Economic Development Cowichan
January 2019 Update
Presentation to the City of Duncan

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Update Topics:
• Where we’ve been
• How we’ve changed
• Why we’ve changed
• Where we’re going
Where we’ve been

Refocusing  Repositioning  ROI

Looking back:
• In 2016, the CVRD recommitted to economic development after a year of leaving the function dormant
• Up to 2015, EDC primary focus was on agriculture, tourism marketing, film
Four Years ago at EDC:

• Food processing, clean tech studies initiated
• Strong focus on trade show activities
• Tourism marketing spending (managed by EDC) averaged between $200,000 and $300,000

Fast forward to 2019:

• Through the MRDT, industry involvement, TCS has tripled revenues for destination marketing in Cowichan
• EDC’s focus has expanded to include new sectors (tech, food processing, manufacturing) and a deeper involvement in regional issues that have both community and economic development impacts
Why we’ve changed:
• Responding to the complex labor force and economic conditions in Cowichan
• Improving the lives of Cowichan residents by creating better paying jobs
• Identifying the needs of business and community to local government
• Using EDC resources where they’ll have the greatest impact and can be leveraged

What the numbers say

Job Creation in a Changing Economy
Where people are working:
Labour force grew by 3,100 members from 2011 to 2016, reaching 39,000 in 2016. 27% of growth occurred in higher-paying goods-producing sectors, 73% occurred in service producing sectors.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>5,030</td>
<td>12.9</td>
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<tr>
<td>Health care &amp; social services</td>
<td>4,985</td>
<td>12.8</td>
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<tr>
<td>Construction</td>
<td>3,805</td>
<td>9.7</td>
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<tr>
<td>Accommodation &amp; food services</td>
<td>2,970</td>
<td>7.6</td>
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<tr>
<td>Manufacturing</td>
<td>2,910</td>
<td>7.5</td>
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<td>Educational services</td>
<td>2,755</td>
<td>7.1</td>
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<td>Public administration</td>
<td>2,615</td>
<td>6.7</td>
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<tr>
<td>Professional, scientific &amp; technical services</td>
<td>2,240</td>
<td>5.7</td>
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<tr>
<td>Agriculture, forestry, fishing, hunting</td>
<td>1,990</td>
<td>5.1</td>
</tr>
<tr>
<td>Transportation and warehousing</td>
<td>1,425</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Current workforce trends:
• More than 25% of Cowichan’s workforce is concentrated in retail and healthcare
• Manufacturing, transportation and construction represent 21% of the workforce
• Agriculture and forestry make up 5% of the workforce (and a large percentage of the land base in the region.)
Population trends:
• Cowichan region will see population growth averaging 0.8% per year over the next 25 years, (population of 100,000 residents by 2043.)
• Nearly 70% of this projected growth is expected to occur amongst residents 75 years of age or older.

Economic backdrop for Cowichan:
(VIEA State of the Island Report 2018)
• 5% per cent unemployment rate on Vancouver Island, tightening labor market
• Housing values increased by 15% Island wide (average single family home price in Cowichan now at $460,000)
Economic backdrop for Cowichan:
(Stats Canada 2016/Social Planning Cowichan, CHA)
- 15% of the population earns $20,000 or less ($11 an hour) annually
- 29% earns up to $40,000 ($22 an hour) per year
- 28% earns more than $100,000 per year
- Living wage for Cowichan calculated at $19.05 for 2017 (Government of Canada)

What this means:
- Tight labor market and rising housing costs are pressuring employers and low income earners
- Higher paying jobs in emerging sectors are needed
- New housing alternatives are needed
- Current population trends indicate we need to make the region attractive to young families and investors
Where we’re going…

Building on our Strengths

EDC’s FIVE KEY GOALS:

1) Business retention and expansion
2) Growth in key sectors
3) Strengthening communities to make them more livable for residents, more attractive for business, young people and seniors
4) Telling the Cowichan Story to the world
5) Collaborating on key CVRD initiatives
Industrial Land Use Strategy a foundation for business retention and expansion in key sectors like manufacturing, tech, food processing.

Cowichan Tech Strategy is unlocking training, networking, investment and connectivity needs.
Renewed agriculture focus on growing the beverage sector and food processing opportunities.

Film investment brings benefits to communities throughout Cowichan
www.ecdevcowichan reaches a new demographic and profiles change makers throughout the region

EDC workshops with VIEA address access to wood waste and new export development opportunities
Aligning with CVRD priorities through housing workshops, First Nations engagement, Cowichan 2050 process

EDC by the numbers:

- Over the past two years, we’ve leveraged more than $250,000 for agricultural, industrial and investment attraction activities in the region.
- In 2019, leveraged asks are already exceeding $300,000.
What’s Next?

Continuing to build out the Cowichan Tech Strategy by **training skilled workers, improving connectivity and creating investment opportunities.**

What’s Next?

Acting on the industrial land use study through **sector development in tech, food processing, clean tech, manufacturing and other key sectors.**
What’s Next?

Regional Air Transport and Accommodation Studies to identify long-range needs and partnership opportunities. Partnerships on advancing food processing.

What’s Next?

Supporting the aspirations of First Nations communities throughout the Cowichan region.
And for the City of Duncan ...

Aligning with opportunities in tech attraction, remaining a part of Trans-Canada and housing discussions, strengthening our connections in film, commercial and arts development in Duncan.