

November 2014

Export Opportunities for Local and Regional Organizations in China

International trade is significantly important for Canada; it is equivalent to more than 60 per cent of Canada's gross domestic product (GDP), and one in every five jobs is directly linked to exports. In 2013, China was Canada's second largest export destination worldwide and its second largest source of imports globally, after the United States. In 2013, Canada-China merchandise trade totaled \$73.2 billion, comprised of \$20.5 billion in Canadian exports to, and \$52.7 billion in imports from China. Canada is also a favourite tourist destination and about 410,000 Chinese tourists visit Canada yearly and this number is increasing by 20 per cent per year. Canada is also an attractive destination for Chinese students; nearly 80,000 students every year pursue higher education in Canada¹.

Trade between China and Canada increased nearly eight-fold in the last decade. In 2013, manufactured goods accounted for 53.8 per cent of the value of Canada's exports to China, with resource-based goods representing the remaining 46.2 per cent. At the provincial level, British Columbia and Alberta together accounted for 49.0 per cent of the value of Canada's exports to China in 2013, with exports valued at \$6.7 billion and \$3.3 billion respectively¹.

China is British Columbia's second-largest trading partner and is identified as a priority market in the BC Jobs Plan. In 2013, BC's exports to China were valued at \$6.8 billion, an increase of 14 per cent over 2012. Trade and investment outreach activities in China are supported by British Columbia's expanded network of international trade and investment representative offices in Beijing, Guangzhou, Shanghai and Hong Kong².



IPG workshop on "Doing Business with China" November 19, 2014

Initiatives Prince George (IPG) in partnership with Canadian Manufacturers and Exporters, Prince George Chamber of Commerce, Northern Development Initiative Trust, and Prince George Airport Authority recently hosted an informative workshop on "Doing Business with China" to familiarize local and regional businesses with the process of international trade and how they can safely export to China, business practices, and financing options. IPG works closely with BC Trade and Invest office in Vancouver and trade representatives in China to seek opportunities for local businesses. Some of the opportunities identified by IPG include:

- Value-added wood products
- Environmental, engineering, and architectural services
- Beef, dairy products and honey
- Perishable goods – dry fruits, cherries, cranberries, vegetables, and nuts
- Vegetable seeds
- Wine and beer
- Bioenergy products and technology
- Educational exchanges
- Research and development

IPG can provide assistance to local companies considering expanding their export markets by helping companies in selecting markets for their products, in development of international marketing and communication materials, and assist them in participating in international trade delegations and trade shows. More information on export opportunities is available by contacting IPG at 250.564.0282 or info@initiativespg.com

¹ Statistics Canada ² Stats BC

Economic Statistics

Employment

The number of people employed in Prince George decreased from 51,400 in September 2014 to 51,000 in October 2014. There was also a decrease in the number of people in the workforce, from 54,200 in September to 53,600 in October. The unemployment rate decreased marginally from 5.2% in September to 4.9% in October. In BC, the number of full time jobs rose by 6,600 in October 2014, while part-time jobs declined by 2,000, which resulted in an overall gain of 4,600 jobs during October. As a result, the unemployment rate in BC remained at 6.1% in October. The number of people employed in the public sector in BC fell by 17,800, while the number of people employed increased substantially by 19,700 in the private sector and also by 2,700 in the self-employed category. Employment rates in BC and across Canada were 59.8% and 61.6%, respectively, while Prince George was significantly higher than both at 72.2%. Prince George remained below the provincial (6.1%) and national (6.5%) unemployment rates at 4.9%.

(Source: Statistics Canada Labour Force Survey)

Real Estate

36 newly constructed single detached houses were sold in October 2014 at an average price of \$422,858 in Prince George. This was in comparison to 41 houses sold at an average price of \$428,806 in October 2013. Home sales in northern BC totaled 394 units in October 2014, up 2% compared to October 2013. Home sales year-to-date are still running at their highest level in seven years in northern BC. The average home price in northern BC in October was \$278,730, up 16.7% on a year-over-year basis. The total value of properties sold in northern BC was \$110 million in October 2014, up by 14.3% on a year-over-year basis. National home sales were down 0.7% between September and October 2014, and the average price rose by 7.1% on a year-over-year basis in October.

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

Housing Construction

There were 23 housing starts in Prince George during October 2014 (16 single family dwellings and 7 multiple dwellings) and 118 housing starts year-to-date. A total of 7 single-detached residential houses were completed in October 2014. Comparatively, the total number of housing starts in BC during October 2014 went down by 2.6% compared to October 2013.

(Source: Canada Mortgage and Housing Corporation)

Building Permits

The City of Prince George issued 107 building permits valued at \$8.9 million in October 2014. The value of new commercial permits issued was \$2.2 million and new industrial permits accounted for \$600,000 in October 2014. The value of permits issued for new single family detached units was \$4.2 million during October 2014.

(Source: City of Prince George; Statistics Canada)

Business Licenses

The City of Prince George received 26 new business license applications and 6 renewal applications in October 2014. The City approved 60 new and renewal applications for business licenses in October 2014.

(Source: City of Prince George)

Airport Passenger Volumes

40,989 passengers moved through the Prince George International Airport in October 2014, which is 8.8% higher than in October 2013. Year-to-date traffic is up by 3.8%. Traffic through the Vancouver International Airport was up 8.8% for the month of September 2014, in comparison to September 2013. Year-to-date passenger traffic through the Vancouver Airport remained significantly up by 8.2%².

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

²October Vancouver air traffic statistics were unavailable at the time of publication released