LABOUR INVESTMENT

Report

CITY OF VERNON

March 2015

Funded by:

Citizenship and Immigration Canada

Financé par:

Citoyenneté et Immigration Canada

urban matters

TABLE OF CONTENTS

"… over the next decade, British Columbia will be faced with one of its largest economic challenges—i.e. ensuring we have enough workers, with the right skills, in every region of the province to maximize British Columbia's economic potential."

Skills for Growth: British Columbia's Labour Market Strategy to 2020.
BC Ministry of Regional Economic and Skills Development.

INTRODUCTION

SECTION ONE

Immigrants help enable business development by providing global talent and financial capital, two key factors influencing investment decisions which, in turn, are key to creating and maintaining employment opportunities for British Columbians.

Report of the British Columbia Immigration Task Force.
Minister of State for Multiculturalism. March 2012

This report is another chapter in the effort to provide a proper and thorough context and foundation from which the City of Vernon can undertake the preparation of a Settlement Strategy. It builds from and adds significantly to earlier investigative efforts, both primary and secondary. It does so by specifically focusing on the effort to provide a better understanding of the local labour market (talent/skills) and how this unique and changing character impacts on the City's entrepreneurial and business investment opportunities and challenges.

1.1 Where we are in the process

It is important to remain cognizant of where we are in the overall process of investigation and strategy preparation to fully appreciate and incorporate the input the attached narrative provides. Referring back to the original work plan submitted by Urban Matters, wherein the objectives of the Vernon Immigration and Settlement Strategy were initially set out, we are currently finalizing the last steps in the investigation effort (point 4, below) that is necessary prior to undertaking a delineation of strategic and operational objectives. As a reminder to the reader the six key project objectives are set out below:

1. provide an overview of the City of Vernon's relative position and capacity to substantively affect and positively managed settlement initiatives;

2. identify critical strengths, weaknesses, opportunities and challenges related being a welcoming community;
3. map out an inventory of existing Immigrant services/programs and identify any gaps;
4. **analyze local labour market trends to identify entrepreneurial and business investment opportunities and challenges;**
5. identify strategic and operational objectives related to immigration and economic development within City of Vernon; and,
6. research and articulate the key components of a marketing strategy for attracting entrepreneurs/skilled immigrants.

1.2 Scope and objectives of this report

In summary and further to the discussion above, the objective of the report that follows is to: "analyze local labour market trends to identify entrepreneurial and business investment opportunities and challenges". Importantly this report in not intended to act as an in-depth exhaustive analysis of the local labour market nor the local investment climate. Rather its purpose is to undertake an investigation that lends another contextual lens to feed into a better understandings of the Vernon context and allows the LIPC to better develop a tailored and actionable Settlement Strategy.

1.3 Approach and methodology for this stage of investigations

Of course we are well aware that the approach undertaken for this phase of the investigation is a key determinant of the quality and veracity of information collected and by implication a key determinant of the relevance of the proposed settlement strategy. And therefore for this important stage of the investigation we have pursued an approach that we feel is especially prescient and well thought out. It is an approach that is premised on:

- An open and ongoing collaborative & consultative process;
- Based on the principles of participatory planning;
- Builds from the community's past efforts and future aspirations;
- Focused on discovering implementation opportunities along the journey;
- Comprehensively encompasses and assesses all critical settlement factors and priorities in a manner that is relevant and objective; and
- Innovatively responds to the unique needs of the community.

Our research methodology has encompassed both exploratory investigation and in-depth descriptive research of both qualitative and quantitative factors. In terms of scope the research effort included the collection and assessment of both secondary and primary data. Secondary research investigations were utilized first as a means to identify data deficiencies and key issues from which the subsequent primary investigations were logically premised, i.e. the formulation of interview questions and the identification of notable interviewees. While extensive, this overall research approach was deemed the most appropriate

Project investigations extended over the period January 1, 2015 to March 15, 2015. From the very beginning special care was taken to ensure that the compiling of relevant information was as complete as possible. A number of studies, documents and statistics were identified and reviewed. In many cases clarification of critical information was gained through direct contact with the source. Anecdotal information was compiled through numerous interviews with local businesses and community stakeholders. The analysis of the collected information was premised on firm logic and a conservative approach. Where information for the City was imputed from regional or sub-regional data, care was taken to ensure that observations made were legitimate and fully supportable via cross referencing with other imputed data and/or via anecdotal comments.

The observations and key findings arising from the research are premised on a full understanding of their validity and acceptance by the community at large.

As with any consulting effort, regardless of the care taken, certain limitations are inherent from the methodology of investigation and assumptions made. As much as possible we have tried to minimize the impact of these limitations. While we feel our findings are firmly based and valid, we acknowledge that certain limitations exist and it is important for the reader of this document to be aware of these limitations.

1. This project assignment focuses narrowly on the interrelated matters of labour market and investment opportunities. It was not within the mandate of this effort to review or discuss the broader aspects of labour market planning, immigration policy, economic development, business viability and the like.
2. Certain circumstances that existed as we started this project may have changed as of this writing. As such certain observations and findings may need to be revisited and revised before finalizing the Settlement Strategy.
3. By necessity (due to lack of research such as specifically on inbound investment by immigrants) this project effort draws from statistics and observations that may/may not be specifically relevant to the circumstances within the City of Vernon, i.e. in some instances information drawn from the region or province or nationally are inputted to reflect circumstances in the community. Certain observations made and conclusions drawn are based on this broader perspective and may or may not be completely accurate when disaggregated.
4. While one-to-one interviews are an excellent means to gather certain information, there is an assumption that the interviewee can relate and apply their personal experience and context onto the broader topics at hand. This may not always be the case, especially in instances where some feedback is requested in respect to possible new areas of programming of which the interviewee's knowledge and experience may be limited but not made apparent.

Notwithstanding the collective importance of these assumptions, limitations and other methodological considerations, we contend that the findings noted throughout the report are germane and supportable.

Recent economic forecasts suggests that the Province of British Columbia is about to experience the fallout of a global economic downturn. Unlike the ubiquitous impacts of the financial crisis of 2007-2008 this downturn will disproportionately impact on those regions and countries heavily dependent upon commodity producing/resource extraction. BC and the communities resident within will clearly not be immune to the global economic slowdown.

ECONOMIC OVERVIEW

SECTION TWO

It is within this context of uncertainty that the following narrative seeks to provide some sense of perspective regarding economic circumstances and prospects in British Columbia generally and the City of Vernon in particular. It is premised on research from a number of government and private sector generated economic forecasts. Importantly this document seeks to highlight rather than comprehensively explore or debate the issues that the City, its business community and local citizens face. That said, much of the information and forecasting on the province and city's economic vitality and prospects as of this writing are incomplete and uncertain. In part this is the consequence of economic data and behavior lagging the influence and impacts of the early stages of the global downturn. The information presented should therefore be considered in this light.
Importantly economic forecasting is not an exact science rather its purpose is to increase the odds of understanding and applying potential future outcomes. It is very much an important decision making tool and as such the narrative that follows takes root in empirics rather than politics.

2.1 Province of British Columbia

British Columbia is one of the largest, most geographically diverse regions of Canada. Covering close to 945,000 square kilometres, the province is nearly four times the size of Great Britain, two-and-a-half times larger than Japan and larger than every U.S. state except Alaska. British Columbians are linked to one another and to the world by a diverse economy focused on small businesses and services, as well as technology and resource based industries. Industry and businesses of all sizes are key to B.C.'s success; which contributed near $230 billion to Canada's gross domestic product (GDP) in 2013 and directly employed more than 2,253,600 people in 2015.

BC's locational and economic diversity have been major incentives to the province's unique attraction to skilled workers, immigrants and investors.

Population and Demographics

The population of British Columbia in 2014 was approximately 4,657,947 people or about 13.2% of the population of Canada. With a year over year increase of 1.2% the province as a whole grew by 54,711 people in 2013-2014 and is experiencing the 4th highest population growth of all Canadian Provinces and Canada as a whole (1.1%). The majority of new population growth is largely the result of immigration, which is a particularly salient consideration in terms of the importance and fit of a community settlement strategy. By 2025, an additional 1 million people will be living in British Columbia.

BC has one of the highest rates of urbanization in Canada with over 86% of all BC residents living within designated urban areas. The largest concentrations of population reside within Vancouver and the lower mainland, Victoria and southern Vancouver Island, and Kelowna/Vernon in the Okanagan Valley.

The Province has an older than average population when compared to Canada. In the 2011 Census, over 17% of the BC's population was aged 65 years and over versus 15.7% for Canada and this disproportionate representation is expected to increase substantially to 2036.

Table 1 - **Population by Region**

Regional Districts	Population 2011	Population 2025	Percentage Change (2006 - 2011)
Greater Metro Vancouver	2,313,328	2,949,627	27.5%
Capital (Greater Victoria)	359,991	423,965	17.8%
Fraser Valley	277,593	354,220	27.8%
Central Okanagan	179,839	230,827	28.5%
Nanaimo	146,574	180,793	23.3%
Thompson-Nicola	128,473	148,468	15.6%
Fraser-Fort George	91,879	101,887	10.9%
North Okanagan	81,237	94,069	16.1%
Okanagan-Similkameen	80,742	88,423	9.5%
Cowichan Valley	80,332	95,154	18.6%

The ten most populated Regional Districts in the Province and population projections conducted by BC Stats for 2025 are shown in the table below. It should be noted that these are projections based on historical evidence and while supportable some flattening will likely moderate expected growth in the near term as global economic uncertainty ripples through.

Economic Overview

As noted above British Columbia has a relatively well diversified economy that is well integrated with other economic regions of Canada, the United States and the global economy. Geographically the dispersion of economic activities however is quite limited, with some areas of the province being more urbanized and more balanced in terms of economic foundations than others. By way of example major resource efforts are concentrated within the Northern parts of the province where much of the anticipated resource/commodity "boom" is expected to accrue. This unequal dispersion of economic growth and opportunity will have a decided impact on regional and community labour markets and investment. Other relevant characteristics of note:

Table 2 - **BC Employment by Sector**

Industry	Number Employed 2014 (000's)	Percent (%)
Goods-Producing Sector	449.9	20%
Agriculture	24.3	1%
Forestry, Fishing, Mining, Oil and Gas	50.0	2%
Utilities	13.7	1%
Construction	200.5	9%
Manufacturing	161.4	7%
Services-Producing Sector	1,828.5	80%
Trade	358.0	16%
- Wholesale	80.5	4%
- Retail	277.5	12%
Transportation and Warehousing	133.8	6%
Finance, Insurance, Real Estate and Leasing	137.2	6%
Professional, Scientific and Technical Services	182.3	8%
Business, Building and Other Support Services	87.9	4%
Educational Services	166.3	7%
Health Care and Social Assistance	269.8	12%
Information, culture and recreation	107.7	5%
Accommodation and food services	185.3	8%
Other services	102.4	4%
Public administration	97.9	4%
All Industries	2,278.4	100%

- **Employment:** In 2013 average unemployment for the Province was 5.6 %. Regardless of anticipated skills shortages continued mismatch between supply and demand coupled with some deterioration in employment prospects is expected to detract from this performance in 2015 and throughout 2016.
- **Business and the Labour Force:** BC is home to 382,200 small businesses which employ near 50% of the Province's workforce. The economic diversity of the provincial economy is well illustrated in the following table denoting employment by sector.

In terms of employment by sector, the services producing sector represents more than 80% of all employment in the Province, led by healthcare and social assistance (12%), retail trade (12%), Construction (9%), accommodation and food services (8%), Professional, Scientific and Technical Services (8%), and Educational Services (7%). The Province's largest industry is trade (wholesale and retail sales), which accounts for nearly 16% of total employment.

- **Labour Force Outlook** Looking to 2022 there is a substantive increase in "job" openings expected to accrue to the province and across all regions of the province.

Table 3 - **Provincial Labour Market Outlook Summary**

	Total Projected Openings (2012-2022)	Expansion (2012-2022)	Replacement (2012-2022)
BC	985,100	315,400	669,800
Lower Mainland	641,500	237,500	404,100
Vancouver Island	147,200	33,900	113,300
Thompson- Okanagan	98,300	19,800	78,600
Kootenay	29,300	5,700	23,500
Cariboo	30,300	4,000	26,300
North Coast	20,100	7,100	13,000
Northeast	18,400	7,400	10,900

The Provincial Labour Market Outlook shows that there are almost 1.0 million new job opening expected by 2022. The current high levels of employment participation, as well as low levels of unemployment represent a significant challenge to replace almost 700,000 workers lost due to retirement over the next decade. Further, the proportion of the population that is of working age (ages 15 to 64) within the province is shrinking. Furthermore, in terms of exacerbating the situation according to a recent labour market survey prepared for the province, the proportion of the population that is of working age is expected to decrease over the next five years.

2.2 North Okanagan

The North Okanagan Region is situated in the south-central interior of British Columbia. Population in 2011 was approximately 82,391 people or about 1.8% of the population of the province. With a year over year increase of 1.0% the region as a whole is experiencing substantive population growth when compared with some neighboring regions and the province (0.7%). Recently however there has been a moderation in population growth and some uncertainty whether this moderation is indicative of a trend or simply an aberration. Nonetheless population is expected to increase over the next 10 to 12 year period and reach approximately 94,000 people by 2025. Population growth by resident community varies significantly.

The region has an older than average population when compared to the Province. In the 2011 Census, over 53.1% of the North Okanagan's population was aged 45 years and over versus 48.8% for BC and this is expected to increase substantially by 2036. A portion of the population in the front wave of the 'baby boomer' cohort (b.1948-1964) has already entered retirement.

This aging of the population has some significant implications to the local labour market and longer term implications to economic growth within the region.

There is also substantial age variation and the population aged 65+ years is particularly notable at 21.5% in the North Okanagan compared to 15.7% for BC as a whole. Average family incomes in the region ($73,530) tend to be less than the BC average ($80,511).

Table 4 - **Population by Community within the North Okanagan**

	Population 2011	Percentage Change (2006 - 2011)
Armstrong	4,878	13%
Coldstream	10,415	8%
Enderby	2,961	4%
Lumby	1,745	5%
Spallumcheen	5,105	2%
Vernon	38,914	5%
Unincorporated Area	18,373	0%
Total	82,391	5%

Land Use

Residential development in many communities is spread-out and a large amount of suburban development over the past three decades has resulted in vast urban sprawl, especially in Coldstream and Vernon. This has resulted in many communities being highly dependent on personal automobile as a primary mode of travel, resulting traffic congestion and low levels of investment in alternative modes of transportation (e.g. transit, bike lanes, sidewalks, etc.). Overall, the limited amount of flat developable land, outside of the ALR, limits options for growth and settlement expansion, which has resulted in an increased effort to densify existing settlements and limit the expansion of hillside development on steep slopes.

Large concentrations of commercial and industrial development are found along the Highway 97 corridor through the North Okanagan, especially in Vernon. Smaller amounts of tourism commercial development can also be found in smaller communities, such as Armstrong, and Mabel Lake, and in the downtown core of Vernon.

Vernon is the Region's major institutional centre providing health and educational services through the Region. Major institutional uses include the Vernon Jumble Hospital (VJH) and Okanagan College, both of which are located in close proximity to Highway 97 and major transit routes.

Economic Overview

The North Okanagan has a small but uniquely diverse regional economy that is relatively well integrated with other, predominantly southern and mainland, economic regions of British Columbia and some economic centers of Alberta and the United States. Over the past two decades the North Okanagan region has built from its historic reliance on forestry and mining. Today the region is a popular tourist and retirement destination, which has spawned significant investment and construction activity over a number of years. It is also one of BC's premiere agricultural production centres, and it has a growing number of high tech, aviation and diversified manufacturing businesses. It is also home to a number of emerging industries.

The North Okanagan Region represents about 1.8% of the population of British Columbia and approximately 1.9% of BC's total employed. That said, the proportion of the population that is of working age (ages 15 to 64) within the North Okanagan Region is proportionally smaller than that of the rest of BC (55.8% compared to 68.5%). Furthermore, according to a recent labour market survey prepared for the region, the proportion of the population that is of working age is expected to decrease over the next five years.

In terms of employment by sector, the services producing sector represents more than three-quarters of all employment in the Okanagan region, led by healthcare and social assistance (12.2%), accommodation and food services (7.5%), educational services (6.7%), finance, insurance, real estate and leasing (6.3%), and professional, scientific and technical services (6.1%). The region's largest industry is trade (wholesale and retail sales), which accounts for nearly 17% of total employment.

The North Okanagan has an extensive, well-integrated transportation infrastructure. Goods are moved throughout the region through various transportation services; roads, rail, border crossings, frequent domestic and international flight schedules and transit systems support a wide variety of economic functions and industries.

BC Transit provides both conventional and HandyDART public transit services to North Okanagan While Vernon's system is directed more towards maximizing area coverage, as is typical in small to mid-range systems. The North Okanagan's Transit Future Plan (2014) is based around the development of a core transit network with reliable, frequent 15-20 minute service on weekdays between 7 AM and 10 PM. Core transit routes to Enderby, UBCO in North Kelowna, and Lumby are identified.

2.3 City of Vernon

The City of Vernon is a medium sized city of approximately 40,000 people (58,584 in Greater Vernon). It covers a territory, which extends from the District of Coldstream to the southeast, the District of Lake Country to the south, and Electoral Areas B & C of the North Okanagan Regional District to the east, north and northeast. In addition, the Okanagan Indian Band has two reserves that border the municipal boundary of Vernon.

Population and Demographics

The City of Vernon is the second largest municipality in the Okanagan Valley and the major urban centre of the North Okanagan Regional District. Like much of the Okanagan Valley, Vernon has experienced rapid growth and development in the past, resulting in a community that has seen considerable changes in the last few decades. However, since 2008, this growth has slowed, along with the growth of other communities in the region.

From 2001 to 2011, the city's population grew by an average 1.37% a year. With a year over year increase of 1.0% in the region as a whole Vernon is experiencing more substantive population growth when compared to some neighboring communities and the Province (0.7%). Population within the Greater Vernon area while recently indicating some evidence of plateauing is expected nonetheless to continue to increase over the next 20 year period at a rate of 1.0% annually to reach approximately 48,000 people by 2036. Population growth will mostly be driven by net migration of people to the city, which in and of itself reaffirms the importance of finalizing the Settlement Strategy.

The City of Vernon has an older than average population when compared to the Province.

In the 2011 Census, over 23.1% of Vernon's population was aged 65 years and over versus 15.6% for BC and this is expected to increase substantially by 2036. Currently, the median age is 46.5 vs. 41.9 for British Columbia.

This demographic character of the community has and will continue to influence the scope and structure of economic and social development within the community which will need to be considered in finalizing Settlement Strategy objectives and tactics.

Table 5 - **City of Vernon - Population Growth, 1976 - 2011**

Year	Population 2011	Percentage (%) Change
1976	17,984	-
1981	20,500	2.8%
1986	20,962	0.5%
1991	24,112	3.0%
1996	32,165	7.4%
2001	33,542	4.1%
2006	35,944	6.7%
2011	38,150	6.1%

Land Use

Over the past decade the North Okanagan region has begun to experience substantial pressure to develop farmland, hillsides and other greenfield areas. As a result of the shrinking developable land area, there have been notable shortages in employment lands (i.e. developable commercial, institutional and industrial space), and space for new residential development. Consequently residential development in the community is spread-out with significant suburban development occurring over the past three decades. Further, large concentrations of commercial and industrial development are found along the Highway 97 corridor through the North Okanagan, especially in the City.

Vernon is the Region's major institutional centre providing health and educational services through the Region. Major institutional uses include the Vernon Jumble Hospital (VJH) and Okanagan College, both of which are located in close proximity to Highway 97 and major transit routes.

In terms of impacts on the Settlement Strategy it should be recognized that the limited amount of flat developable land, outside of the ALR, limits options for growth and settlement expansion, which has resulted in an increased effort to densify existing settlements. As a result planning for the City of Vernon has begun to consider the role of neighboring municipalities in supporting new growth; recognizing the limited existing land base within City Boundaries.

Economic Overview

In terms of cities of similar size, the City of Vernon has a relatively diverse economic base, with employment being generated not only from the traditional resource sectors of forestry and agriculture, but also from the tourism, administrative, manufacturing and services sectors. The City maintains a labour force of 22,000 people and has a somewhat modest labour force participation rate of 55.1%. The largest sectors of employment within the City are retail trade, business services, health care and social services, and accommodation and food services. These four sectors account for approximately 52% of all jobs in Vernon. The region's largest industry is retail trade, which accounts for nearly 17.3% of total employment.

Table 6 - **City of Vernon- Employment by Sector**

Industry	Percent (%)
Goods-Producing Sector	**17.3%**
Agriculture and other Resource-Based Industries	3.2%
Construction	7.6%
Manufacturing	6.5%
Services-Producing Sector	**82.7%**
Trade	20.3%
- Wholesale	3.0%
- Retail	17.3%
Finance, Insurance, Real Estate and Leasing	4.9%
Business Services	13.1%
Educational Services	5.7%
Health Care and Social Assistance	12.5%
Accommodation and food services	9.2%
Other services	16.9%

Skills gaps cost the British Columbia economy up to $4.7 billion in foregone GDP and $616 million in provincial tax revenues, annually.

Skills for Success: Developing Skills for a Prosperous B.C.
The Conference Board of Canada, February 5, 2015

TALENT KEY FINDINGS

SECTION THREE

By 2020, British Columbia will have:

- A population that has the skills necessary to pursue their economic goals and capitalize on emerging opportunities;
- A welcoming environment that is internationally recognized as one of the best places for newcomers and their families to arrive and work, live, study and invest.
- A culture of innovation that creates productive workplaces.

British Columbia 2022 Labour Market Outlook. Ministry of Jobs, Tourism and Skills Training.

3.1 Key Terms

As noted previously the objective of this report is to identify and clarify local labour market trends from which to identify entrepreneurial and business investment opportunities. This information in turn will feed into the finalization of the Settlement Strategy. In order to ensure the effort is itself clear it is best to start with ensuring a common understanding of key terms.

First off it is important to clarify the term **"talent"**. The short definition is that skills refer to "how to"; knowledge refers to "learned facts or experiences"; and talent refers to **"aptitudes or thoughts that uniquely merge skills and knowledge".** Talent then is an essential determinant of labour force productivity and it is the attraction and retention of talent, more so than skills, that is especially valuable in terms of fostering and sustaining positive economic growth and development. And so in this section of the report we have chosen to introduce the concept and importance of talent in Settlement Strategy design and implementation.

Unfortunately while we shouldn't lose sight of this important concept, when evaluating local circumstances through secondary statistical reviews, information on "talent" is difficult at best to come by and we are generally obliged to focus on traditional measures. That said, we have reserved our primary research efforts to supplement these traditional sources to give a better insight into this important labour force characteristic within the City of Vernon.

Skills the how to + **Knowledge** learned facts or experiences = **Talent** aptitudes or thoughts that uniquely merge skills and knowledge

As to other key terms/concepts:

A labour market is the place where workers and employees interact with each other. In the labour market, employers compete to hire the best, and the workers compete for the best satisfying job. The labour market – like other markets – can be described in terms of supply and demand components.

Labour supply primarily refers to the number of potential workers and their characteristics (talents and skills) whereas labour demand refers to employers' skill or talent requirements. In the labour market, labour services are exchanged and it is the interaction of the workers and firms that determines, in part, the price of labour, the number of workers employed, and the working conditions attached to employment.

Labour shortages occur when the number of new job openings within a specific occupation (demand), available as a result of retirement or an increased demand for people with a unique mix of skills and talents to fill these positions, is higher than the number of new job seekers (supply).

3.2 Secondary Research

The purpose of this secondary research effort has been to seek out reliable information that provides some level of insight into labour force and talent needs and issues within the City of Vernon. This includes those factors shaping supply and demand today and in the near future; the specific skills that local employers need to meet their workforce needs; and the economic impacts associated with shortages and mismatches.

There is an abundance of research nationally and provincially undertaken on these issues going back 10 to 15 years and increasing therefrom, including more recently: British Columbia 2022 Labour Market Outlook; the Conference Board of Canada's February 2015 research document entitled Skills for Success: Developing Skills for a Prosperous B.C. Regionally there is useful information in the document Growing in the Okanagan: Labour Market Outlook. As well the City of Vernon has organized and published research on the City's local labour market as well as two (2) local Business Retention research efforts.

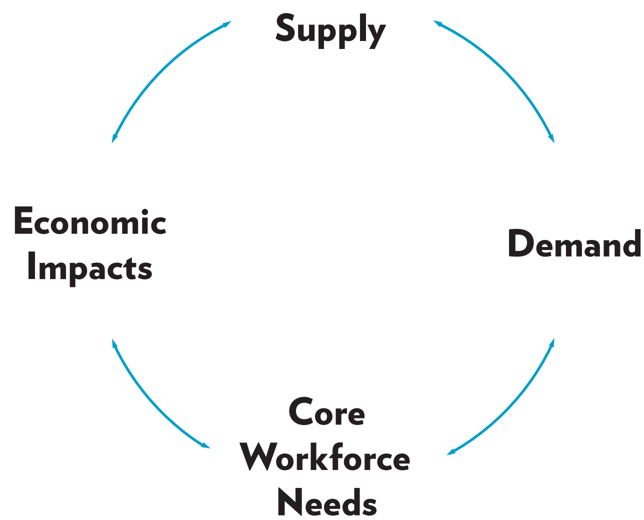
Limitations and Qualifications

We have prepared an identification and highlighting of key themes and issues with the intent to feed these insights into the formulation of the City of Vernon's Settlement Strategy. Notably there is a dearth of comprehensive small area data that is current (2015); and there is a dearth of data that has been adequately adjusted to properly take into consideration the current global/national economic circumstance and near term forecasted outlook, especially in respect to such interests as "talent". While labour market information and insight normally takes the form of quantitative or numerical data, qualitative information can and should be utilized to shed light on labour market outcomes and trends. In this regard we have undertaken some primary research to ground test our collected insights, the results of which are presented separately in the following information.

We believe the identified themes, as considered and described in aggregate below, are relevant for the purpose of this investigation and over the longer term.

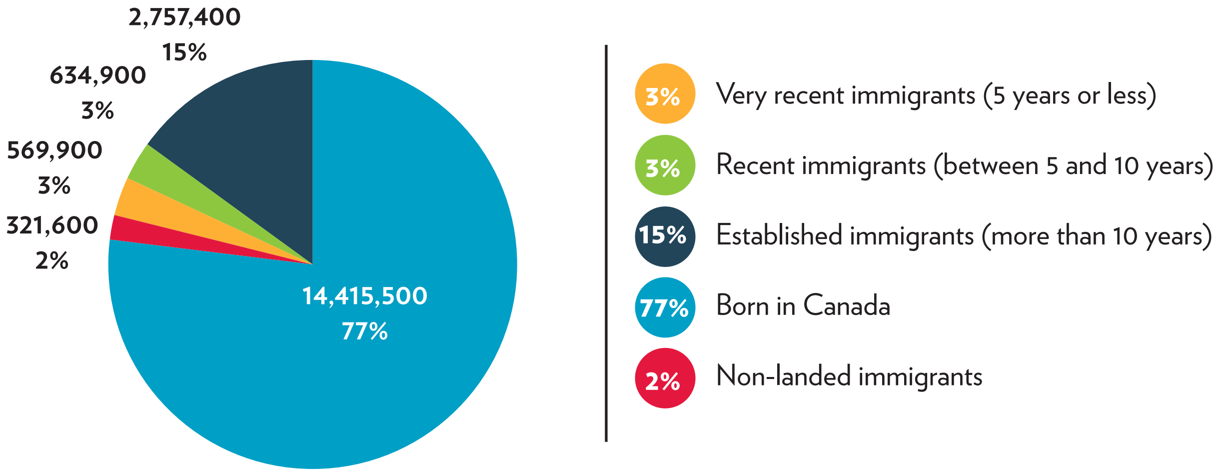
Highlights of Key Findings from Secondary Research

Information collected can be broadly categorized as pertaining to supply and demand; an articulation of core workforce needs; and, economic impacts. Some examples of the information we have collected and the questions they answer AND the questions they pose are presented below.



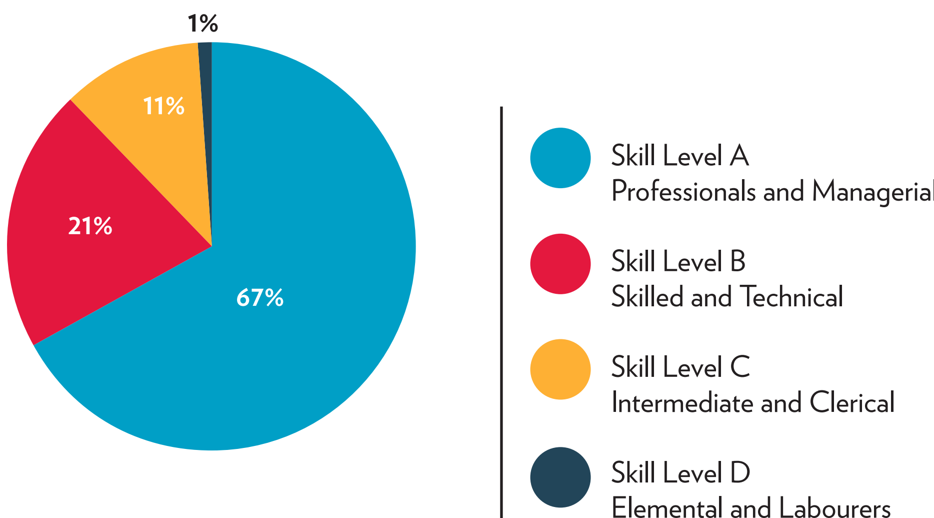
Supply and Demand

- Whether intentional or otherwise the demand and supply of labour is heavily influenced by federal and provincial policies impacting on such matters as immigration, skills recognition, educational standards and priorities, the working environment, employment standards and so forth.
- Programs such as the Temporary Foreign Worker Program are constantly being introduced, reviewed, revised, restarted and ended. What happens to the foreign workers and what happens to the jobs they vacate.
- Both migrants and new labour market entrants (those who leave the school system and enter the labour market for the first time) are important components of new labour supply and add to the labour pool each year.
- Despite the current emphasis or perception of emphasis on attracting immigrants to address skills gaps in Canada the labour force in Canada remains dominated (77%) by participants who were born in Canada and longer term immigrants (15%) versus only 3% of new arrivals.

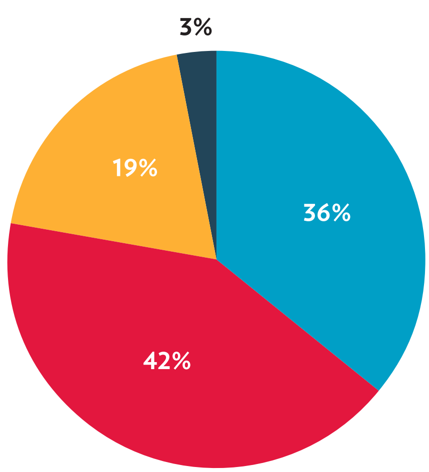


The chart below illustrates in stark detail a regional dimension to an impending mismatch between skills needed and skills provided unless some more focused efforts are not introduced.

Immigration* to BC by Skill Level 2006 - 2011



Projected Job Openings in BC by Skill Level 2006 - 2011



- Labour force growth in BC will not be adequate to meet the estimated one million job openings that are projected to 2020. Importantly the skills challenge is not homogeneous by typology nor by location. Different communities and different regions face different challenges.
- The Thompson Okanagan region is expected to have 98,300 job openings from 2012-2022. Most of these openings (~80%) are to replace retiring workers, and the other (~20%) is due to expanding demand.
- Labour force within the Thompson Okanagan is expected to grow by 18.5% over the next six years. However current population growth and migration levels are only sufficient to cover between 52.3% and 69.4% of demand. Migration levels need to double or triple to meet labour market demands.
- 47% of current residents do not have education or training beyond high school yet the demand for individuals with post-secondary education or trades skills is a growing requirement.
- The current unemployment rate is slightly above the provincial average; the population is older relative to B.C. as a whole; and the labour force participation rate is lower than the provincial participation rate (55.8% vs. 68.5% BC). This is not a demographic profile capable of supporting sustainable development.
- In a recent study of employers within the Thompson Okanagan it was reported that the majority of employers do not have an HR plan or a succession plan. Further only 1/3 of employers have an HR strategy for workforce requirements; and only 2/5 of employers reported having a succession plan for management needs. This lack of planning will have significant workforce and local economic development implications down the road.

Table 7 - **Employer Identified Sources of Labour (Okanagan)**

Sources of Labour	Level of Importance (Average Score)*	% Reporting Important or Very Important (4 or 5)
Local Workforce	4.3	80.6%
Other Companies	2.8	36.7%
Post-Secondary System – College	2.8	36.1%
Post-Secondary System - University	2.5	29.1%
Industry Training (apprenticeship) System	2.2	22.7%
Secondary School System	2.3	20.8%
Local First Nations/Aboriginal Community	2.3	19.1%
Other Industries	2.1	12.8%
Other Provinces	1.9	12.9%
International Immigration	1.7	11.7%

Workforce Needs

- In most cases it is not known exactly just what will be the specific requirements of future industries and workplaces. New types of businesses—with new occupations and new skill sets are sure to emerge. On a regular basis industrial and technological change will demand of employees different and more advanced skills. Workers will need to be able to learn and adapt to new job opportunities, innovate, and build businesses that can manage in a totally different economic milieu.
- At 6.2 per cent, British Columbia's unemployment rate does not, on its face, suggest serious labour shortages. However the issue of concern is a matter of mismatching and how best to meet that challenge.
- In terms of post-secondary education credentials, B.C. employers' greatest needs are for employees with university degrees (57%); college diplomas (44 per cent) and certificates (41%); and applied degrees (24%). They are most interested in graduates of business and management programs (42% to 66%, depending on credential type); computer and information sciences (28% to 44%); communications (23% to 39%); and engineering and electronics (22% to 35%).
- Concerns about skills gaps and mismatches in B.C.'s service-based industries, which make up three- quarters of the provincial economy, as well as in its goods-producing industries.
- There is much that employers, educators, government, and students can do to address skills gaps and mismatches. That said, it is important to be responsive and have the capacity to be responsive to changing needs. Conference Board of Canada has recommended that governments should provide greater resources for experiential learning partnerships between PSE institutions and employers to facilitate a better fit between skills development and employers' needs.
- More than three quarters of projected job openings in BC to 2022 will require some post-secondary education.
- In BC the occupations identified as having the most significant growth/job openings to 2022 are led by: sales and services; business, finance and administration; trades, transport and equipment operators and related; management; education, law, social and community services; and health related occupations.

Table 8 - **Occupations With Highest Number Of Job Openings**

Occupation	Expansion	Replacement	Total Job Openings
Nursing	1,160	1,900	3,060
Secondary and Elementary School	600	2,200	2,800
Retail and wholesale trade managers	250	2,540	2,790
Administrative and regulatory	460	2,540	3,000
Paraprofessional occupations in legal social, community and education services	1,060	1,630	2,690
Office administrative assistants – general, legal and medical	460	1,910	2,370
General office workers	790	2,770	3,650
Motor vehicle and transit drivers	510	2,580	3,090
Retail salespersons	340	2,530	2,870
Cleaners	880	2,770	3,650
Food counter attendants, kitchen helpers and related support occupations	1,050	780	1,830
Cashiers	260	850	1,110

- Within the Thompson-Okanagan the following key occupations are expected to grow the fastest, in relative terms, over the next ten years.
  - » Optometrists, chiropractors and other health diagnosing and treating professionals (2% annually compared with .7% overall average)
  - » Professional occupations in nursing (Also at 2%)
  - » Managers in Health Care (2%)
  - » Assisting occupations in support of health services (2%)
  - » Physicians, dentists and veterinarians (1.9%).

  And while it is important to be cognizant of this anticipated growth, it should not be forgotten that in absolute numbers the majority of growth will continue to occur in the sales and services sector.

Economic Impacts and Consequences

- It has been suggested that the current immigration system is not geared to respond to nor support the needs of communities within British Columbia. In fact "some federally-managed economic immigration programs have resulted in immigration flows that are not aligned with regional skills needs."
- Mismatches in the labour market have economic, social and individual impacts. The obvious corollary is that efforts to correct the situation should also be multidimensional.
- Skills gaps cost the British Columbia economy up to $4.7 billion in foregone GDP and $616 million in provincial tax revenues, annually.
- In some cases, individuals have been educated in fields for which there is low market demand. In other cases, individuals work for employers who are unsure about how to engage the full range and extent of their employees' skills (underemployed). Together, these skills mismatches (underutilization of skills) cost B.C.'s economy up to $1.3 billion in foregone GDP and $169 million in provincial tax revenues annually.
- Many other jurisdictions in Canada and BC share similar challenges with an aging workforce and increasing demand for higher skills. As such all will experience and are experiencing more competition for internationally trained workers. This includes highly skilled and experienced professionals and international students who are potential new labour market entrants. Migration – both international and interprovincial – of skilled workers, entrepreneurs, and students will be key to the economic future of the City.

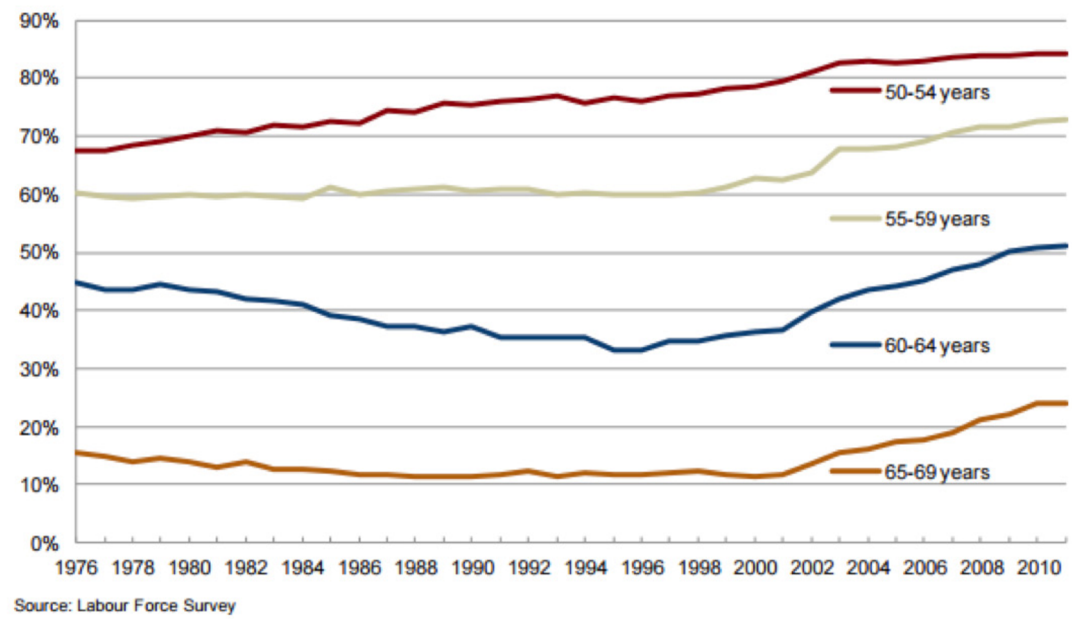
3.3 Primary Research

Over the period January 1, 2015 to March 15, 2015, thirty individual interviews were organized with local employers within the City of Vernon. These interviews followed a set interview format and utilized a standardized interview protocol. The effort included discussions with large and small enterprises; business associations; NGO's; and government authorities/agencies. Discussions were held with HR managers and individual entrepreneurs; managers and technical specialists. The feedback from these discussions was varied. While there was consensus on a number of issues (e.g problematic skills gaps) there was seldom consensus on solutions (e.g. government programming, the impacts of retirement and so forth). That said, the sample size was small and the intent was not to focus intensively but rather to elicit a broad spectrum of opinions and comments.

- Through the lens of local employers operating within the City of Vernon there are significant challenges inherent with attracting and retaining skilled employees. Many of these challenges are overcoming erroneous perceptions others are simply the character of a smaller community itself. Those most frequently mentioned included the following: (1) the absence of suitable opportunities for employment by a spouse/partner; (2) the challenge of overcoming the rural "single industry" perception associated with a smaller community; (3) the absence of a diverse and sophisticated range of social activities for 20-40 year olds; and (4) the absence of an adequate supply of suitable, reasonably priced accommodation.

- Local employers also noted that the City of Vernon offers a number of specific and unique qualities to enhance attraction and retention not the least of which were: (1) Vernon's attractive quality of life; (2) access to Okanagan College and UBCO as pools to draw talent from; (3) advancements in telecommunications that serves to eliminate historical barriers to entry in distant markets; and, (4) the growing phenomena of longer careers that offsets the expected disadvantages of an aging workforce.

Older Workers Don't All Seem Eager or Able to Retire As Expected



Other opinions and comments of note included the following:

- Individual company/enterprise efforts aimed at the attraction and retention of workers needs to be part of a larger community, region, provincial strategy/effort in order to be successful;
- It is important for local employers to have a policy of "domestic" recruitment as a first approach;
- Enterprises, government and institutions should recognize and build on the possibilities of improved synergies and partnerships;
- Immigration program requirements, application procedures and processing times need to better reflect business realities;
- Some attention needs to be directed at speeding up and improving the process to recognize and certify the education and qualifications of immigrants;
- Not enough is being done to attract and support immigrants with specialized skills to come to regions outside the Lower Mainland;
- Local services that impact directly or indirectly on the local labour/talent market need improved coordination, i.e. business, service providers and educational institutions;
- Much of the local employment market is hidden; and,
- There is some uncertainty or misunderstanding as to employment motivation of immigrants.

3.4 Key Primary Research Themes

As with any analysis of this type there is a need to recognize that community context as presented herein is at best a snapshot at a single point in time. It should therefore be fully understood from the beginning that context changes and as such future programming needs to be formulated with a consideration or allowance of change.

The point is that while it is important and necessary to take into consideration certain forecasts, we believe that in terms of providing realistic and credible information for community decision making it is best to start and build the case from what is known and less so from what may or may not be.

Key Themes

Aging workforce contrasted with careers lasting longer than past

Multigenerational workforces causing increased workforce interrelationship pressures

Misalignment of skills needs and supplies...technological change ... forecasting challenges

Importance of Soft skills..."talent"

Language requirements ... including workplace language

Flexibility in moving to regions outside the Lower Mainland

Hire Canadian first practices

Need to find methods of addressing the miss match between lack of Canadian work experience required for the changing workplace

Managing the mismatch of expectations between employers and employees

Many employers look at my qualifications and tell me I am over qualified and are worried about my retention... what they do not understand is I have chosen Vernon to raise my family. Many immigrants like me are not here (Vernon/Canada) to advance our careers but rather made the move in order to provide a better quality of life for our children."Recent Immigrant

New skills and careers are emerging at a very alarming speed.

"our industry and our organizations needs in regards to talents are in a state of continuous change. What we required just five years ago in regards to our technology department has changed dramatically... making it hard to say what exact skills and talent we will need in five years from now" Vernon Employer

3.5 Consequences on Strategy

From the information collected and the analysis undertaken in the previous sections the following key findings are noteworthy as they relate to their consequence on the creation of the City of Vernon Immigration Strategy:

Necessary that there be consensus on the information collected and the interpretation of its relative importance;

- Gather objective input from the range of diverse immigrants and newcomers to round out our understanding as to the previously described context;
- Need to establish a series of benchmarks or a comparative framework;
- Based on the strategic focal point of the upcoming City of Vernon Immigration Strategy... Ascertain which characteristics are of key importance obtain a better understanding as to what are the root causes and what is believed "changeable", and develop actionable plans to address these characteristics;
- There is a need to recognize that community context as presented herein is a snapshot of a single point in time, that context changes and as such future programming needs to be formulated with a consideration of change.

"FDI triggers technology spillovers, assists human capital formation, contributes to trade integration, helps create a more competitive business environment and enhances enterprise development. All of these contribute to higher economic growth. Moreover, beyond strictly economic growth, FDI may help improve environmental and social conditions by transferring "cleaner" technologies and leading to more socially responsible corporate policies."

INVESTMENT KEY FINDINGS

SECTION FOUR

4.1 Introduction

Inbound investment and/or Foreign Direct investment (FDI) can and does play an integral part of an open and effective economic system and are more often than not a major catalyst to community economic development. Yet, the incidence and benefits of FDI do not accrue automatically and evenly across countries, sectors nor communities. National and provincial policies and the international investment market place strongly influence the time and locational choice of FDI. Further, the community itself plays a significant part in investment attraction. In order to realize the benefits of FDI individual communities need to allocate their limited resources strategically, build a focused position premised on competitive advantage, and look to synergies within regional, provincial and national efforts.

Community vitality does not rely on good fortune. Rather, careful and committed action is required to capture, retain and sustain new and innovative business ventures; the types of ventures that create jobs and opportunities for local businesses, as well as catalyze growth and development into the future.

4.2 Secondary Research

The purpose of this specific exercise has been to gather and review existing data, reports, studies, and information on the investment market in general and opportunities within the City of Vernon in particular. It is intended that this exercise will be augmented with primary research. Once again this is not about undertaking a comprehensive investigation but rather to undertake a review that is sufficient to impart some level of understanding of the City's unique investment attraction proposition. This in turn will provide some insight into how and to what extent external inbound investment including immigrant investment can play a vital role.

When it comes to tracking and analyzing investment here is no shortage of available sources or timely data at the national and provincial levels. However in drilling down to capture similar insights on a regional and local context the base of published information is significantly lacking. As such we are necessarily obliged to draw inferences as best we can based on assumptions that may or may not be fully supportable. Nonetheless we contend that what follows is a fair and reasonable insight.

Highlights of Key Findings from Secondary Research

The rising levels of foreign direct investment (FDI) over the past quarter century are well documented. The same is true for the growing role this investment is playing in the economic prosperity of communities worldwide, to say nothing of the profound consequences this “globalization” of investment is having on supply chains, communications, employment and cultural relations/ understanding. Previous studies have attempted to increase our understanding of FDI through push and pull factors. Pull factors are the aspects of a country, region or community that attract investment. On the other hand, push factors are elements that drive investors to seek opportunities elsewhere. Studies repeatedly conclude that pull factors are more important than push factors.

Canada’s economy is built on trade and investment. Both of these are interdependent.

Inward FDI helps expand trade. It can also boost productivity by providing access to new technology, business and manufacturing processes, and management know-how, as well as by fostering a competitive and innovative business environment.

However Canada’s share of global inward foreign direct investment (FDI) has dropped significantly over the past few decades, ands this situation is problematic in going forward.

While there are a number of theories and a substantive body of research and discussion on the topic, it is fair to say that there are essentially three main factors that drive firms to invest: markets, resources, and efficiency. Because Canada has a small domestic market base, an aging population, and slowing population growth the country is not seen as a particularly attractive market for foreign companies to expand their reach. Further, setting up in Canada as a mean to access other markets does not seem to have had much of an impact on investor decisions. Canada’s attractiveness is relatively strong on the resources front though the allure may fade in the future with investment opportunities growing in more cost-competitive regions such as Latin America. Finally, in respect to efficiency. Canada needs to attract more FDI as a means of improving labour productivity. Yet Canada’s low labour productivity lessens its attractiveness as an FDI destination.   And so, at least for the short term, Canada’s slipping economic performance relative to its peers and to emerging economies will continue as a consequence of its inability to attract sufficient inward FDI.

Arguably the transition is not insurmountable.

To attract FDI, Canada needs to focus on having a relatively open framework for foreign investment and creating a business environment that is more open to competition and conducive to innovation. These preconditions to success must necessarily guide regional and local investment attraction efforts as well.

But of course policies require more focus to be maximally impactful and successful. By focus, we mean the designation of priority sectors; countries of interest; and broad socio-economic development benefits, i.e. technology transfer, skills enhancement and so forth

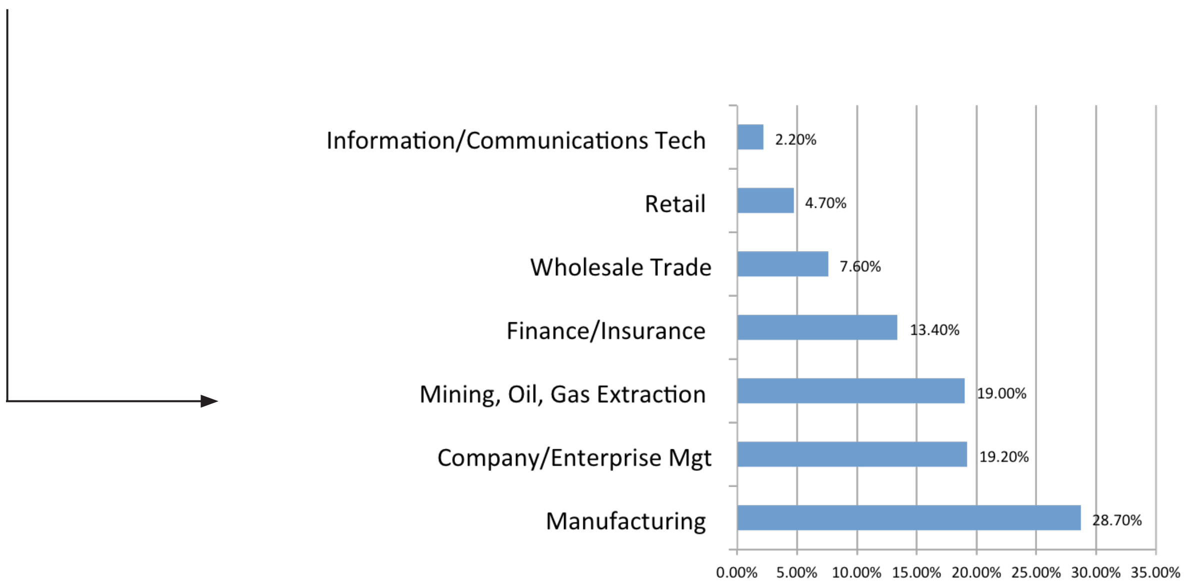
In terms of priorities the Government of Canada has established a list of six key sectors to target inbound investment including:

1. Advanced manufacturing: automotive, aerospace and defense, machinery and equipment;
2. Agrifood: food processing;
3. Chemicals and plastics;
4. Information and communication technology: digital media, software, wireless communications;
5. Life science: biopharmaceuticals, medical devices;
6. Services: business services, financial services; and
7. Sustainable technologies: renewable-energy technologies, environmental technologies.

In terms of Countries of concentration, Canada has a significant interest in the United States, the EU, and Asia.

Table 9 - **Canada's Major Sources of Inbound Investment and Where it Goes**

	Value ($ Billions)		Share (%)		Average Annual Growth (%)	
	2007	2012	2007	2012	20011 - 2012	2007 - 2012
United States	288.3	326.5	56.3	51.5	5	2.5
Netherlands	40.1	61.4	7.8	9.7	2.5	8.9
United Kingdom	56.8	54.6	11.1	8.6	15.4	-0.8
Luxembourg	3.6	24.6	0.7	3.9	10.8	46.9
Switzerland	15.9	21.4	3.1	3.4	5.4	6.1



Of course the Province of British Columbia, while a subset of the broader Canadian argument, understands very well the importance of attracting inward investment and as such is not sitting idle. The growing importance of BC's ability to tap into new markets and bring investment into the province from these markets should not be underestimated, especially at this time of economic uncertainty. As such the provincial government is aggressively working to: open and expand priority markets for B.C. goods and services, particularly in Asia, and engage B.C. exporters in new opportunities; attract increased investment to B.C.'s priority sectors; leverage investment capital programs (venture capital and infrastructure) to support a competitive business environment; and promote multiculturalism in B.C. communities and use it as a bridge to priority markets.

Key priority sectors for British Columbia include:

- Forestry;
- Tourism;
- Technology;
- Mining;
- Natural gas,
- Agri-foods;
- Transportation (port, marine and aerospace); and
- International education.

Key countries of interest include: those within the Asia Pacific region.

4.3 Key Primary Research Themes

Within the context of inbound investment where might the City of Vernon fit, and how best to understand its relative position to the issue of immigrant attraction and retention. In this regard there are a number of points of relevance.

On the **"development challenging"** side:

- Limited resources by the community to engage in inbound investment marketing and attraction;
- Inasmuch as domestically the City of Vernon is well known to many - once we travel out of country we are an unknown;
- Limited domestic investment market for the business that the City of Vernon offers;
- Limited clusters and absence of key sectors of concentration ("all things to all people");
- Heavily dependent on small business for employment and while this might offer an opportunity to scale up, it may also be evidence of a lack of resident technical, managerial and financial capacity to achieve that end;
- Significant unemployment and low employment participation rate (Vernon 55.1% BC 68.5) implying there may be problems with "labour supply" and skills inventory;
- Business success is problematic and increasingly so. Significant numbers of small businesses are or will be going through major succession in the next five (5) years;
- Many City of Vernon (and Canada wide) small businesses are not prepared for such a succession;

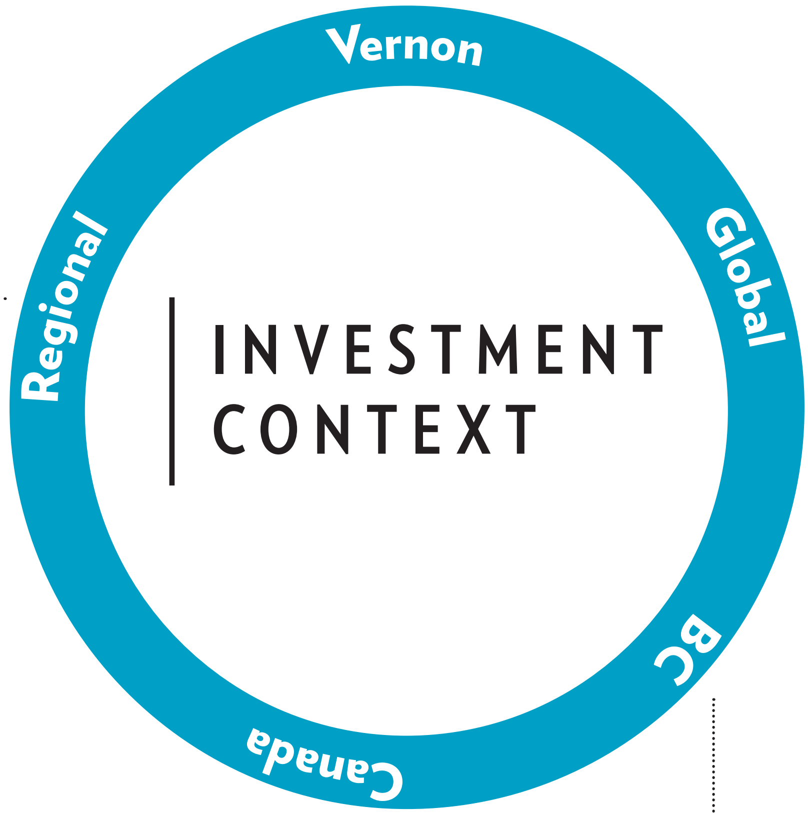
- Traditional successors of family or key employees are less interested in being the successor than before forcing more complicated external sales;
- Many small businesses will simply close their businesses due a myriad of reasons such as: 1) perceived lack of buyers; 2) confused and/or overwhelmed by the process; 3) too much effort needing to deal with the now not the future 4) Limited support of marketing/selling; and 5) the risk to both personal and professional reputation;
- Many small business owners do not wish to market their businesses locally in fear that: 1) loose customers; 2) alert competitors; 3) supplier relationships;
- Local businesses are not in a state of preparedness to be bought and successfully operated by a new owner due to lake of planning/strategies and systems in place; and
- Perception that many of the business locally on the market of being overpriced.

On the **"development positive"** side:

- Focused and committed economic development effort building on regional, provincial and national partnerships;
- Affordable workforce (by developed country standards);
- Some world-class businesses;
- Educational/development facilities and capacities;
- High quality of life defined by the characteristics of raising a family in a safe community with incredible outdoor recreation with many of the services and cultural activities that the City of Vernon as a midsized community can offer while not being a metropolitan centre;
- Inasmuch as many of the respondents were boastful of the quality of life in the City of Vernon there was also a common theme of it requiring dual income families to maintain this quality of life. This partnered with the local employment challenges of finding two meaningful and gainfully employed families many are turning to entrepreneurship and self-employment in order to address this need;
- While a negative statistic for the community the vacancy rate of the downtown core can be a positive in the eye of available prime downtown retail and office space. ~30%-40% vacancy rate in Downtown area (based on sqf);
- Changing social and cultural make-up of Vernon creating new business opportunities for both external and internal entrepreneurs; and
- Numerous alternative business lenders are servicing the City of Vernon business community (Community Futures, SIDIT, Business Development Bank of Canada, Okanagan Angel Investor Network).

Much of the narrative to this point is best captured in the following diagram.

City of Vernon Investment Context



Regional

Key Markets

1. Europe (UK)
2. Asia Pacific Countries
3. United States

Priority Sectors

1. Technology
2. Aviation
3. Non-primary metal manufacturing
4. Forestry and Wood Products
5. Life Sciences
6. Knowledge Services
7. Tourism
8. Value-Added Agriculture

Canada

Key Markets

1. Americas - (U.S., Brazil & Mexico)
2. Europe - (U.K. France, Netherlands, Switzerland, Germany, Luxembourg, Belgium, Finland, Sweden, Norway, Ireland, Italy, Austria, Denmark & Spain
3. Asia/Oceania - (Japan, China/HK, Australia, South Korea, Taiwan, India & Singapore)

Priority Sectors

1. Agrifood
2. Plastics & Chemicals
3. Advanced Manufacturing
4. Services (Business & Financial)
5. ICT
6. Life sciences
7. Renewable energy technologies

Global

Top Investing Countries (FDI Outflow)

Developed Countries account for 72% of total global FDI outflow, Developing Countries account for 28%.

1. European Union (33.4%)
2. United States (24.2%)
3. South, East and South-East Asia (17%) Asia & Oceania (16.9%)
4. South East Europe (4.5%)

BC

Key Markets

1. Asia Pacific Countries

Priority Sectors

1. Forestry,
2. Tourism,
3. Technology,
4. Mining,
5. Natural gas,
6. Agri-foods,
7. Transportation (port, marine and aerospace); and
8. International education

Vernon Context

1. **Older population**
2. **Community - Limited resources for investment efforts**
3. **Affordable workforce (by developed country standards)**
4. **Heavily dependent on Small business for Employment**
5. **Succession of Businesses is a real concern**
6. **Some world-class businesses**
7. **Exit of large International retailers from Canada**
8. **~30%-40% vacancy rate in Downtown (based on sqf)**
9. **Significant unemployment**
10. **Strong business support (service and financial)**
11. **Low employment participation rate (Vernon 55.1% BC 68.5**
12. **Employment contributors:**
    - **Services-Producing Sector 17.3%**
    - **Goods-Producing Sector 82.7%**
13. **High Quality of life (outdoor / family orientated)**

4.4 Consequences on Strategy

From the information collected and the analysis undertaken in the previous sections the following key findings are noteworthy as they relate to their consequence on the creation of the City of Vernon Immigration Strategy:

Key Findings

Any inbound investment strategy and tactics must be part of a larger strategy/effort that includes numerous players within the space;

No easy industry or geographical targets with Vernon being so diversified economically;

Despite there being a significant number of services being offered to the local business community there is a large degree of lack of awareness of them even amongst players who share the same space and service same clients. Therefore, there need improved Synergies and Partnerships are needed in order to bridge the awareness gap and help local business gain the services and support needed;

The degree in which local business are prepared and ready for a transfer of ownership will be a major obstacle for investors entering Vernon with the desire to invest in local small businesses. This degree if ‘readiness’ needs to be addressed;

Businesses state they have a lack of awareness of all the services available for them and accessibility (days/times) is an issue to using them. Services coordination could be enhanced; and

Much of the local investment market is hidden and therefore creating an issue with local and newcomers alike ability to invest.

Successful communities build from who they are and what they want to be. They understand that success is about being pro-active, developing an effective “game-plan,” and making things happen.

FINAL THOUGHTS

SECTION FIVE

What has been provided within this report is intended to reflect an overview of local context as it relates to talent/labour and investment.

While there are always development challenges within every community the overall business climate in Vernon is very positive – locally owned businesses are growing, the employment opportunities are expected to be expanding, investment is taking place and Vernon is home to many world class businesses. The completion and presentation of the overview local context as it relates to talent/labour and investment lens is one of many that will be provided to the Local Immigration Council to consider when designing the desired future for the City of Vernon as it related to the attraction and retention of immigrants. Collaboration and commitment by all Vernon community partners and stakeholders is essential in the development to implement the identified actions.

Appendices – Interview Guides

Appendix A - Centres of Influence

Internal USE (TO be filled out by interviewer)

1) Name:	5) Email:
2) Organization:	6) Phone:
3) Website:	7) Date of Interview:
4) Job Title:	8) Urban Matters Consultant:

Introduction

Today it is essential that communities undertake careful and comprehensive strategic planning along with committed and focused action to preserve and enhance their circumstances and quality of life. The City of Vernon recognizes this and is prepared to invest in the creation of an impactful Settlement Strategy.

As mentioned Urban Matters is working with the ***BC Non-Profit Sector Labour Market Partnership Project*** in an effort to d*evelop a best practices guide focused on Promising People Practices as it relates to paid staff.* The goal of BC Non-Profit Sector Labour Market Partnership Project is to:

***Short-term* outcomes (year 1-2):**

1. Enhanced engagement of a diversity of members in settlement and integration of newcomers.
2. Broad-based partnerships developed for planning and setting community priorities.
3. Community and newcomer needs assessed in a coordinated manner, and enhanced awareness of needs among a wider array of local actors.
4. Increased capacity to support the integration of newcomers and foster welcoming communities, including welcoming and receptive labour markets at the community level.

***Long-term* outcomes (years 3+):**

1. Enhanced responsiveness of non-settlement services to the needs of newcomers and communities.
2. Improved coordination of services at the community level and thereby enhanced accessibility and uptake.
3. Sustaining partnerships at the community level.
4. Improved outcomes for newcomers.

Our goal is to better understand Investment and Labour in the North Okanagan and how effective Immigration practices can support the North Okanagan community. Through discussions with Business and Centers of Influence we look to enhance our approach to achieve short and long term goals.

Interview/CONVERSATION – Centers of influence and business in the North Okanagan

1. How long has your organization/business been operating in the North Okanagan?

2. What is your client make up?

3. Do you deal with any businesses looking to invest in the Okanagan?

Current Conditions for Immigrants

In your opinion where is the best fit for Immigrants?

4. As Investors?

5. Which Employers?

6. How would you describe the present economy in Vernon: good or bad; declining or growing; stable or uncontrolled?

7. What are the most important economic activities in Vernon and the immediate surrounding region?

8. Where do you see Vernon 10 years from now (e.g., larger/smaller, new industries, amenities)?

Current Investment Climate

9. What business opportunities/gaps do you see as having potential in Vernon and surrounding area? What types of new industries do you see as being a good fit for Vernon? Why do you say that?

10. In regards to the local population, how receptive would you say they are to new business expansion/investment?

11. Would investors from local sources be different in comparison to domestic or foreign investment? (If yes, how)?

12. Are you aware of any restrictions/limitations on business investment in Vernon that makes investment/business expansion more difficult (e.g., restrictions on the use of foreign personnel, environmental, government regulations)?

13. In terms of foreign investment, which markets/countries do you feel would be a good fit for Vernon? Why do you say that?

14. How would you rank the local market for attracting talent in the following categories; (1-5, 1 = poor 5 = excellent)

- ________ Employment Opportunities
- ________ Affordable Housing
- ________ Positive Attitudes toward Immigrant Talent
- ________ Educational Opportunities
- ________ Accessible Health Care
- ________ Available and Accessible Public Transit
- ________ Access and Opportunities to Use Recreation Facilities

Comments:

15. How would you rate local business support services (i.e. programs and services) (1-5, 1 = poor, 5 = excellent) ____________

Comments:

16. In the following categories, how would you rank the local infrastructure in regards to ease of doing business; (1-5, 1 = poor 5 = excellent)

- ________ Technology
- ________ Communications
- ________ Travel
- ________ Transporting goods
- ________ Other
- ________ Access and Opportunities to Use Recreation Facilities

Comments:

Quality of Life

17. How would you rate the overall quality of life in the region in regards to; (1-5, 1 = poor 5 = excellent)

- Health care and hospital services?
- Safety
- Recreational facilities
- Outdoor Recreational activities
- Arts and Culture?
- Other

Comments:

Succession Planning

18. Many businesses have identified that succession planning to be of critical importance. Is this the case for your organization?

19. In what ways does your organization attempt to address these concerns they may include practices related to long term resource planning, on-the-job mentoring, knowledge management, retirement planning, job transitions, and adapting to an intergenerational workforce.

20. Any final comments that you would like to share regarding immigration, business and the North Okanagan?

Appendix B - Major Employer

Internal USE (TO be filled out by interviewer)

1) Name:	5) Email:
2) Organization:	6) Phone:
3) Website:	7) Date of Interview:
4) Job Title:	8) Urban Matters Consultant:

Introduction

As mentioned Urban Matters is working with the Social Planning Council and the Local Immigration Partnership Council in an effort to develop *a strategic plan that help the community attract and retain immigrants. Of particular interest is the attraction and retention of skilled labour and investors.*

Our goal is to better understand Investment and Labour in the North Okanagan and how effective Immigration practices can support the North Okanagan community. Through discussions with Business and Centers of Influence we look to enhance our approach to achieve short and long term goals.

Interview/CONVERSATION

1. How long has your organization/business been operating in the North Okanagan?

2. How many staff do you have in the Greater Vernon area?

3. What is the makeup of your staff by profession?

4. At present do you have any challenges in attraction or retention of staff? Yes No
   Please describe:

5. Have you any experience with hiring immigrants? Yes No
   Please describe:

6. What were some of the successes you experienced?

7. What were some of the challenges you experienced?

8. What if any external (private, government or NGO) services have you used in the past? What were your experiences with such services?

9. Are there any services (either by private, government or NGO) that you see that would enhance or improve the regions ability to attract and/or retain immigrants?

10. Where do you see your organizations hiring needs in the next 5-10 years from now (e.g., increased/smaller, new skills, address succession)?

11. Are you aware of any restrictions/limitations on attracting employees in Vernon/BC/Canada that makes it more difficult (e.g., qualification and education recognition)?

12. In terms of foreign employees which markets/countries do you feel would be a good fit for Vernon? Why do you say that?

13. In regards to the local residents, how receptive would you say they are to out of country staff and labour?

Market Employment Services

14. How would you rank the local market for attracting talent in the following categories; (1-5, 1 = poor 5 = excellent)

______	Employment Opportunities
______	Affordable Housing
______	Positive Attitudes toward Immigrant Talent
______	Educational Opportunities
______	Accessible Health Care
______	Available and Accessible Public Transit
______	Access and Opportunities to use Recreational Facilities

Comments:

15. How would you rate local business support services in regards to helping businesses hire(i.e. programs and services) (1-5, 1 = poor, 5 = excellent) ____________

Comments:

16. In the following categories, how would you rank the local infrastructure in regards to ease of doing business; (1-5, 1 = poor 5 = excellent)

	Technology
	Communications
	Travel
	Transporting Goods
	Attracting
	Retaining
	Other

Comments:

Quality of Life

17. How would you rate the overall quality of life in the region in regards to; (1-5, 1 = poor 5 = excellent)

	Health Care and Hospital Services
	Safety
	Recreational Facilities
	Outdoor Recreational Activities
	Arts and Culture
	Other

Comments:

Succession Planning

18. Many businesses have identified that succession planning to be of critical importance. Is this the case for your organization?

19. In what ways does your organization attempt to address these concerns they may include practices related to long term resource planning, on-the-job mentoring, knowledge management, retirement planning, job transitions, and adapting to an intergenerational workforce.

20. In what ways can you (or would like to) see the strategic plan being created by the Local Immigration Council Partnership to improve the ability to attract and retain talent and investors?

21. Any final comments that you would like to share regarding immigration, business and the North Okanagan?