



# MACKENZIE

## Community Economic Development Strategy

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### COMMUNITY PROFILE

May 2021



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# 1.0 Introduction

The District of Mackenzie is completing a community economic development plan, in order to develop a roadmap for creating a diverse, vibrant local economy.

This document is a ‘snapshot’ of the local economy of the District of Mackenzie as of Spring 2021, and has been developed as part of the community economic development plan process. The purpose of this snapshot is to provide a common set of facts about the local economy for all stakeholders and partners in the community. This helps to build a shared understanding of the current context and recent trends in Mackenzie’s local economy and begins to answer the question “where are we now?”.

This document includes data and analysis on population and demographics, labour force and employment, education, income levels, and housing. Mackenzie’s current economic development programs are listed at the end of the document.

When trying to understand the numbers and trends of what is happening in Mackenzie, it is helpful to provide context and compare them to what is happening elsewhere. As such, several other communities have been used as “benchmark communities,” based on the following similarities:

- Similar population size (1,800 – 5,300 people)
- Comparable economic bases, including a traditional reliance on resource industries (e.g., forestry, agriculture) and a growing tourism industry.

These communities include the Village of Burns Lake (Bulkley-Nechako), District of Chetwynd (Peace River), the Town of Creston (Central Kootenays), the Town of Golden (Columbia-Shuswap), and Town of Port McNeill (Northern Vancouver Island).

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## NOTES ON DATA AND SOURCES

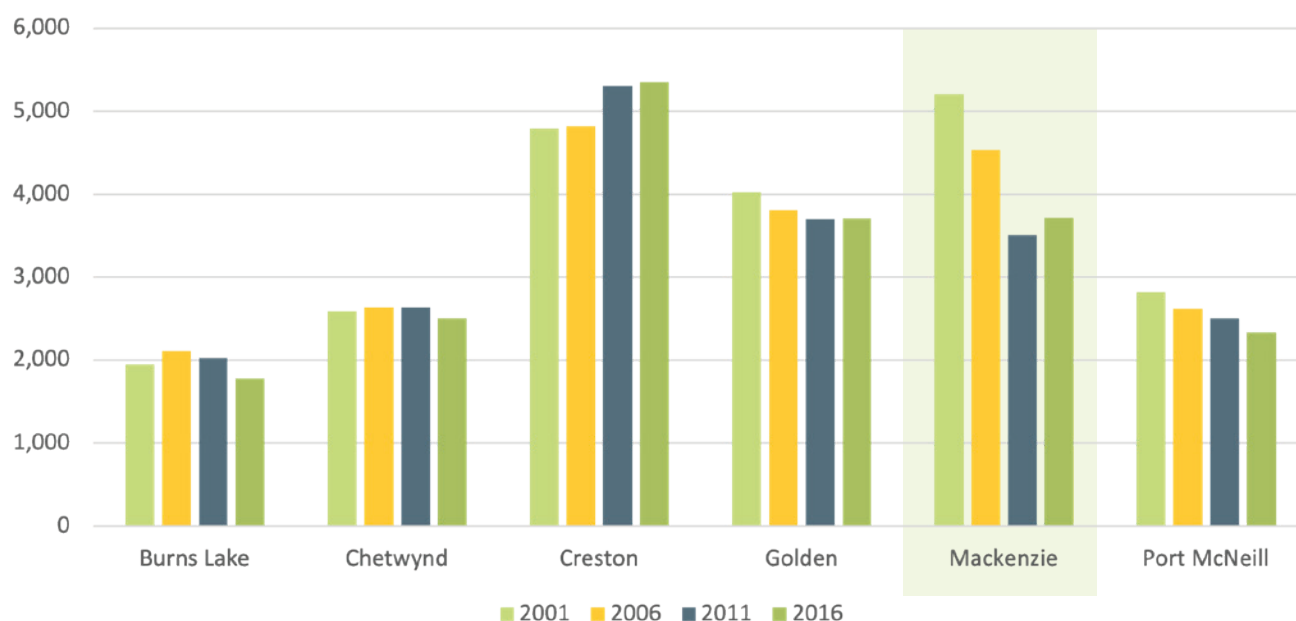
*Unless otherwise noted, information is from Statistics Canada data: Census, National Household Survey, and Long Form Census. While the 2011 Census (e.g., population) is trustworthy, it is generally accepted that the 2011 National Household Survey (i.e. Long Form Census) does not have reliable data, nor is it comparable to other years. For this reason, we have typically avoided using 2011 data from the National Household Survey where possible. This is why many time series charts go from 2006 to 2016.*

## 2.0 Population and District Overview

### 2.1 POPULATION

The total population of the District of Mackenzie has been increasing since 2011. Mackenzie's population has fluctuated alongside industry booms and downturns. In 2009 there was a significant decline in Mackenzie's population as a result of local mill closures<sup>1</sup>. In 2011 Mackenzie had a population of approximately 3500, which has since increased to just over 3700 in 2016 as the forestry sector has recovered<sup>2</sup>. The population has continued to grow since the last Census period in 2016, and is estimated to be around 4700<sup>3</sup> in 2020, using BC Statistics projections<sup>4</sup>. As seen in the chart below, similar sized communities with forestry-based economies, Burns Lake, Port McNeill and Chetwynd, have seen a slight decline in population since 2011.

*Population, 2001-2016*



<sup>1</sup> District of Mackenzie 2014 Official Community Plan

<sup>2</sup> 2019 District of Mackenzie Housing Needs Report (2019) MNP

<sup>3</sup> BC Statistics Population Project Community Health Service Region 5247

<sup>4</sup> BC Statistics Component/Cohort Survival method uses past trends and a base year estimate to forecast birth, deaths, and migration by age

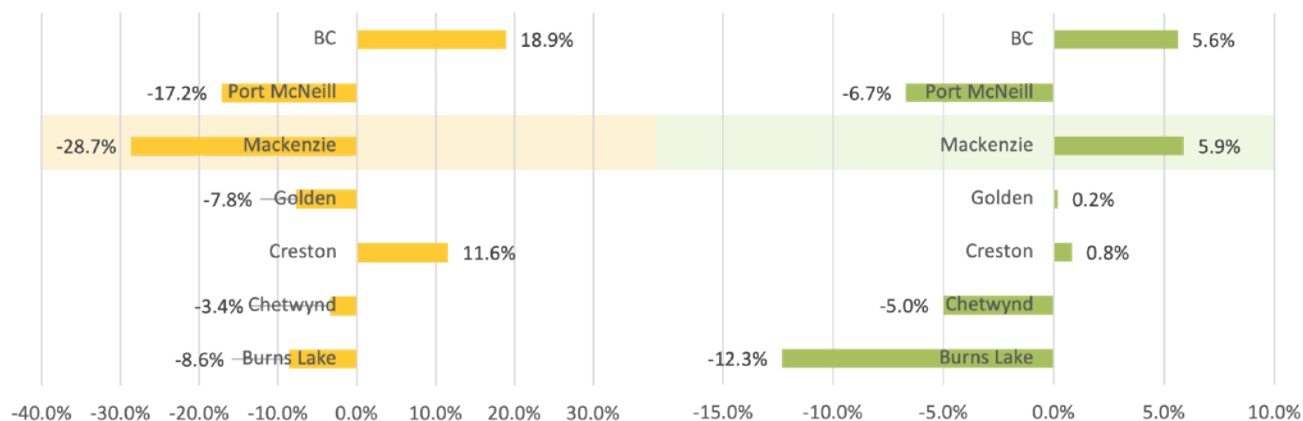
## 2.2 POPULATION GROWTH 2001-2016

While Mackenzie's population has increased in recent years, between 2001 and 2016 the population decreased overall substantially more than benchmark communities. While the Province has grown by 18% since 2001, Mackenzie and other resource-based communities have seen population declines, due in part to industry fluctuations.

Between 2011 and 2016 however, as benchmark communities saw declines in population, Mackenzie's population increased by 6% and has continued to grow since the 2016 Census.

*Population % Change, 2001-2016*

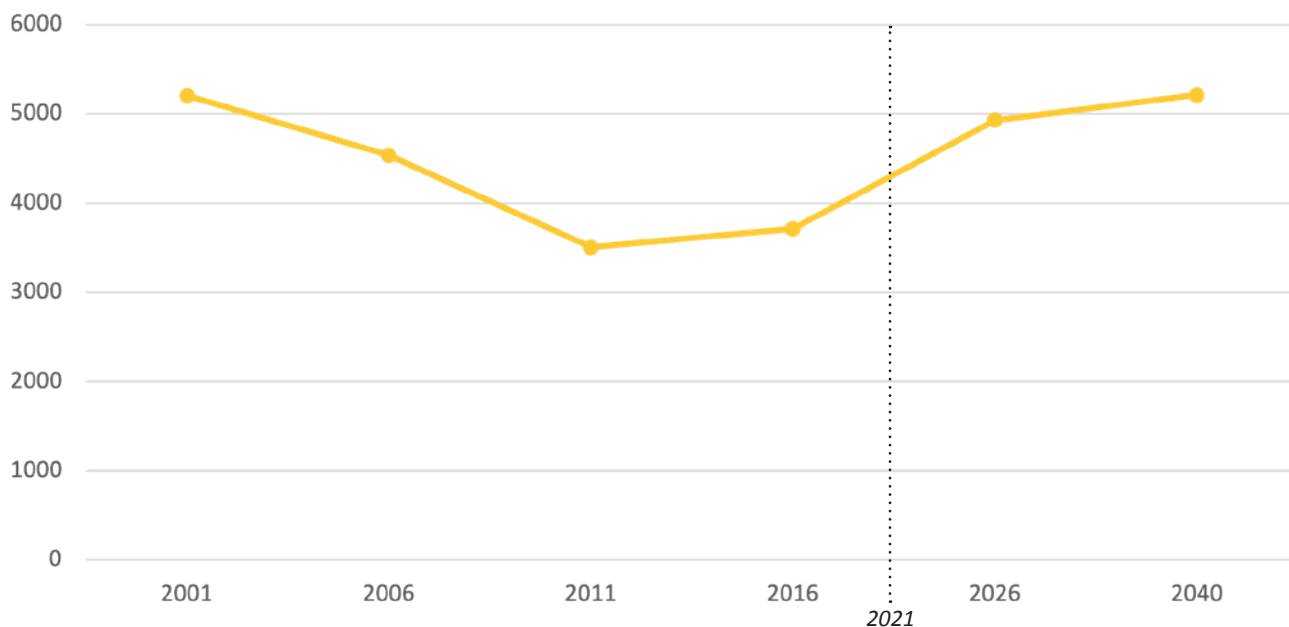
*Population % Change, 2011-2016*



## 2.3 PROJECTED POPULATION

As seen on the graph below, according to BC Statistics<sup>5</sup> population forecast estimates, by 2040 the population of Mackenzie is expected to rise to approximately 5200<sup>6</sup>, returning to population levels of the 1990's.

*Projected Population, 2040*



It's important to note that these population projections do not account for the impacts of COVID-19, in- and out-migration, and industry changes (e.g., mill closures, other new industries opening).

<sup>5</sup> BC Statistics Population Project Community Health Service Region 5247

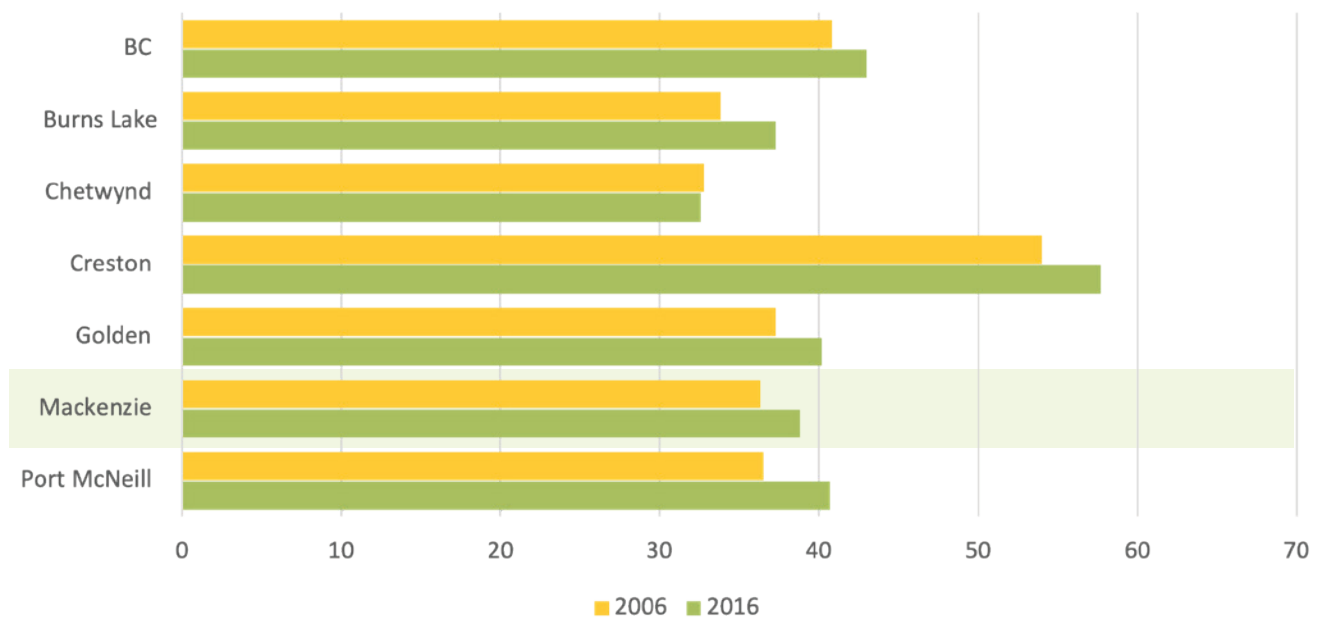
<sup>6</sup> BC Statistics Component/Cohort Survival method uses past trends and a base year estimate to forecast birth, deaths, and migration by age



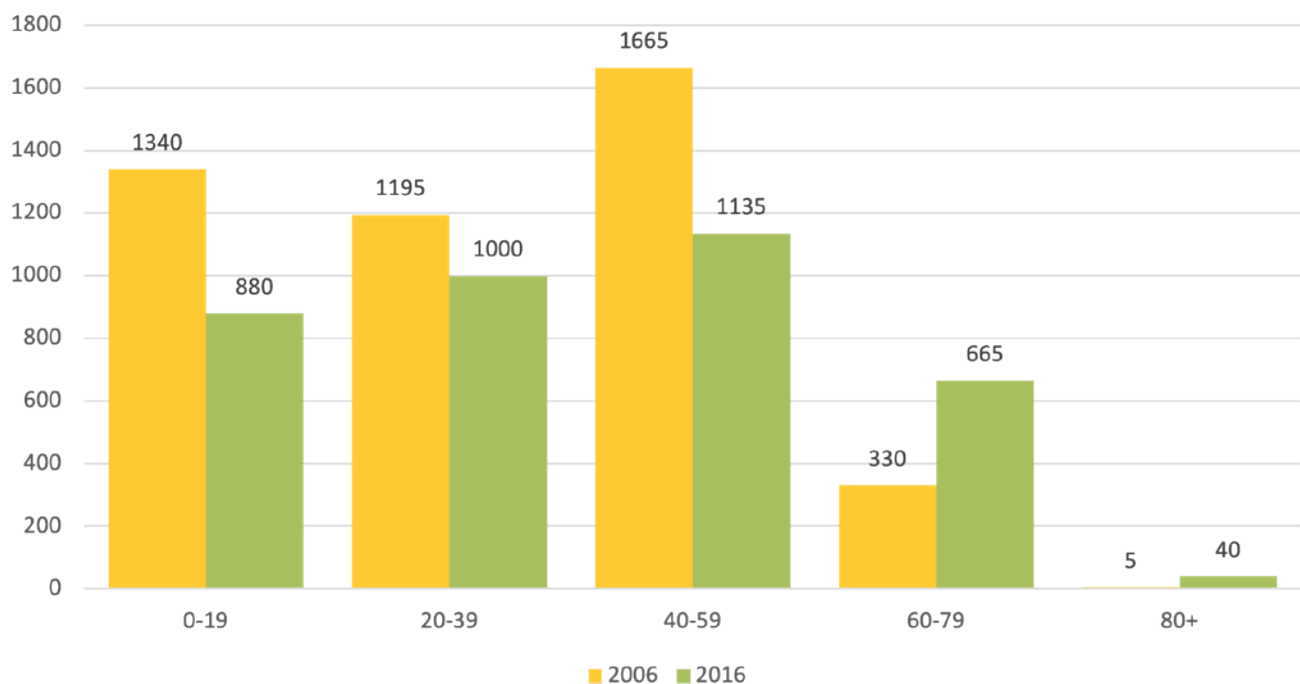
## 2.4 DEMOGRAPHICS

In line with provincial trends, the population of Mackenzie is aging. Mackenzie's population remains younger than the provincial population. As seen on the charts below, in 2016, the median age in Mackenzie was 38.8, lower than the provincial median of 43, and closer to the median ages of Chetwynd, Golden, and Port McNeill. Still, Mackenzie's population is aging slightly. Despite a decline in population of those under 60 between 2006 and 2016, the overall population grew, as a result of a substantial increase in those over 60. Notably, the population of those 80+ has increased from 0.1% of the population in 2006 to 1.1% of the population in 2016.

*Median Age, 2006-2016*



*Population by Age Group, 2006-2016*



## 2.5 LABOUR FORCE & EMPLOYMENT

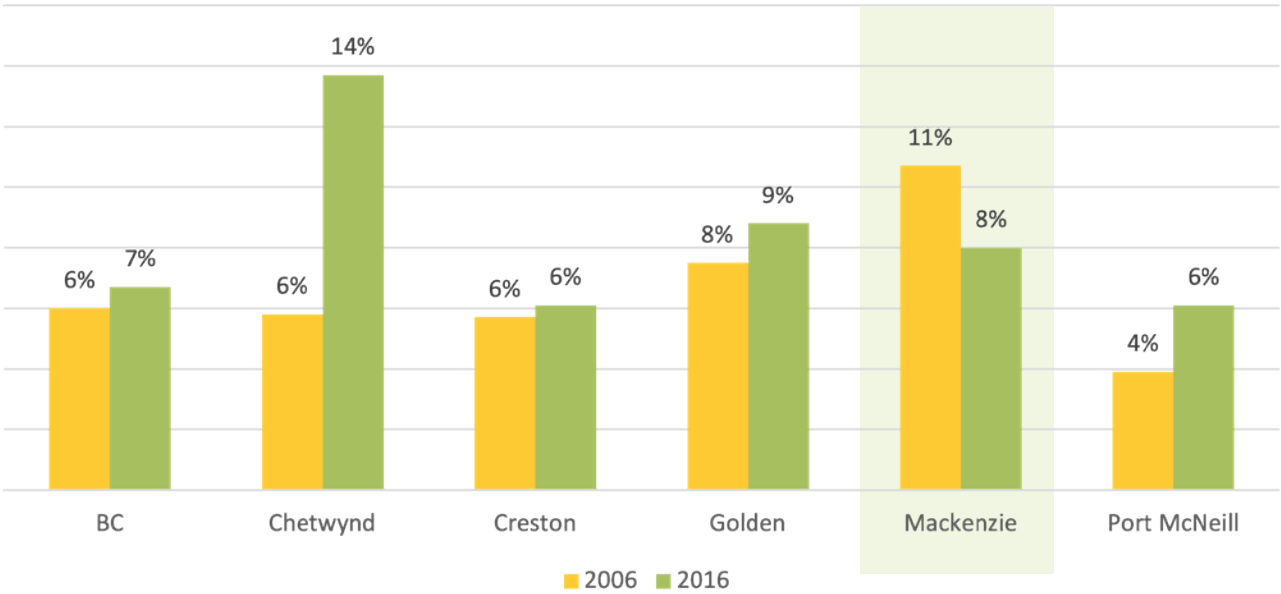
As seen in the two charts below, both Mackenzie’s labour participation rate and unemployment rate were higher than the provincial average, consistently across 2006 and 2016. Mackenzie’s unemployment rate decreased from 10.7% in 2006 to 8.0% in 2016. It was the only community (of those benchmarked) whose unemployment rates went down between 2006 and 2016, as the forestry industry recovered and some mills reopened after 2009.

However, changes since the 2016 Census (and therefore not reflected in the chart below) have led to the following most recent (April 2021) employment numbers in Mackenzie:

- Over 90 jobs available
- 82 job losses, broken down as follows:
  - 38 from the pulp mill closure
  - 21 from sawmill closure
  - 23 from COVID-19 closures<sup>7</sup>

It’s important to note that these job losses don’t represent the total unemployment number, and that not everyone who is experiencing unemployment reports it, so the true number could be higher. Anecotal accounts suggest that despite recent job losses, many folks experiencing unemployment have chosen to stay in Mackenzie.

*Unemployment Rates, 2006-2016*

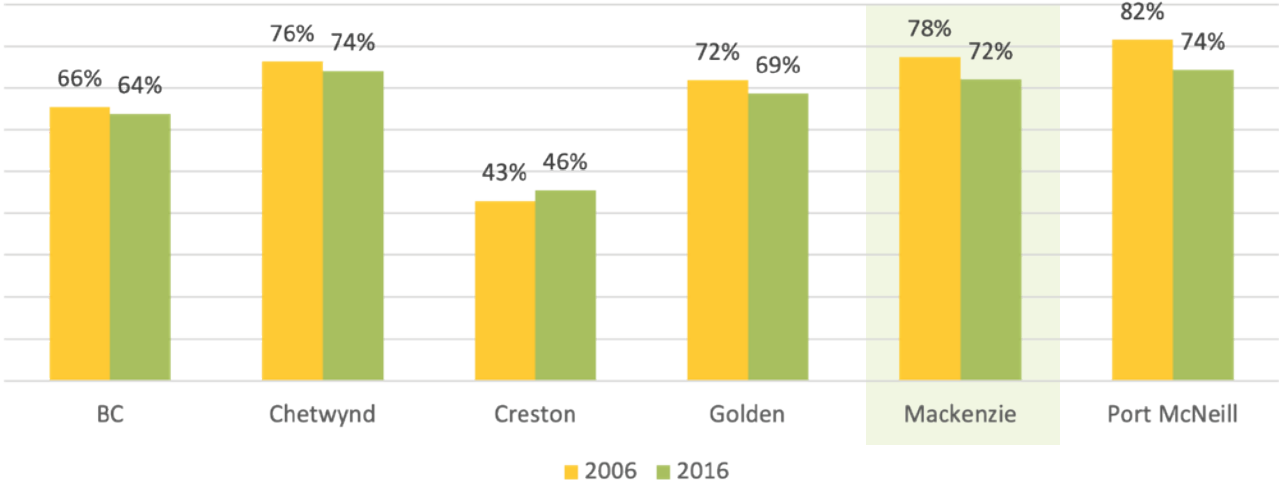


Mackenzie’s participation rate declined by 6% between 2006 and 2016, but remained higher than Golden’s, Creston’s, and BC’s rates. This aligns with the growth of Mackenzie residents aged 60 and over, and the decline of those under age 60.

To see employment by industry, please see section 3.

<sup>7</sup> Work BC (2021)

*Labour Participation Rates, 2006-2016*



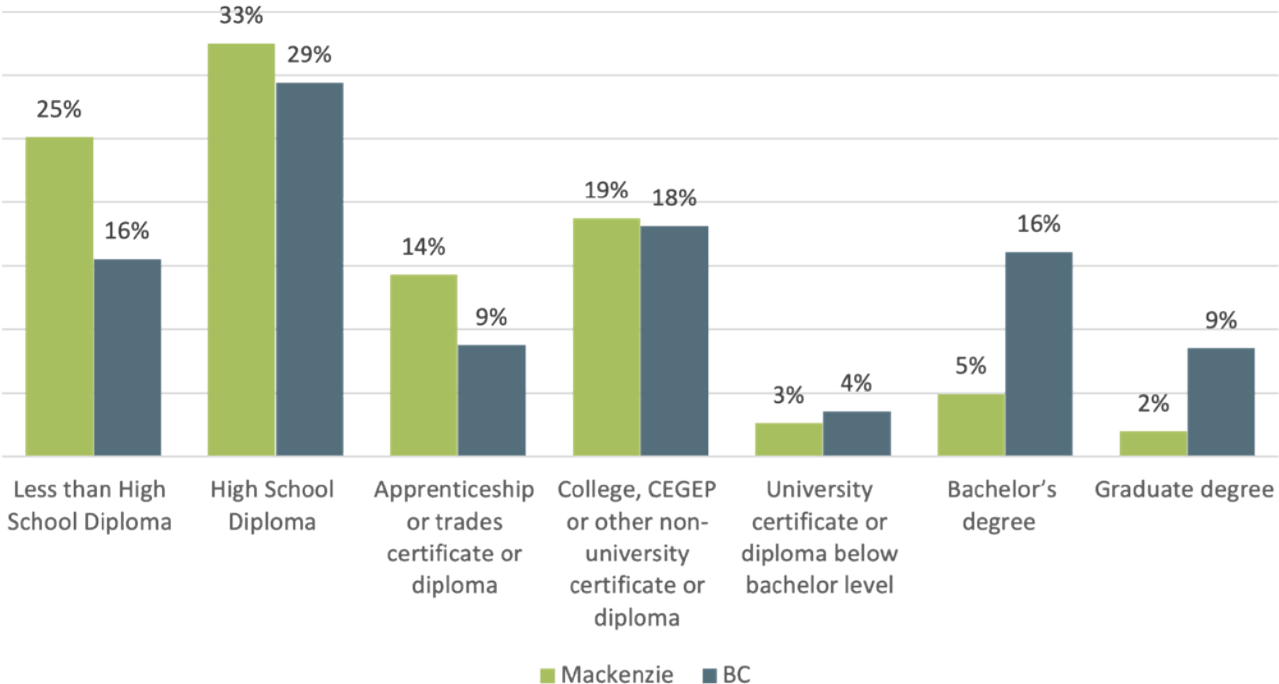
**2.6 EDUCATION**

As shown in the chart, Mackenzie’s educational levels are generally not too different from those across the Province as a whole. Education in apprenticeship, trades, and college certificates or diplomas is more common in Mackenzie than university certificates, bachelors or graduate degrees.

More Mackenzie residents aged 15 and above have less than a high school diploma, but this could partly be explained by Mackenzie’s relatively young population.

Mackenzie has one elementary school (including an Early Learning program for children aged five and under), and one secondary school. There are opportunities for post-secondary education at the college of New Caledonia locally, or at the University of Northern British Columbia just a couple of hours south (in Prince George).

*Highest Level of Education, Age 15+*



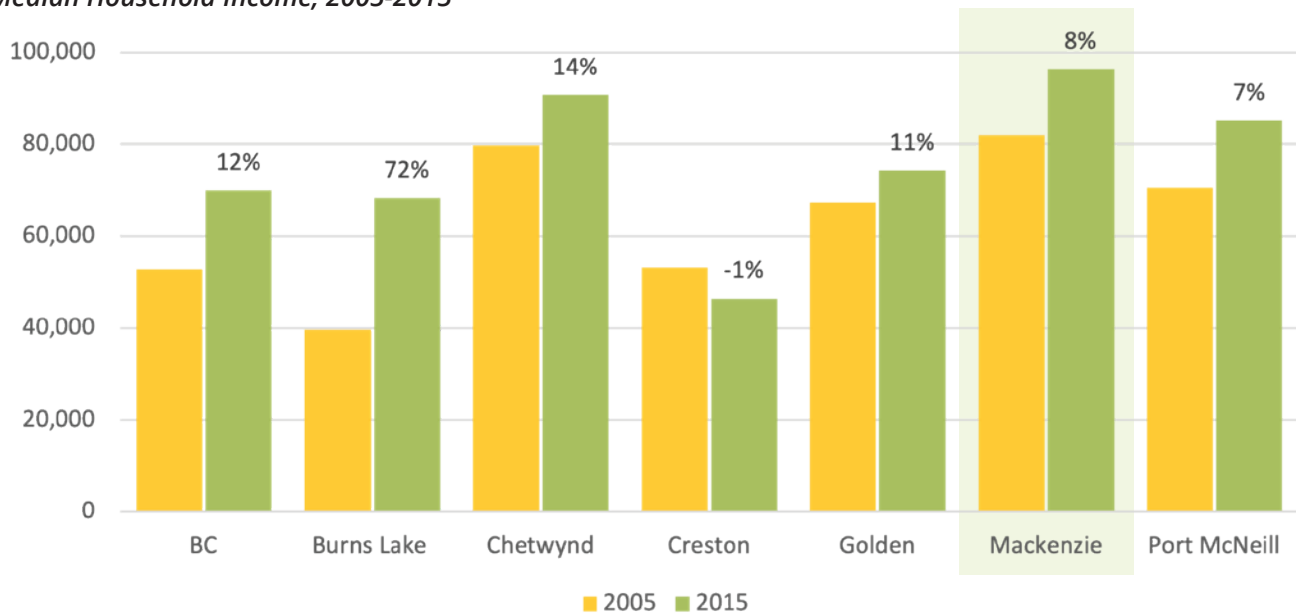


## 2.7 INCOME

Income levels in Mackenzie are significantly higher than those of the Province and comparable communities. As seen on the chart below, the median household income in Mackenzie rose to approximately \$96,000 in 2015 from approximately \$89,000 in 2005.

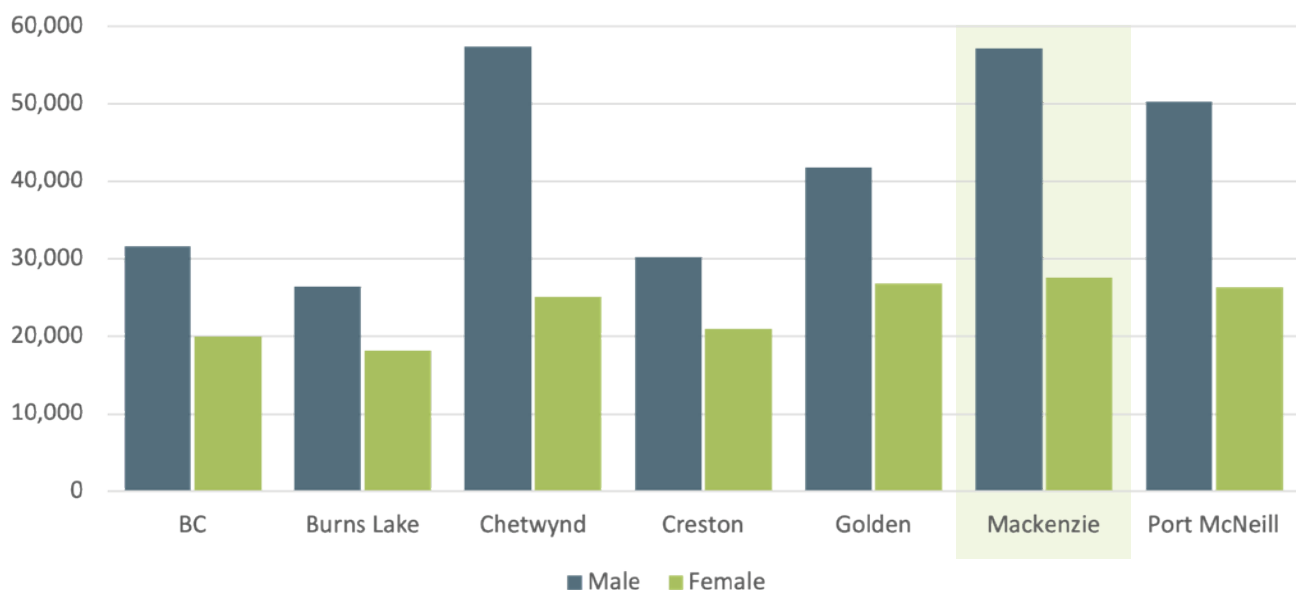
While the median income levels in Mackenzie are higher the provincial levels, incomes have risen at a slower rate overall. In the Province, incomes have increased at a rate of 12% between 2005 and 2015, while Mackenzie has seen an overall increase of 8%.

*Median Household Income, 2005-2015*



Median after-tax income for individuals in Mackenzie is also significantly higher than the provincial median. Similar to Chetwynd, Golden, and Port McNeill, the gap between male and female after tax incomes is substantially larger than the provincial gap. In Mackenzie, the median after tax income for men is approximately two times as much or \$30,000 more than that of women.

*Median After Tax Income, 2015*



## 2.8 GINI COEFFICIENT

The Gini coefficient is a measure of wealth distribution. Using a scale of 0.0 - 1.0, the higher the number, the higher the inequality. From the 2016 Canadian Census, the Gini coefficients are as follows.<sup>8</sup>

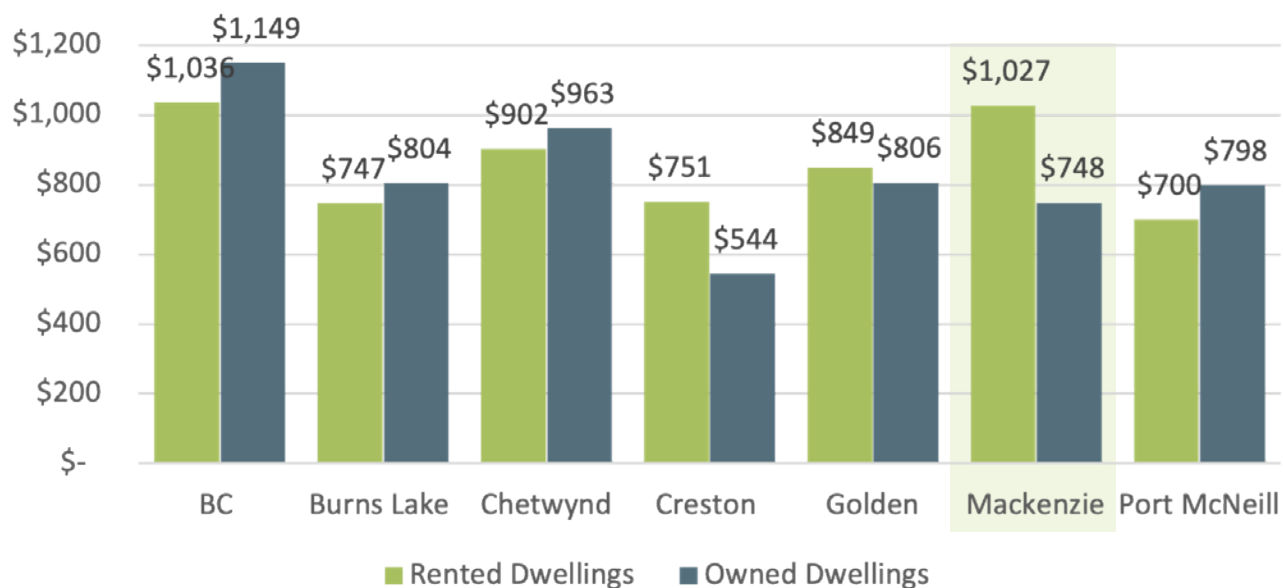
BC	BURNS LAKE	CHETWYND	CRESTON	GOLDEN	MACKENZIE	PORT MCNEILL
0.31 <sup>9</sup>	0.34	0.33	0.36	0.30	<b>0.29</b>	0.32

As shown in the chart, Mackenzie has a lower Gini Coefficient than the provincial average or any of the benchmark communities, meaning its wealth is most evenly distributed.

## 2.9 HOUSING AND AFFORDABILITY

Shelter costs are higher in Mackenzie than in comparable communities, as seen in the figures below. Notably, the median shelter costs for rented dwellings is substantially higher than that of comparable communities, while just below the Provincial median costs. The median costs for owned dwellings are lower and more in line with similar-sized resource-based communities. Although shelter costs are higher in Mackenzie, the overall percentage of households spending more than 30% of income on shelter in 2016 is 7%, compared to 28% Provincially. Mackenzie has the lowest percentage of all comparable communities shown here, meaning housing is quite affordable, likely attributed to the higher overall income levels in the community.

*Median Monthly Shelter Costs, 2016*



*Share of households spending 30% of income on shelter costs, 2016*

BC	BURNS LAKE	CHETWYND	CRESTON	GOLDEN	MACKENZIE	PORT MCNEILL
28.0%	13.6%	16.9%	24.8%	17.9%	<b>7.06%</b>	15.3%

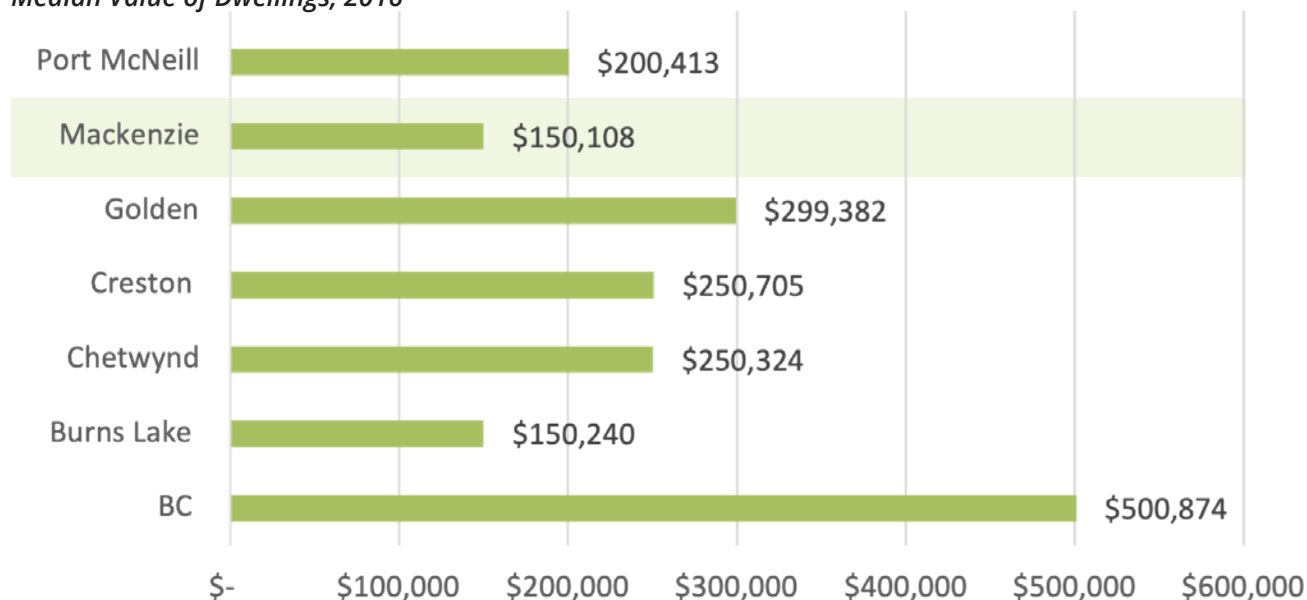
<sup>8</sup> Census Mapper calculates the Gini using after-tax household income. Full methodology available at <https://censusmapper.ca/maps/840#8/55.824/-123.893>

<sup>9</sup> Statistics Canada. Table 11-10-0134-01 Gini coefficients of adjusted market, total and after-tax income

### Median Value of Dwellings

As shown in the chart below, the median value of dwellings<sup>10</sup> in Mackenzie in 2016 was lower than that of comparable communities. Since 2016 however, house prices have increased substantially, with 2021 showing significant increases in the number of sales and average sales prices. The average price of homes sold in April 2021 was \$369,905, up by 22.1% from April 2020 sales. The more comprehensive year-to-date average price in April 2021 was \$369,905, an increase of 22.9% from the first four months of 2020.<sup>11</sup>

#### Median Value of Dwellings, 2016



### 2.10 MOBILITY AND MIGRATION

As seen in the table below, about 28% of Mackenzie residents did not live in the area five years before the 2016 Census. This percentage includes those that moved to Mackenzie from within the Province, from within Canada, and from a different country. This is higher than the provincial average of 21% and higher than or around the same as benchmark communities, meaning Mackenzie is more successful at attracting new residents than the provincial average.

#### Percent of total population who moved between 2011 and 2016

BC	BURNS LAKE	CHETWYND	CRESTON	GOLDEN	MACKENZIE	PORT MCNEILL
21%	17%	20%	21%	25%	28%	15%

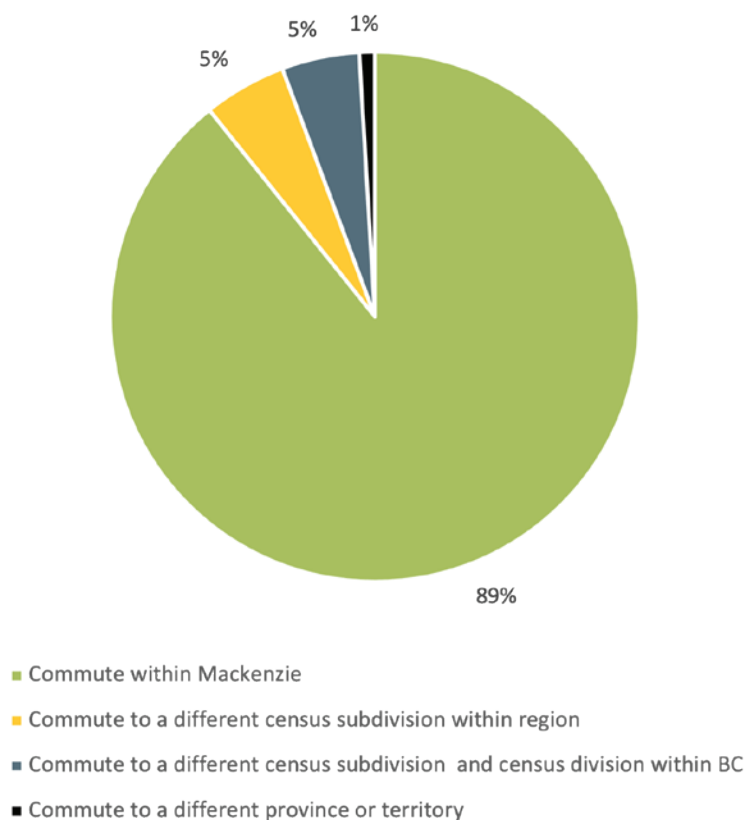
<sup>10</sup> 2016 Statistics Canada Value (owner estimated) of private dwelling - Refers to the dollar amount expected by the owner if the asset were to be sold.

<sup>11</sup> Canadian Real Estate Association (CREA) March 2021 Housing Market Stats. Retrieved from <https://creastats.crea.ca/board/cari>

## 2.11 JOURNEY TO WORK

A very large majority (89%) of Mackenzie residents commute to work within the District of Mackenzie, meaning that almost all (employed) residents are able to live and work in the same community.

### *Mackenzie Residents' Commute*



## 3.0 Sector Analysis

Historically rooted in the forestry sector, Mackenzie has always been a resource-based economy. Fluctuations in employment and population are tied to the boom and bust cycles of these resource industries.<sup>12</sup> 2009 saw a significant downturn in Mackenzie's economy and population to the closure of four local mills.<sup>13</sup> Some of these mills have since reopened, and the local economy has generally stabilized and somewhat diversified since.

### 3.1 INDUSTRY TRENDS

Looking at the number of jobs per industry, Mackenzie has seen a general shift to service industries as jobs were lost in Manufacturing and Agriculture, forestry, fishing and hunting industries. As shown in the chart below, the number of jobs rose between 2006 and 2016 in Public Administration (by 32%), Construction (by 50%), Mining, quarrying, and oil and gas extraction and Utilities. The number of jobs in Manufacturing, which includes forestry-related products (e.g., the local pulp mills) has gone down over that same time period by 39%, while jobs in Agriculture, forestry, fishing and hunting industries declined by 12%.

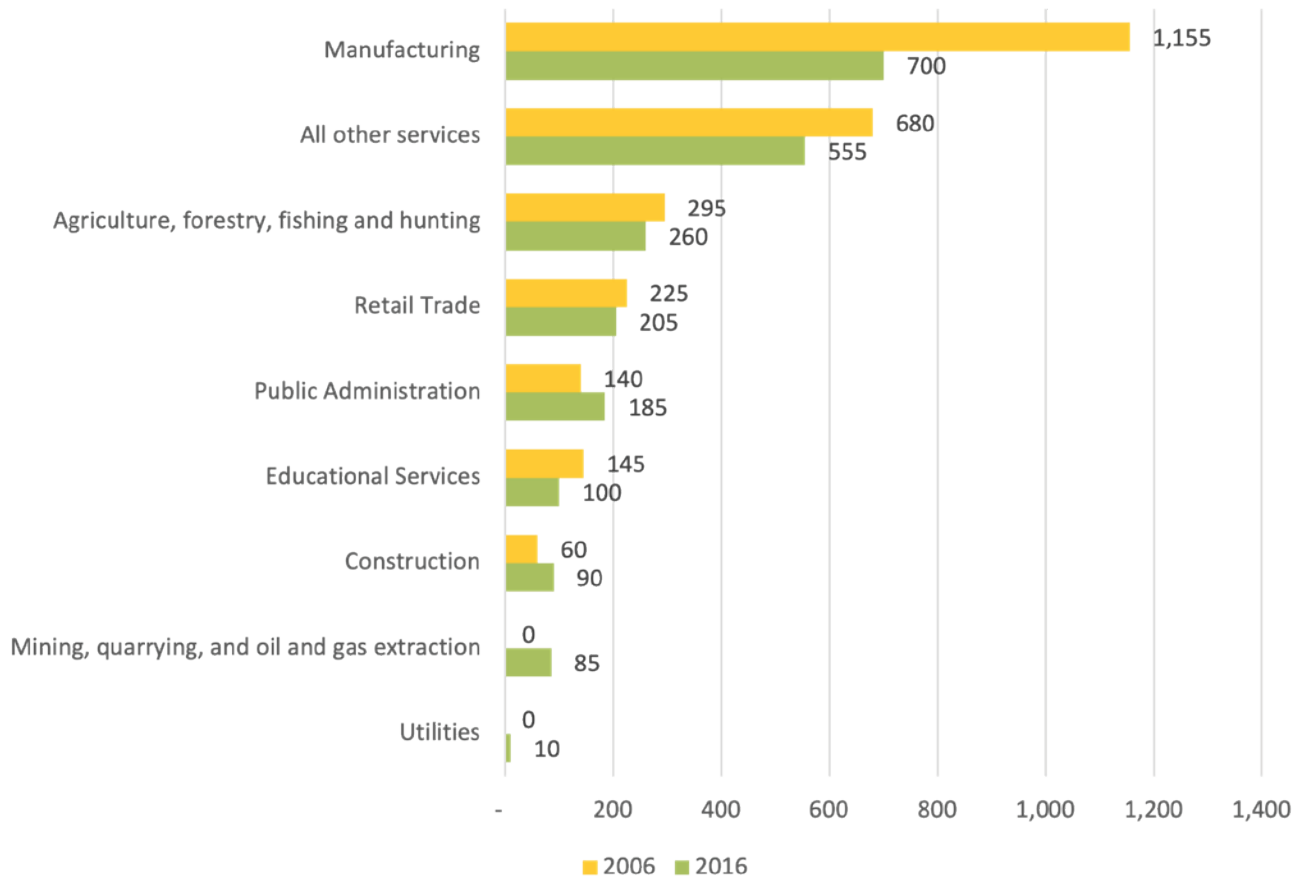
Since the last census period (2016), changes have continued to occur in Mackenzie, most recently with the April 2021 closure of a local pulp mill. Along with the recent closure of a sawmill and closures due to COVID-19, these changes have affected the number of jobs in certain industries (which are not reflected in the charts below).

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<sup>12</sup> District of Mackenzie 2014 Official Community Plan

<sup>13</sup> 2019 District of Mackenzie Housing Needs Report (2019) MNP

### *Jobs per Industry, 2006-2016*



## **3.2 SECTOR STRENGTHS**

Location quotient (LQ) analysis<sup>14</sup> has been used to understand the strength of each sector within Mackenzie as it compares to provincial averages, based on the number of jobs per occupation. A location quotient of 1 is equal to the provincial average (as displayed by the horizontal yellow line on the chart), meaning the higher the location quotient, the stronger Mackenzie is in that sector compared to BC. Location quotients from both 2006 and 2016 have been shown to show changes over time.

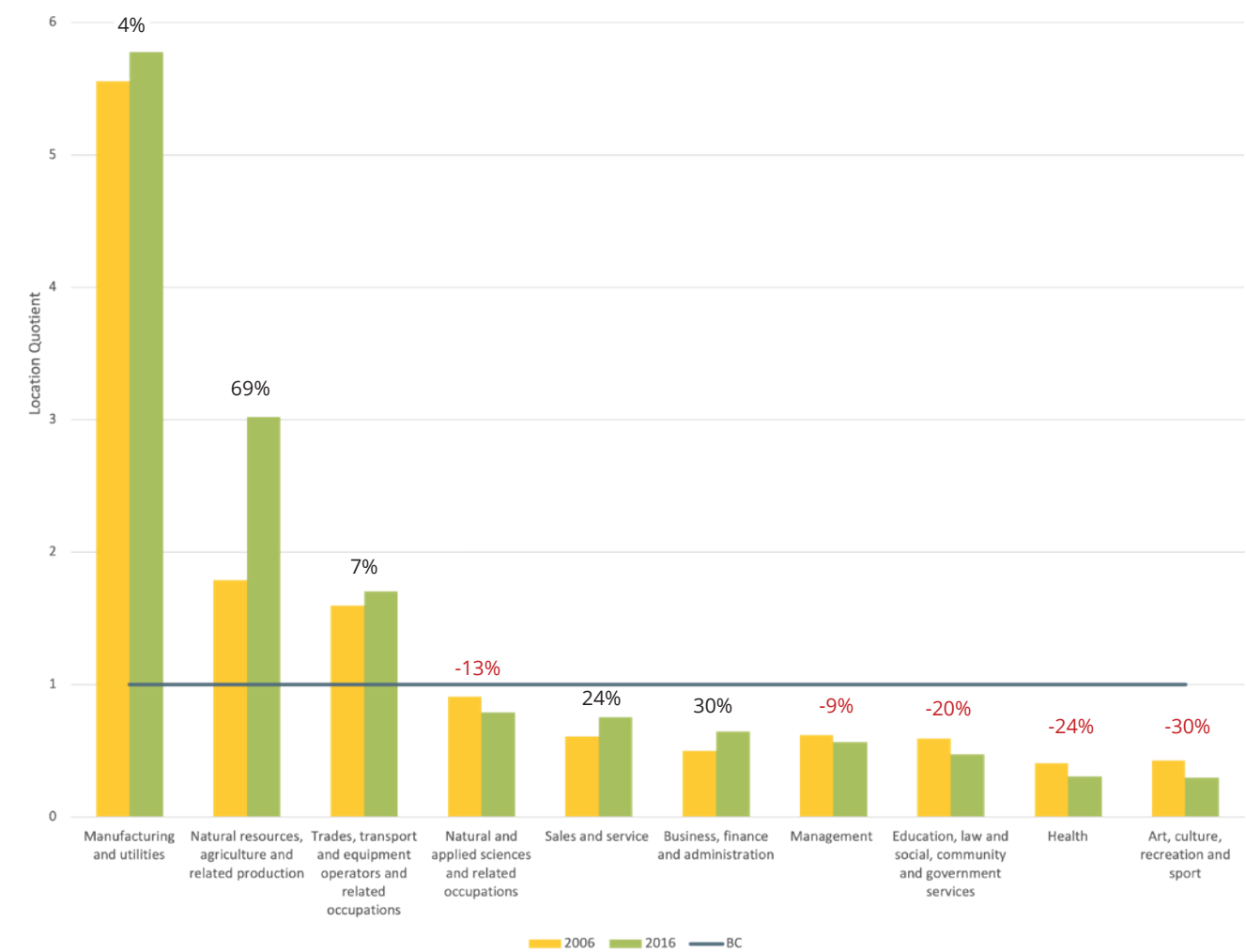
As shown in the chart below, occupations in Manufacturing and utilities; Natural resources, agriculture and related production; and Trades, transport and equipment operators and related occupations are all more highly concentrated in Mackenzie as compared to the provincial average. This trend not only continued but also increased between 2006 and 2016, particularly in Natural resources, agriculture and related production which rose by 69%. This reflects Mackenzie's historic and ongoing reliance on natural resources, such as forestry.

<sup>14</sup> The data used in this calculation was based on the number of people employed in each industry in 2016.



The relative strength of Sales and services, as well as Business, finance and administration occupations also increased between 2006 and 2016, though they remain below the provincial average. The three sectors with the lowest concentration in Mackenzie all declined between 2006 and 2016 (Education, law and social, community and government services; Health; and Art, culture, recreation and sport).

*Comparative Strength of Sectors by Jobs per Occupation, 2006-2016*



## 4.0 Mackenzie Economic Development Programs and Initiatives

The District of Mackenzie has and continues to offer various programs, dedicated personnel, and incentives to support local economic development. These are outlined in the table below.

NAME	DESCRIPTION
Business Façade Improvement Program	Annual financial support offered to local businesses to cover the costs of improving their curbside appeal (e.g., fresh paint, new signage, etc.).
Love Mackenzie	A program that encourages people to shop locally by identifying, branding, and promoting locally-owned businesses.
District of Mackenzie Economic Development Department	Includes a dedicated Economic Development Coordinator
Mackenzie Chamber of Commerce	Local group dedicated to actively promoting the interests of its member businesses and the community. <sup>15</sup>
Community Futures Fraser-Fort George	A community based economic renewal initiative that helps locals start or expand a businesses, and helps sustain and improve communities and their local economies through various programs and services. <sup>16</sup>
Resident Attraction website (Take on the Trench)	A yet-to-be-published website that promotes the District Mackenzie as an attractive place to live, work, and adventure as part of an overall Resident Attraction Campaign.
Mackenzie Community & Investment Profile (2020)	Directed towards potential investors, this document contains information highlighting the benefits of and incentives for investing in Mackenzie, including information on demographics, utilities, permits and licensing, resources, quality of life, etc).
"Experience Mackenzie" Visitors Guide (2018)	Directed towards visitors and potential future residents, this document contains information highlighting Mackenzie's history, and summer and winter recreational opportunities.
Mackenzie Branding Initiative	Background research and analysis on the community's history, demographics, assets and constraints, etc., as well as a community survey fed into the development of Mackenzie's brand. This visual identity is used to help convey Mackenzie's personality, spirit, values, and best attributes and is used on all marketing communications and community development materials.

<sup>15</sup> Retrieved from <https://www.mackenziechamber.bc.ca/>

<sup>16</sup> Retrieved from See <https://cfdc.bc.ca/about/>



