



Conversations for
Responsible
Economic Development

FOR IMMEDIATE RELEASE

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PRESS RELEASE – NEW REPORT REVEALS BC’S ECONOMY HAS SHIFTED FROM RESOURCE-BASED TO SERVICE-BASED

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VANCOUVER, B.C – A new report released today by CRED, a collection of over 100 BC-based businesses, reveals that BC’s economy relies more on service-based sectors than traditional extractive sectors such as oil and gas.

The report ‘*What’s fuelling BC’s economy?*’ compiles GDP, employment, and tax data to conclude that BC’s main economic drivers are now based around services, particularly the knowledge and innovation economy.

“Contrary to what many people may perceive, the oil and gas sector is actually shrinking in BC. Less than 1 in 100 of our jobs come from oil, mining and gas, compared with a full 5% of jobs across the province found in the tourism sector and another nearly 5% in real estate and property development” noted CRED’s Executive Director Liz McDowell.

McDowell also commented, “It’s important that the public has an accurate understanding of where the oil and gas sector fits into our economy and how investing in this type of infrastructure development could impact other thriving sectors. That’s why we’ve compiled and released this information – we hope it will enrich the conversation about where BC’s economy is headed”.

“It’s misleading to emphasize resource extraction and pipeline expansion as the drivers of our economy when all data indicates innovation, technology and tourism generate far more jobs and contribute more to social spending on things like hospitals and schools. The benefits are being overblown by pipeline advocates while the risks are played down or left out altogether” said CRED Advisor and Hastings Crossing Business Improvement Association Executive Director, Wes Regan.

The report’s key findings:

- Oil, gas and support services make up just 3% of BC’s GDP. By comparison, financial and real estate services make the largest contribution to provincial wealth - more than 23% of GDP. Retail and wholesale trade make up 10% of GDP, construction makes up 8% and manufacturing contributes a further 7%.
- Across the province, the mining, oil and gas sector combined employs 1% of the workforce, or approximately 25,000 people. BC’s biggest employers are construction, manufacturing, tourism, and real estate & property development. The high tech sector employs over 84,000 people– more than forestry, mining, oil & gas, and utilities combined.
- Canada’s oil and gas sector paid 4.2% of total corporate taxes collected by the federal government in 2011. In the same year, the financial services sector paid 25% of all corporate taxes and the manufacturing sector paid 13% of the total.
- In Canada, there are more jobs in the beer sector than in the oil sands.
- In Northern BC the trends are similar: oil, mining and gas jobs play a fairly small role. In Prince George and the surrounding Cariboo region, only 5.2% of the population works in primary resources – fishing, forestry, mining, oil and gas combined. The biggest regional employers are retail and wholesale trade, health care and manufacturing.

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About CRED: Conversations for Responsible Economic Development is a collection of professionals and business leaders from the tourism, real estate, tech, health, creative and other service-based sectors that are committed to participating in informed dialogue about long-term prosperity on Canada's west coast. Its mission is to protect the regional economy from threats to long-term development, promote industries that build on BC's creativity, innovation and natural beauty, and foster conversations about the types of energy and resource development and transportation that are compatible with this vision. CRED advisors include restaurateur Meeru Dhalwala, tech entrepreneur Bradley Shende, screenwriter Tarah Stafford, North Shore realtor Dallas LaPorta and UBC economist Dr. Rashid Sumaila.