③ VANCOUVER ISLAND/COAST (-3.0%)

### BUSINESS INSOLVENCIES AND INCORPORATIONS




- ① SOUTHWEST BC
- ② THOMPSON-OKANAGAN
- ③ VANCOUVER/ISLAND COAST

### EDUCATIONAL ATTAINMENT



- ① THOMPSON-OKANAGAN (+4.1 PPT)
- ② CARIBOO (+3.9 PPT)
- ③ NORTHWEST BC\* (+2.9 PPT)

### CONSUMER INSOLVENCIES



- ① NECHAKO (-27.3%)
- ② VANCOUVER ISLAND/COAST (-17.1%)
- ③ CARIBOO (-16.3%)

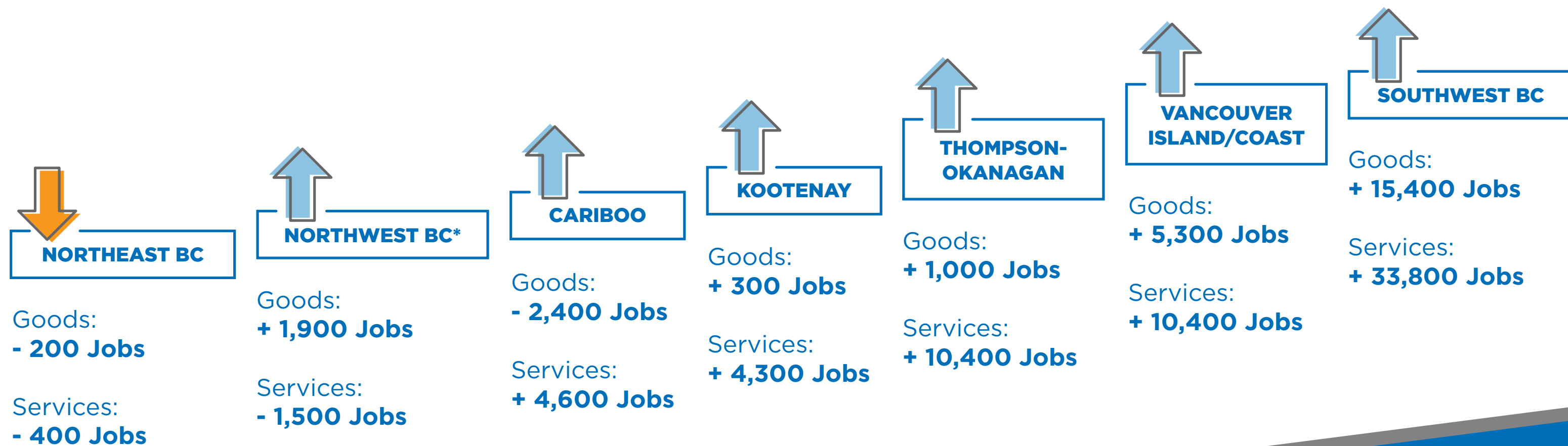
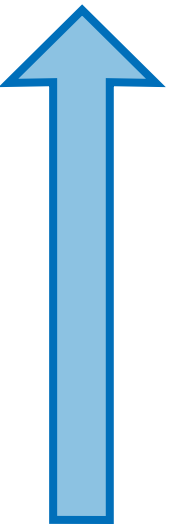
\*NORTHWEST BC is made up of the Nechako and North Coast development regions.

# JOB CREATION

Job creation points to the number of jobs created or lost in a year. It indicates whether the economy is expanding or contracting.



BC'S EMPLOYMENT GREW BY  
**87,300 JOBS**  
 IN 2017, REACHING A TOTAL OF  
**2.47 MILLION**



Gains were largely driven by real estate and consumer spending activity.

## HIGHLIGHTS



THOMPSON-OKANAGAN'S labour market expanded to 259,700 jobs in 2017, a new record for the region.



SOUTHWEST BC accounted for the majority of job gains in BC, largely due to housing and consumer spending activity.



NORTHEAST BC was the only region to experience an overall job loss in BC, as it continues to be impacted by stalled oil and gas and other resources based projects in the region.

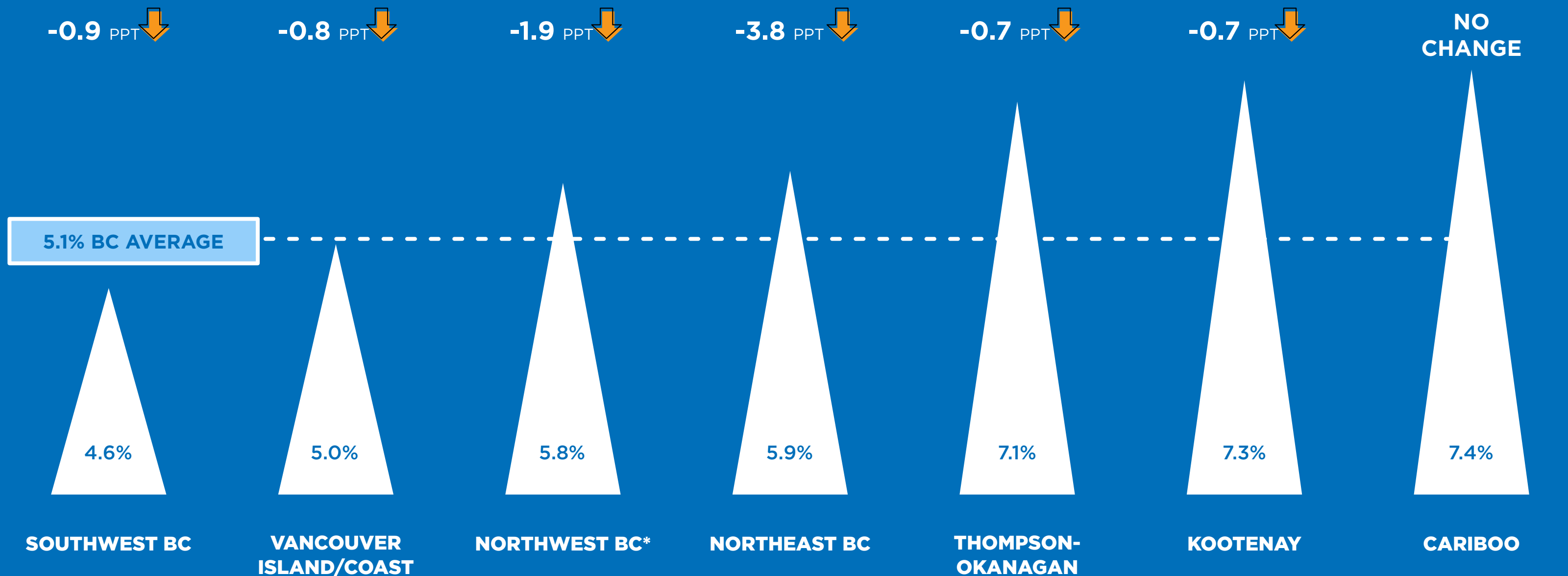
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# UNEMPLOYMENT

Unemployment rate is defined as the share of the workforce that is unemployed while actively seeking employment and willing to work.



BC'S UNEMPLOYMENT  
**RATE**  
**FELL TO 5.1%**



\*NORTHWEST BC is made up of the Nechako and North Coast development regions.

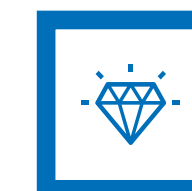
## HIGHLIGHTS



Only CARIBOO'S unemployment rate remained the same, while other regions saw declines in the unemployment rate.



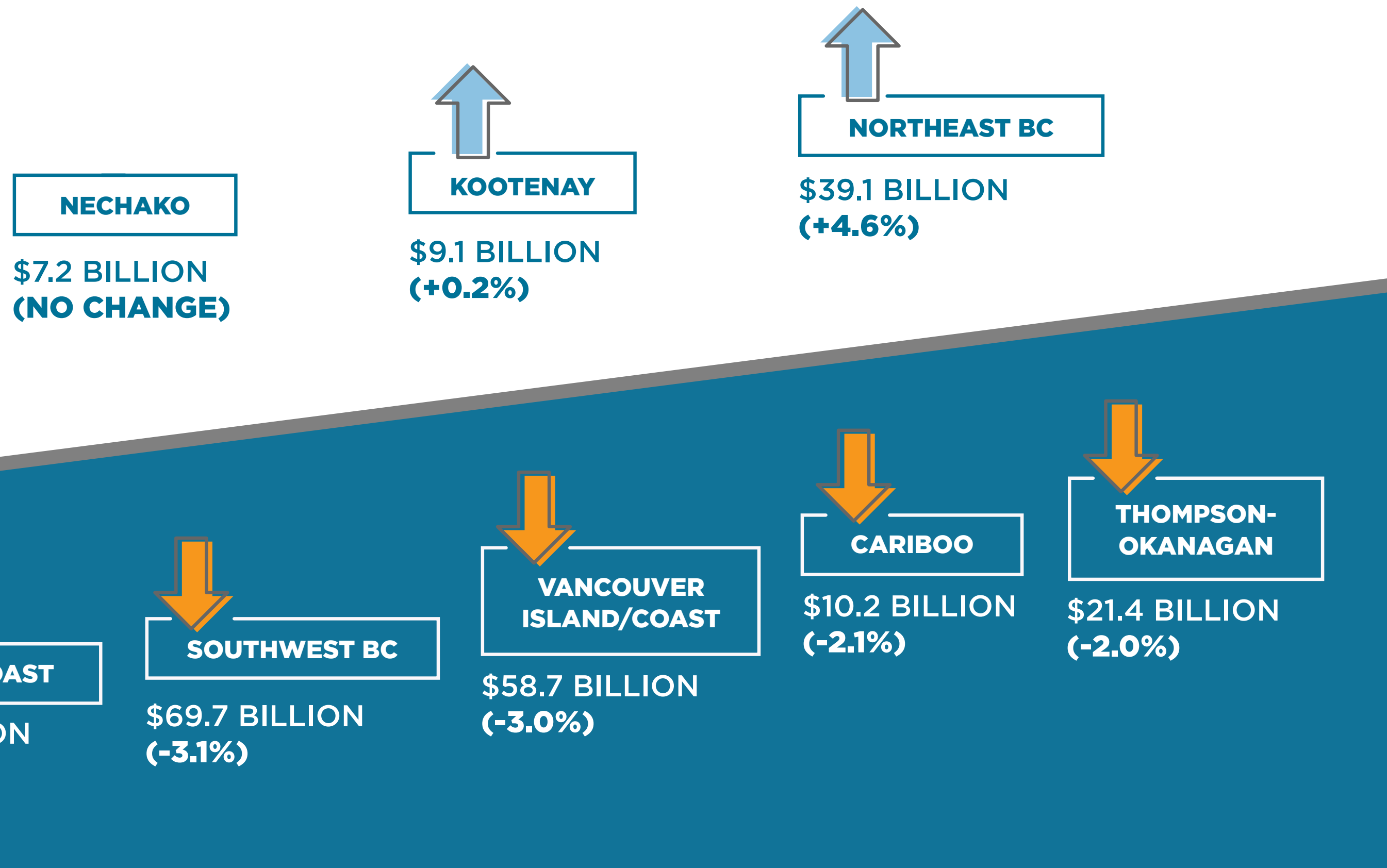
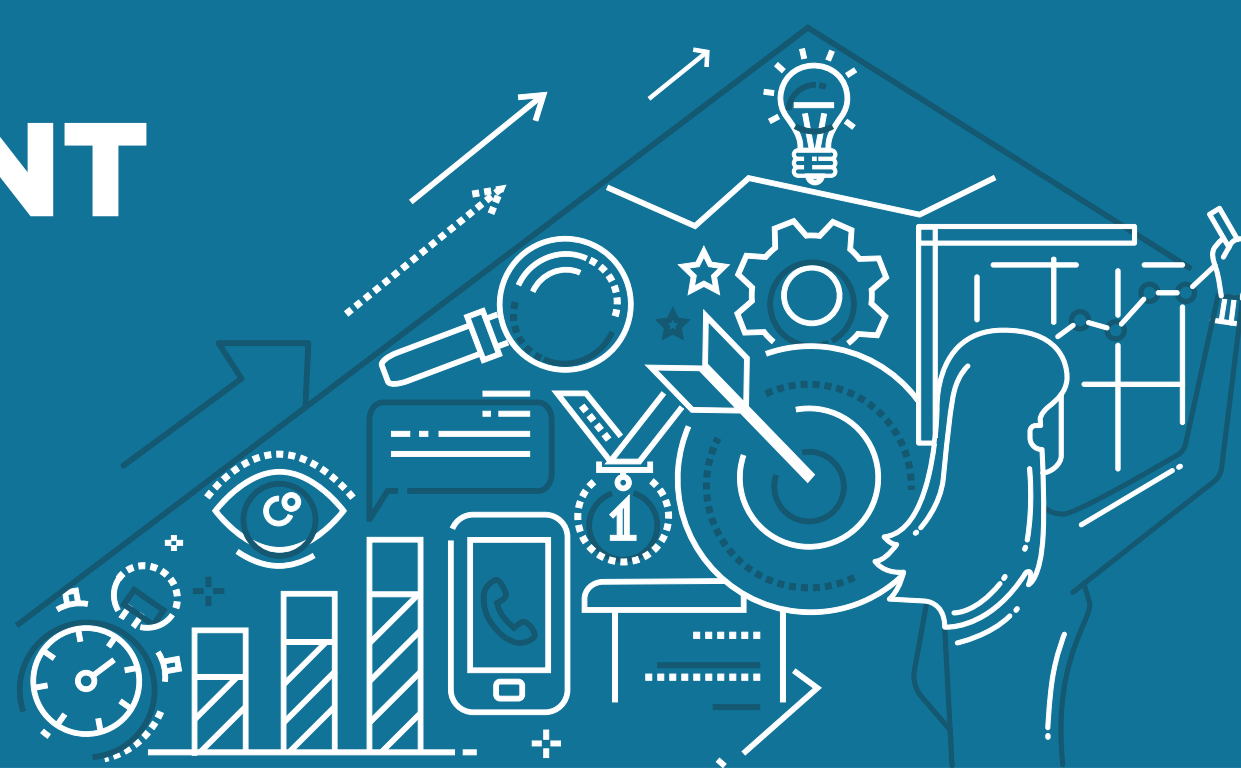
SOUTHWEST BC AND VANCOUVER ISLAND/COAST'S unemployment rates are below the provincial average.



NORTHEAST BC saw the largest decline in its unemployment rate, from 9.7% to 5.9%. This is likely due to an exit of workers from the labour force, as the region experienced an overall job loss in 2017.

# BUSINESS AND INVESTMENT ACTIVITY

Capital investment lays the foundation for economic productivity. This in turn ignites long-term job creation and economic development.



## HIGHLIGHTS

### MAJOR PROJECT ACTIVITY IN BC

TOTAL COST OF ALL MAJOR PROJECTS  
**\$402.6 BILLION (-8.0%)**

**40** NEW PROPOSED PROJECTS WORTH  
**\$1.67 BILLION**

THREE PROJECTS WORTH \$10.6 BILLION IN TOTAL WERE CANCELLED IN Q4 2017:

- ① MALAHAT LNG
- ② PRINCE RUPERT LNG
- ③ BC LNG

### OTHER INVESTMENT ACTIVITY IN BC



Capital investment in non-residential construction:  
**\$1.6 BILLION (+4.8%)**



Venture capital investment:  
**\$646 MILLION (91 DEALS)**

# BUSINESS INSOLVENCIES AND INCORPORATIONS

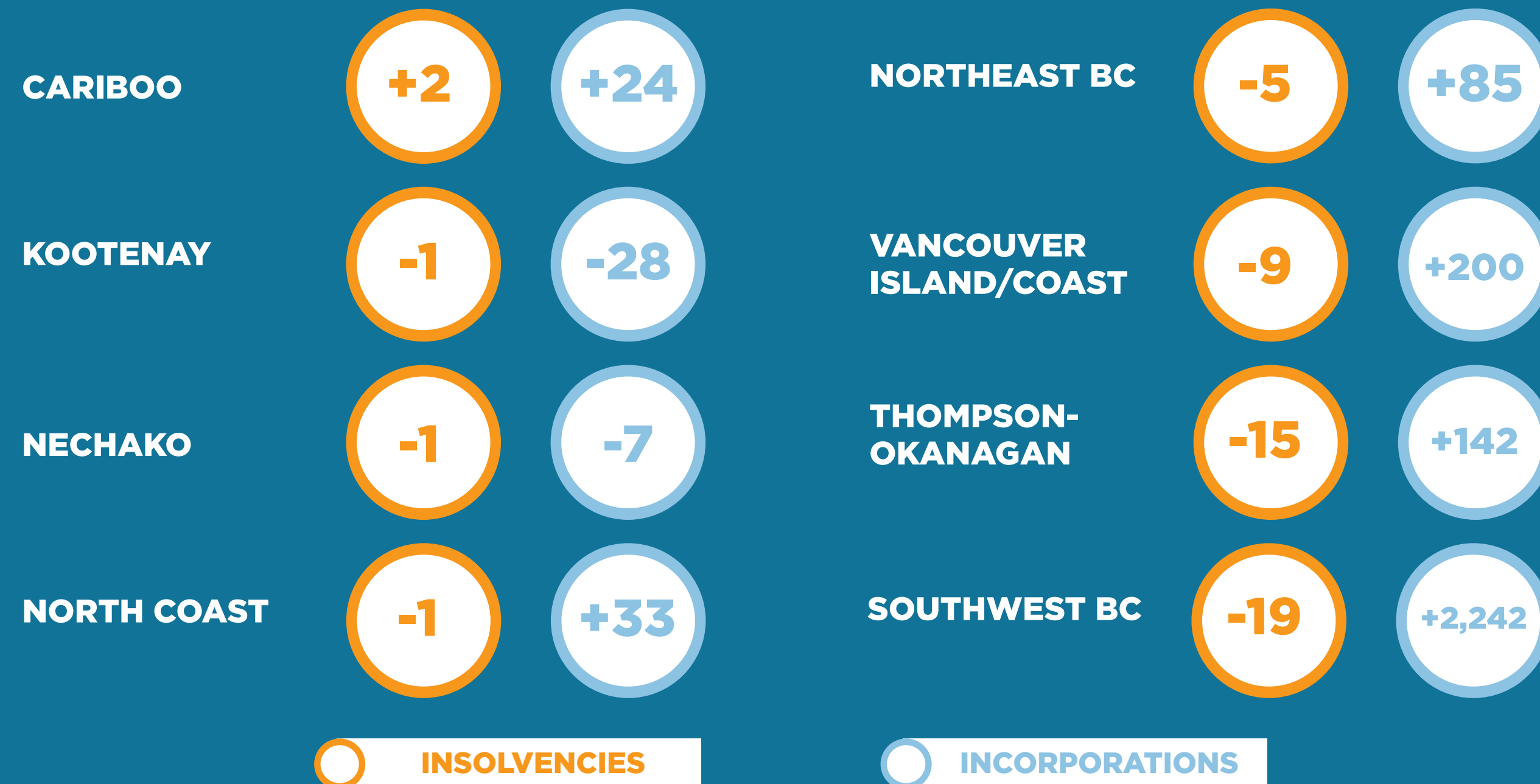
The trend in the number of business insolvencies and incorporations is an indicator of investment and market conditions for entrepreneurs.



**BC BUSINESS INSOLVENCIES**  
**FELL BY 27.1%**  
**WHILE BUSINESS INCORPORATIONS**  
**INCREASED BY 6.2%**  
**INDICATING A MORE STABLE CLIMATE**

## NUMBER OF BUSINESS INSOLVENCIES VS. BUSINESS INCORPORATIONS

(Change in Number of Reports 2016 - 2017)



## HIGHLIGHTS



**NORTHEAST BC** has had its ups and downs in terms of business incorporations, due to economic fluctuations, but business insolvencies have remained relatively low, indicating some stability.



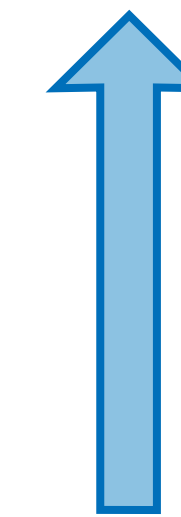
The challenges faced by **CARIBOO'S** forestry industry in 2017 may have contributed to the increase in business insolvencies.



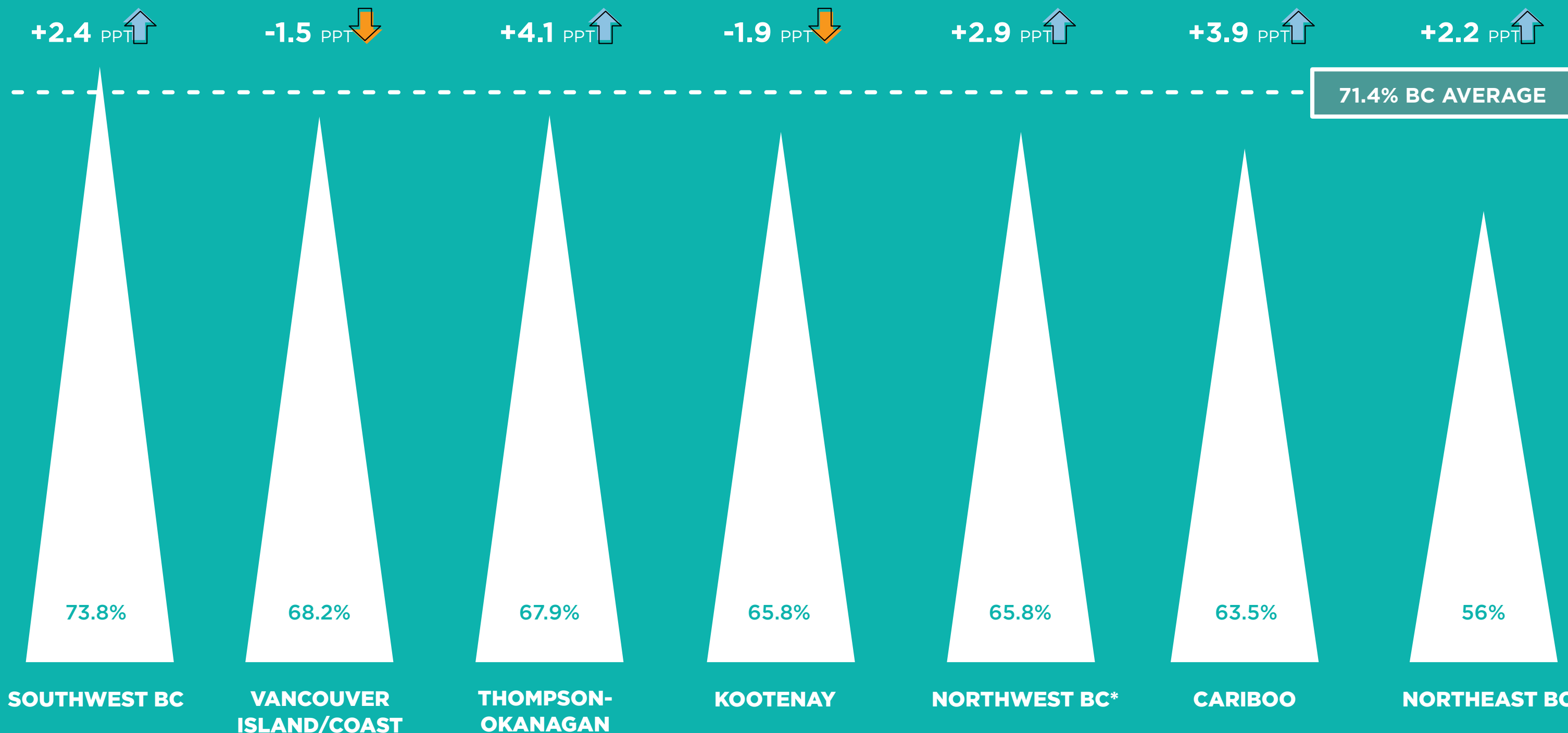
Over the past 5 years, **THOMPSON-OKANAGAN'S** business insolvencies fell by almost 75% while incorporations increased by almost 37%, reflecting business confidence and optimism.

# EDUCATIONAL ATTAINMENT

Post-secondary education lays the foundation for worker productivity and long-term gains for the individual and society as a whole.



THE EDUCATIONAL ATTAINMENT OF BC'S LABOUR FORCES (AGED 25-54) IMPROVED BY 2.0%



BC's labour force has become increasingly more educated over the past 15 years due to the evolution of the knowledge economy.

## HIGHLIGHTS



**VANCOUVER ISLAND/COAST** experienced a second consecutive year of decline in terms of educational attainment. This is surprising as the region's tech industry continues to grow.



**THOMPSON-OKANAGAN'S** educational attainment has fluctuated over the past 5 years, but has trended upwards as its economy increasingly expands and diversifies.

# CONSUMER INSOLVENCIES

The consumer insolvency rate is the number of personal insolvencies per 1,000 adults and reflects the outcome of change in economic status, indebtedness or the credit market.



THE RATE OF CONSUMER  
— INSOLVENCY IN BC —  
**FELL BY 10.7%**



For the past 5 years, BC's consumer insolvency rate has progressively improved.

## NUMBER OF CONSUMER INSOLVENCIES (Change 2016 - 2017)

### NECHAKO

1.6 PER 1,000 ADULTS

**-27.3%**

### THOMPSON-OKANAGAN

3.0 PER 1,000 ADULTS

**-6.3%**

### VANCOUVER ISLAND/COAST

2.9 PER 1,000 ADULTS

**-17.1%**

### NORTHEAST BC

3.8 PER 1,000 ADULTS

**-6.3%**

### CARIBOO

3.6 PER 1,000 ADULTS

**-16.3%**

### KOOTENAY

2.7 PER 1,000 ADULTS

**NO CHANGE**

### SOUTHWEST BC

2.2 PER 1,000 ADULTS

**-8.3%**

### NORTH COAST

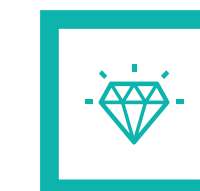
2.0 PER 1,000 ADULTS

**+33.3%**

## HIGHLIGHTS



**NORTHEAST BC** is the only region to see an increase in the number of consumer insolvencies over the past 5 years.



**NORTHWEST BC** enjoyed the lowest rates of consumer insolvency in BC over the past 5 years, which could be due to the relative affordability of housing in the region.



**CARIBOO** had one of the highest consumer insolvency rates since 2012, driven by significant debt loads, layoffs in the region's mining industry, and a decline in major project activity.