CITY OF
PRINCE GEORGE

MEDIA RELEASE

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PG ECONOMY TOPS AMONG MID-SIZED CITIES STUDIED - REPORT

Prince George's economy is on a roll according to a report released today by the Conference Board of Canada. According to the latest *Mid-Sized Cities Outlook 2016*, Prince George has the strongest economic outlook among seven other mid-sized Canadian cities studied. Among its findings, the report states that Prince George's economy is forecast to make significant gains over the next two years (following growth of 2.6 per cent last year), with real gross domestic product (GDP) rising by 2.4 per cent this year and 2.8 per cent in 2017.

"The Prince George economy has been growing at a healthy pace for several years, and 2016 should be no different," says Alan Arcand, Associate Director of the Centre for Municipal Studies at the Conference Board of Canada in a media release issued this morning. "We expect that much of the city's growth this year will be fueled by strong gains in forestry, construction, finance, insurance, and real estate."

The study includes many other highlights:

- Prince George's real GDP should grow by a healthy 2.4 per cent in 2016, highest among the seven cities that are part of the report and greater than the GDP forecast for Canada of 1.7%.
- Multiple-family housing starts are set to hit a 20-year high in 2016, boosted by the start of construction on the 173-unit RiverBend Seniors Community complex in April.
- Employment in the city is forecast to grow by 4.5 per cent this year, following an 8.2 per cent decline in 2015.
- Personal income per capita is forecast to top $50,000 per year for the first time in Prince George, higher than the BC average.
- Retail sales are poised to grow by 4.6% this year, again greater than the forecasted average for all of BC.
- Prince George's finance, insurance, and real estate industry is poised to expand by 5.6 per cent in 2016, making the sector this year's growth leader.

"This report confirms what residents in Prince George have felt for a while now: Prince George is open for business and economic momentum is building," says Lyn Hall, Mayor of Prince George. "Just look at the previous few months: more than $60 Million in private sector dollars are being invested in the downtown area alone, between the RiverBend Seniors Community and the Courtyard by Marriott hotel announced last week. This week, Council heard we are issuing more building permits than the previous few years. What's more, as a hub city, we are poised to benefit from the record number of projects proposed for Northern BC in the coming years."

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In terms of non-residential investment activity, the report notes that much of the work for the $382 Million Prince George Global Logistics Park is now complete with spaces available for sale immediately. Inland Kenworth is currently constructing an 88,000 square-foot building on the site, which is expected to be completed this fall.

The report also notes Prince George's increasingly diversified economy, with UNBC, the Northern Health Authority, and the College of New Caledonia helping to insulate the City from economic downturns.

The *Mid-Sized Cities Outlook 2016* provides economic forecasts for seven cities that contributed financially to the research: Timmins, Sault Ste. Marie, Brandon, Lethbridge, Red Deer, Medicine Hat, and Prince George. The report also includes historical economic and employment data for 31 mid-sized Canadian cities. The City opted to spend $4000 to participate in the study in order to obtain up-to-date, reliable data about the City's economy and its projected growth.

"Current data is essential for the City's economic development activities as it allows us to approach potential investors with recent and reliable evidence about the local economic situation and that Prince George is an excellent place to invest," says City of Prince George Economic Development Manager, Melissa Barcellos. "The results of the report are very encouraging and show that the local economy is growing and is expected to continue on an upward trend over the next two years. This growth should result in more jobs and a decreasing unemployment rate through 2017."

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